17th July 2023

To,

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400001

Scrip Code: 523025

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G-Block, Bandra
Kurla Complex, Bandra (East), Mumbai 400051

Scrip Code: SAFARI

Subject: Notice of the 43rd Annual General Meeting ("AGM") and Annual Report for FY2022-23 of the Company as required under Regulation 30 and Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir / Madam,

Pursuant to Regulation 30 read with Para A, Part A of Schedule III and Regulation 34(1) of SEBI Listing Regulations, attached herewith is the Notice of 43rd AGM to be held on Wednesday, 9th August 2023 at 2:30 pm (IST) through Video Conference (VC) / Other Audio Visual Means (OAVM) along with Annual Report for FY2022-23 of the Company. The said Notice forms part of the Annual Report 2022-23.

The said Annual Report 2022-23 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/ Depositories.

The e-voting details are mentioned below:

Cut-off date (for determining Members eligible for e-voting)	Wednesday, 2nd August 2023
Remote e-voting period	From: Sunday, 6th August 2023 (9:00 am IST) Upto: Tuesday, 8th August 2023 (5:00 pm IST)

The aforesaid Notice and the Annual Report are also available on the website of the Company at www.safaribags.com.

You are requested to kindly take the same on record.

Thanking You.

For S**afari Industries (India) Limited**

RAMEEZ ABDUL HAMID SHAIKH
Digitally signed by RAMEEZ ABDUL HAMID SHAIKH
Date: 2023.07.17 16:50:26 +05'30'

Rameez Shaikh
Company Secretary

Encl: As above

safari

ANNUAL REPORT 2022 - 2023

safari

BOARD OF DIRECTORS :

Mr. Sudhir Jatia *(Chairman & Managing Director)*
Mr. Punkajj Lath
Mr. Dalip Sehgal
Mrs. Vijaya Sampath
Mr. Rahul Kanodia
Mr. Piyush Goenka
Mr. Sumeet Nagar
Mr. Gaurav Sharma
Dr. Shailesh Mehta *(upto 27th July 2022)*

CHIEF FINANCIAL OFFICER :

Mr. Vineet Poddar

COMPANY SECRETARY :

Mr. Rameez Shaikh

REGISTERED OFFICE :

302-303, A Wing, The Qube, CTS No. 1498,
A/2, M. V. Road, Marol,
Andheri (East), Mumbai 400059
(T) +91-22-40381888
(F) +91-22-40381850
(E) investor@safari.in
(W) www.safaribags.com

CIN :

L25200MH1980PLC022812

FACTORY :

Safari Industries (India) Limited
1701/1, 2200 & 2201, GIDC Industrial Estate,
Halol 389350, Dist: Panchmahal (Gujarat)

Safari Manufacturing Limited
Survey No. 331 & 332, Baroda-Halol Highway,
Near Toll Naka, Halol 389350, Dist: Panchmahal (Gujarat)

BANKERS :

Axis Bank Ltd
Citi Bank N.A.
HDFC Bank Ltd
IndusInd Bank Ltd

AUDITORS :

M/s. Walker Chandiok & Co LLP
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT :

Adroit Corporate Services Pvt. Ltd.
18-20, Jaferbhoy Industrial Estate, Makwana Road,
Marol Naka, Andheri (E), Mumbai - 400 059.
Tel.: 91-22-4227 0400
E-mail: info@adroitcorporate.com

43RD ANNUAL GENERAL MEETING

Wednesday, 9th day of August 2023 at 2.30 pm (IST)
Through Video Conferencing ("VC") /
Other Audio Visual Means ("OAVM")

CONTENTS

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

(₹ in Lakh)

		2022-23	2021-22	2020-21	2019-20	2018-19
A.	**Statement of Profit and Loss**					
	Revenue from Operations	**1,21,198.25**	70,517.28	32,797.55	68,586.54	57,765.20
	Other Income	**945.80**	798.43	333.29	95.47	130.60
	Total Income	**1,22,144.05**	71,315.71	33,130.84	68,682.01	57,895.80
	Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	**20,632.01**	6,320.76	(262.73)	7,290.58	5,375.53
	Finance Cost	**796.97**	492.38	578.61	1,021.25	447.42
	Depreciation and Amortisation expenses	**3,330.51**	1,989.07	2,042.37	2,247.39	830.96
	Profit/(Loss) Before Exceptional and Extraordinanry Items	**16,504.53**	3,839.31	(2,883.71)	4,021.94	4,097.15
	Exceptional and Extraordinanry Items	**-**	(928.02)	-	-	-
	Profit/(Loss) Before Tax	**16,504.53**	2,911.29	(2,883.71)	4,021.94	4,097.15
	Tax Expense	**3,995.54**	674.53	(794.01)	955.60	1,376.44
	Profit/(Loss) After Tax	**12,508.99**	2,236.76	(2,089.70)	3,066.34	2,720.71
	Dividend (including proposed and interim dividend	**829.90**	179.12	-	-	134.57
	Dividend %	**175.00**	40.00	-	-	25.00
B.	**Balance Sheet**					
	Share Capital	**474.23**	447.79	447.73	447.28	446.51
	Reserves & Surplus	**42,098.09**	29,650.73	27,451.33	22,620.93	19,609.69
	Loan Funds	**6,009.76**	1,102.40	968.59	7,525.90	10,422.83
	Total Capital Employed	**48,582.08**	31,200.92	28,867.65	30,594.11	30,479.03
	Fixed Assets	**10,744.46**	7,352.95	3,780.96	4,271.36	2,934.52
	Cash and other bank balances	**8,647.46**	5,924.75	6,450.37	155.77	75.35
	Net Assets (Current and Non-Current)	**29,190.16**	17,923.22	18,636.32	26,166.98	27,469.16
	Total Assets Employed	**48,582.08**	31,200.92	28,867.65	30,594.11	30,479.03

**Due to transition from Ind AS 17 to Ind AS 116 on Leases, the nature of expense in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-of-use assets and for interest accrued on lease liability respectively, and therefore, these expenses for the financial years 2019-20 to 2022-23 are not comparable to the year 2018-19, to that extent.*

NOTICE

NOTICE is hereby given that the **43rd Annual General Meeting** of the Members of Safari Industries (India) Limited ("Company") will be held on Wednesday, 9th day of August, 2023 at 2:30 pm (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt:
   a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2023, the reports of the Board of Directors and Auditors thereon; and
   b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2023 and report of the Auditors thereon.

2. To declare final dividend of ₹ 2/- (100%) per equity share for the financial year ended 31st March 2023.

3. To appoint a Director in place of Mr. Piyush Goenka (DIN: 02117859), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

4. To consider and approve payment of remuneration by way of Commission to Non-Executive Directors.

   To consider and if thought fit, to assent or dissent to the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions Section 149(9), 197, 198 of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, read with Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and Articles of Association of the Company, approval of the Members be and is hereby accorded for payment of remuneration by way of commission to the Non-Executive Directors of the Company (including the present and future appointees, if any), the aggregate of which shall not exceed one percent per annum of the Net Profit of the Company in any financial year (computed in the manner prescribed in Section 198 of the Companies Act, 2013) or ₹ 50,00,000 (Rupees Fifty Lakh only) per annum plus taxes at applicable rate, whichever is lower in such amounts, proportions or manner and in all respects as may be decided and directed by the Board of Directors, subject to aforesaid limit."

   "RESOLVED FURTHER THAT the above remuneration shall be in addition to fees payable to the director(s) for attending the meetings of the Board or any Committee thereof as may be decided by the Board of Directors and reimbursement of expenses for participation in such Board and Committee meetings."

   "RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Nomination, Remuneration and Compensation Committee, be and are hereby severally authorised to decide the amount of commission to be paid to each Non-Executive Director and to take all actions and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable."

5. To consider and approve variation in Safari Employee Stock Appreciation Rights Scheme 2022.

   To consider and if thought fit, to assent or dissent to the following resolution as a **Special Resolution:**

   "RESOLVED THAT in partial modification to earlier Special Resolution passed through postal ballot results of which were declared on 15th March 2022 and pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 7 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**"SEBI SBEBSE Regulations"**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**), any other laws, rules, regulations, circulars and guidelines as may be applicable (including any amendment, modification or re-enactment thereof) (**"Applicable Laws"**), and subject to such approvals, consents and permissions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Members of the Company be and are hereby accorded to the Board of Directors of the Company *(hereinafter referred to as the '**Board**' which term shall be deemed to include Nomination, Remuneration and Compensation Committee or any other committee constituted/ to be constituted, to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SEBI SBEBSE Regulations)* to vary the Safari Employee Stock Appreciation Rights Scheme 2022 ("**ESAR Scheme**") as described in the Explanatory Statement by increasing maximum number of equity shares that may be issued towards exercise of Employee Stock Appreciation Rights ("**ESARs**") under the ESAR Scheme from 1,11,947 (One Lakh Eleven Thousand Nine Hundred Forty Seven) having face value of ₹ 2/- each to 3,00,000 (Three Lakh) having face value of ₹ 2/- each.

RESOLVED FURTHER THAT it is hereby noted that the variation to the ESAR Scheme are not prejudicial to the interests of the grantees of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company:

- to make and carry out any modifications, changes, variations, alterations or revisions in the ESAR Scheme or to suspend, withdraw or revive the ESAR Scheme, in accordance with applicable laws prevailing from time to time, as it may deem fit;
- to settle any issues, questions, difficulties or doubts that may arise with regard to the ESAR Scheme, without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;
- to make application to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection;
- to sign and execute all such documents, writings etc., to give such directions and/or instructions as may be necessary from time to time and to do all such incidental and ancillary acts, deeds, matters and things as it may, in its absolute discretion deem fit in conformity with the Applicable Laws, for giving effect to this resolution."

6. To consider and approve reclassification of Authorised Share Capital and consequent alteration of Memorandum of Association of the Company.

To consider and if thought fit, to assent or dissent to the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and all other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof for the time being in force) read with Memorandum of Association and Articles of Association of the Company, the approval of Members be and is hereby accorded to re-classify the Authorized Share Capital of the Company in the below manner:

The existing Authorized Share Capital of the Company i.e. ₹ 10,00,00,000/- (Rupees Ten Crore only) divided into 2,50,00,000 (Two Crore Fifty Lakh) equity shares of ₹ 2/- (Rupees Two only) each and 2,50,00,000 (Two Crore Fifty Lakh) Unclassified Shares of ₹ 2/- (Rupees Two only) be and is hereby re-classified to ₹ 10,00,00,000/- (Rupees Ten Crore only) divided into 5,00,00,000 (Five Crore) equity shares of ₹ 2/- (Rupees Two only) each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

The Authorised Share Capital of the Company is ₹10,00,00,000/- (Rupees Ten Crore only) divided into 5,00,00,000 (Five Crore) equity shares of ₹2/- (Rupees Two only) each ranking pari pasu with the existing shares; with power to the Board to decide on the extent of variation in such rights and to classify and re-classify the shares from time to time into any class of shares and power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company and in conformity with the provisions of the Act and to vary, modify, amalgamate or abrogate any such rights, privileges, conditions or restrictions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may for the time being be provided by the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors (which term shall include any duly constituted and authorized committee thereof) of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as it may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to the said resolution."

7. To consider and approve alteration of Articles of Association of the Company.

To consider and if thought fit, to assent or dissent to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company be and is hereby altered by the amendments in the following manner:

Article No. "3 (n)" as below shall be deleted:

"Investcorp Director" means the director appointed on the Board and/or to the board of any Subsidiary of the Company as nominated by the Investcorp on the Closing Date (as defined in the SSA) or on any date thereafter.

Article No. "3 (n1)" as below shall be deleted:

"Investcorp" means Investcorp Private Equity Fund II.

Article No. "3 (na)" shall be replaced with the following:

"Investors" means MIFL.

Article No. "3 (nc)" as below shall be deleted:

"MVF" shall mean Malabar Value Fund.

Article No. "3 (o)" shall be replaced with the following:

"Person" shall mean the Company, Promoters, MIFL and any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative, authority, joint venture, partnership, association or other entity (whether or not having a separate legal status).

Article No. "3 (r)" as below shall be deleted:

"SSA" shall mean the subscription agreement dated 23rd February, 2021 entered into between the Company, Promoters and Investcorp Private Equity Fund II.

Article No. 99 as below shall be deleted:

Investcorp shall have the right but not the obligation to appoint an Investcorp Director on the Board and/or board of directors of any Subsidiary during the term of the SSA. Investcorp Director shall have the right to nominate an individual to act as alternate director in accordance with the provisions of the Act and the Company and/or the Subsidiary (as the case may be) shall procure the appointment of such nominee as alternate director.

Article No. 100 as below shall be deleted:

The Investcorp Director shall be a non-executive director and shall have no responsibility for the day-to-day management of the Company and/or the Subsidiary (as the case may be). The Company shall nominate directors or persons other than the Investcorp Director as the "officer in default" or "occupier" as contemplated under Applicable Law. In the event that any notice or proceedings have been filed against the Investcorp Director (including to have him included within the scope of "officer in default" or "occupier"), the Company and the Promoters shall take all necessary steps to assist the Investcorp Director in having his / her name excluded / deleted and the charges / proceedings against the Investcorp Director withdrawn and shall also take all steps to defend (if so entitled) and in any case assist in the defense, against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against the Investcorp Director, to the extent permitted by Applicable Law.

Article No. 101 as below shall be deleted:

The Promoters and the Company do not and shall not designate the Investcorp and/or the Investcorp Director as a "promoter", "controlling shareholder" or "officers in default" (by whatever name called) of the Company or an "occupier" under any applicable Laws, including any applicable labour legislations of the Company in any declaration or statement to be made, either directly or indirectly, in filings with regulatory or Governmental Authority, offer documents or otherwise.

Article No. 102 as below shall be deleted:

Nothing contained in this article shall be construed to grant or be deemed to grant the Investcorp any Control over the Company or any right to exercise Control over the Company. The SSA has been entered into merely to enable Investcorp to protect its investments in the Company.

Article No. 126 as below shall be deleted:

(1) Material Issues: No resolution shall be passed or decision taken at a Board meeting of the Company or meeting of the Committee in respect of the matters set out below, unless unanimous vote of all the directors of the Company has been obtained.

   i. Related Party (except Safari Lifestyles Limited) transactions as provided under the Applicable Law;

   ii. Any significant change to the scope or nature of the Business of the Company;

   iii. Commencement or entering into any new line of business other than Business of the Company;

   iv. Adoption of audited annual accounts of the Company;

   v. Any amendments to the Articles of Association or Memorandum of Association other than any amendments mandatorily required by Applicable Law;

   vi. To pass any resolution for the liquidation, dissolution or voluntary winding up of the Company or to apply for the appointment of a receiver, judicial manager, administrator or like officer, to take over the business, undertakings or assets of the Company;

   vii. Any significant change in the off-balance sheet liability structure of the Company such as leasing, encumbrances, transfer, pledge or creation of lien provided the incremental change exceeds 10% of such liabilities immediately prior to the proposed increase and such off balance sheet liability incurred should not be in the ordinary course of Business of the Company;

   viii. Business restructuring, reorganisation and diversification, acquisitions, new investments, mergers, divestments, sale, transfer or amalgamation, of the Company and its material assets (such transfers of assets being otherwise than in the ordinary course of Business), issuance or sale of equity of subsidiaries;

   ix. Taking any action which would result in a change in Control of the Company or participate in or carry out any mergers, arrangement, restructuring, amalgamation, reconstruction (in each case provided the Promoters continue to be in Control), reduction of capital or dispose of substantially all of its assets;

   x. Any strategic, financial or other alliance with a third party which results in any significant investments by or into the Company or offer of any exclusive rights to such third party;

   xi. Change in registered office of the Company;

   xii. Change of auditors of the Company or make any change in the accounting policy and standards in the Company except if prescribed by applicable regulations; and

   xiii. Change in name of the Company.

(2) It is clarified that any decision in relation to any Subsidiary regarding the matters set out in Article 126(1) above, other than in relation to (a) Related Party transactions between the Company and such Subsidiary; and (b) adoption of audited annual accounts of such Subsidiary, shall be discussed at the Board meeting of the Company and shall also be subject to the unanimous vote of all the directors of the Company.

Article No. 132 (3) as below shall be deleted:

In the event the Board forms any committee and/or sub-committee, Investcorp shall have the right but not the obligation to nominate its nominee on that committee and/or sub-committee.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors (which term shall include any duly constituted and authorized committee thereof) of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as it may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to the said resolution."

BY ORDER OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

RAMEEZ SHAIKH
Company Secretary

NOTES :

1. The Ministry of Corporate Affairs ("MCA") has vide its Circular No. 14/2020 dated 8th April 2020, Circular No. 17/ 2020 dated 13th April 2020, Circular No. 20/2020 dated 5th May 2020 and Circular No. 10/2022 dated 28th December 2022 (collectively referred to as 'MCA Circulars') and SEBI Circular No. SEBI/ HO/ CFD/CMD1/CIR/ P/2020/79 dated 12th May 2020 read with SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") permitted the holding of an Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is proposed to be held through VC/ OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. In compliance with the aforesaid MCA Circulars and SEBI Circulars, this Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the Notice will also be available on the Company's website www.safaribags.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.
4. Members are entitled to receive the Notice in physical form, upon request sent through registered email ID to RTA at info@adroitcorporate.in and/or the Company at investor@safari.in
5. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. The Board of Directors at its meeting held on 8th February 2023, had declared interim dividend of ₹ 1.50 per equity share of value of ₹ 2/- each for the financial year ending 31st March 2023. The payment of the interim dividend was made on 24th February 2023.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 15th July 2023 to Friday, 28th July 2023 (both days inclusive) for the purpose of payment of final dividend for FY 2022-23.
9. Subject to the provisions of the Act, the dividend as recommended by the Board of Directors, if declared at the AGM, will be paid within the time prescribed under law, to those Members whose name appear on the Register of Members as on 14th July 2023. The dividend for the shares held in dematerialized form, will be paid to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
10. Pursuant to the provisions of the Income Tax Act, 1961 ("IT Act"), dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at rates prescribed in the IT Act. In order to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company/RTA by sending an email at investor@safari.in and/or info@adroitcorporate.com respectively. For details, Members may refer to the "Communication on TDS on Dividend Distribution" on the website of the Company i.e. www.safaribags.com
11. Dividend, if any, approved by the Members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participant(s). In order to avail the facility of ECS/NECS, Members holding shares in physical form are requested to provide/ update bank account details with the Registrar and Share Transfer Agent or Company. Please refer point no. 23 for the process to be followed for updation of bank details.
12. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of final dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
13. An Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Businesses as set out in this Notice are furnished as part of this Notice.
14. Additional information pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meeting (SS-2), in respect of the Directors seeking re-appointment at the AGM is furnished as Annexure to the Notice.
15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, Certificate from Secretarial Auditor of the Company certifying that the Safari Employee Stock Option Scheme, 2016 and Safari Employees Stock Appreciation Rights Scheme, 2022 are being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and such other documents mentioned in this Notice will be available for inspection on the Company's website at www.safaribags.com. Any Member who may desire to inspect such documents shall write from their registered email ID along with their respective Client ID and DP ID/Folio No. to the Company on investor@safari.in
16. Members desirous of obtaining any information with regards to this Notice are requested to write to the Company at least one week before the AGM to enable the Company to make available the required information at the AGM. The same will be replied by the Company suitably.
17. Corporate Members are required to send a certified copy of the Board Resolution pursuant to Section 113 of the Act, authorising their representative to attend and vote at the AGM to the Company at investor@safari.in or RTA at info@adroitcorporate.com with a copy marked to evoting@nsdl.co.in
18. As the AGM is being conducted through VC/ OAVM, for the smooth conduct of proceedings of the AGM, Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ Folio Number, PAN, mobile number at investor@safari.in at least one week before the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company

reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.

19. When a pre-registered speaker is invited to speak at the Meeting but does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

20. The Board of Directors has appointed Mr. Ninad Awachat, Practicing Company Secretary as the Scrutinizer ("Scrutinizer") to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

21. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The voting results declared along with the Scrutinizer's report shall be communicated to BSE Limited, National Stock Exchange of India Limited and NSDL and it will also be displayed on the Company's website at www.safaribags.com

22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address, loss of share certificates or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

23. a) Pursuant to Regulation 40 of Listing Regulations read with SEBI Circular Nos. SEBI Circular Nos. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 as may be amended from time to time ("Investor Requests Circulars"), the Members holding shares in physical mode are requested to update their PAN, address with pin code, email address, mobile number, bank account details, specimen signature and nomination by holders of physical securities ('KYC Details') with M/s. Adroit Corporate Services Private Limited ("RTA") and/or the Company. Members holding shares in electronic form are requested to furnish details for change/updation of KYC Details to their respective Depository Participant.

    b) In order to update KYC Details and/or process investor requests, the Members are required to submit duly signed relevant forms ISR-1, ISR-2, ISR-3, ISR-4, ISR-5, SH-13 and/or SH-14 as may be amended from time to time ("Forms") along with required supporting documents as stated in the respective Forms, if any. The Forms are available on Company's website link at https://safaribags.com/pages/investor-relations#investor_contacts

    c) The Members may submit the duly signed Forms in order to update their KYC Details through any one of the following modes for submission:

    - In Person Verification (IPV): by producing the originals to the authorised person of the RTA, who will retain copy(ies) of the document(s).
    - In hard copy: by furnishing self-attested photocopy(ies) of the relevant documents, with date.
    - With e-sign: In case your email is already registered with us, you may send the scanned copies of your KYC Details with e-sign only from your registered email ID at our dedicated email-id: info@adroitcorporate.com. Kindly mention the email subject line as '*KYC Updation - (Company Name) Folio No:____________*'

    d) In addition to aforesaid points, the Members are requested to follow the procedure mentioned in SEBI Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May 2022 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated 25th May 2022 in case of transmission of shares and issue of duplicate share certificates, respectively.

    e) All the requests relating to issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission; transposition will be processed upon receipt of relevant documents alongwith requisite Forms on which RTA will issue Letter of Confirmation to the shareholder/claimant with a validity of 120 days, basis which the shareholder/ claimant has to dematerialise the shares in order to give effect to the requests. If shareholder/claimant fails to submit the demat request within the aforesaid period of 120 days from the date of Letter of Confirmation, RTA/Company shall credit the securities to the suspense escrow demat account of the Company.

f) The folios wherein any one of the cited KYC Details are not available with the Company and/or RTA on or after 1st October 2023, shall be frozen as per the Investor Requests Circulars.

g) If the folios continue to remain frozen as on 31st December 2025, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

24. Pursuant to the provisions of Section 124 (5) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') including any statutory modification(s) or re-enactment thereof for the time being in force, dividend for the financial year ended 31st March 2016, which remains unclaimed for a period of seven (7) years from the date of its transfer to the unpaid dividend account of the Company would be transferred to Investor Education and Protection Fund (IEPF). The Members who have so far not yet claimed their dividend for the previous years are advised to submit their claim to the Company and/or RTA by 18th September 2023.

25. Pursuant to the provisions of Section 124(6) of the Act read with IEPF Rules, as amended, all the shares in respect of which dividend has not been claimed for 7 consecutive years or more shall be transferred by the Company in the name of IEPF. The Members who have not claimed/encashed the dividend in the last 7 consecutive years from F.Y. 2015-16 are requested to claim the same to avoid transfer of shares to IEPF by 18th September 2023.

26. Shareholders may note that the unclaimed dividend amount transferred to IEPF and the shares transferred to the demat account of the IEPF including all benefits accruing on such shares, if any, can be claimed back from the IEPF by making an online application in Form IEPF-5 (available on www.iepf.gov.in) along with the fee prescribed to the IEPF authority with a copy to the Company.

27. The details of unclaimed amounts lying with the Company as on 31st March 2023 and list of Shareholders whose equity shares are liable to be transferred to IEPF on or before 17th October 2023 are available on the website of the Company i.e. www.safaribags.com

28. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed in this Notice.

29. Voting through remote e-Voting:

a) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination, Remuneration and Compensation Committee, Stakeholders Relationship Committee and Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

b) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), read with MCA Circulars and SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-Voting period begins on Sunday, 6th August 2023 (9:00 am IST) and ends on Tuesday, 8th August 2023 (5:00 pm IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 2nd August 2023, may cast their vote electronically. The voting right of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the aforesaid cut-off date.

Any person holding shares in physical form and non-individual Shareholders, who acquires shares of the Company and becomes Member of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e. Wednesday, 2nd August 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, and/or forgot password, please follow Step 1: "Access to NSDL e-voting system" below or call on toll free no. 1800 1020 990 and 1800 22 44 30 or 022 48867000/ 022 24997000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Wednesday, 2nd August 2023 may follow steps mentioned in the Notice of the AGM under Step 1:"Access to NSDL e-voting system".

In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-Voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the Meeting.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for individual Shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by listed companies, individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com/ either on a personal computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is

Type of shareholders	Login Method
	launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the Meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest, user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the demat account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their	You can also login using the login credentials of your demat account through login through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting

Type of shareholders	Login Method
depository participants	option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the Meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-4886 7000 and 022-2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than individual Shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and general meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the general meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/ authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ninadawchat@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Anubhav Saxena at evoting@nsdl.co.in or call at 022 48867000/ 022 24997000

Process for those Shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@safari.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@safari.in. If you are an individual Shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for individual Shareholders holding securities in demat mode.**
3. Alternatively, Shareholder/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December 2020 on e-voting facility provided by listed companies, individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through laptops for better experience.
3. Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the Meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESSES TO BE TRANSACTED AT THE MEETING

ITEM NO. 4 :

To approve payment of remuneration by way of Commission to Non-Executive Directors:

The Members of the Company in its meeting held on 13th August 2018 had approved payment of remuneration by way of Commission to Non-Executive Directors upto one percent per annum of the Net Profit of the Company or ₹ 25,00,000/- (Rupees Twenty Five Lakh only) per annum plus taxes at applicable rate, whichever is lower.

Considering the scale and size of the Company and the contribution made by the Non-Executive Directors of the Company, the Nomination, Remuneration and Compensation Committee and the Board of Directors at their meetings held on 16th May 2023, subject to approval of the Members of the Company, had recommended and approved to revise the limit for payment of remuneration by way of commission to the Non-Executive Directors of the Company (including the present and future appointees, if any), at a rate not exceeding one percent per annum of the Net Profit of the relevant financial year of the Company (computed in the manner prescribed in Section 198 of the Companies Act, 2013) or ₹ 50,00,000/- (Rupees Fifty Lakh only) per annum plus taxes at applicable rate, whichever is lower. This commission will be distributed amongst the Non-Executive Directors in such amounts, proportions or manner and in all respects as may be decided and directed by the Board of Directors, subject to aforesaid limit.

According to the provisions of the Section 197 of the Act and Regulation 17 of the Listing Regulations, all fees/ compensation payable to Non-Executive Directors, except sitting fees for attending meetings of the Board or Committees thereof, shall require prior approval of the Members of the Company.

The said commission will be in addition to the sitting fees payable to the Non-Executive Directors for attending the meetings of the Board or Committees thereof and reimbursement of expenses, if any for participation in the Board and Committee meetings.

The Board of Directors recommends the resolution for approval of the Members of the Company as an Ordinary Resolution.

None of the Director, Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the said resolution, except to the extent of the commission the Non-Executive Directors may receive under authority of this resolution.

ITEM NO. 5 :

To approve variation in Safari Employee Stock Appreciation Rights Scheme 2022:

The Company has adopted the Safari Employee Stock Appreciation Rights Scheme 2022 ("ESAR Scheme") with effect from 1st April 2022.

Based on the approval of the Board of Directors, Nomination, Remuneration and Compensation Committee and subject to the approval of the Members, it is proposed to vary ESAR Scheme by increasing maximum number of equity shares that may be issued towards exercise of Employee Stock Appreciation Rights ('ESARs') under the ESAR Scheme from 1,11,947 (One Lakh Eleven Thousand Nine Hundred Forty Seven) having face value of ₹ 2/- each to 3,00,000 (Three Lakh) having face value of ₹ 2/- each.

The Company has witnessed substantial growth in business and profitability post COVID-19. This has transpired into new hiring for meeting the business demand. The Company needs to increase the pool size of the equity shares to grant ESARs to these new hires. Hence, it is proposed to increase the maximum number of equity shares that may be issued under the ESAR Scheme to 3,00,000 (Three Lakh) having face value of ₹ 2/- each.

The beneficiaries of such variation in ESAR Scheme shall be person(s) who are in permanent employment whether in or outside India, including director(s) of the Company and subsidiaries of the Company (other than promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% (ten percent) of the outstanding equity shares of the Company).

The proposed variation to the ESAR Scheme are not prejudicial to the interests of the grantees of the Company.

The amended ESAR Scheme shall be available for inspection by Members on the website of the Company viz. www.safaribags.com from the date of dispatch of this Notice up to the date of the ensuing Annual General Meeting of the Company.

The Board of Directors recommends the resolution for approval of the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise in the resolutions, except to the extent of their entitlements, if any, under the ESAR Scheme.

ITEM NO. 6 :

To approve reclassification of Authorised Share Capital and consequent alteration of Memorandum of Association:

The existing Authorised Share Capital of the Company is ₹ 10,00,00,000/- (Rupees Ten Crore) divided into:

a. 2,50,00,000 (Two Crore Fifty Lakh) Equity Shares of ₹ 2/- (Rupees Two only) each

b. 2,50,00,000 (Two Crore Fifty Lakh) Unclassified Shares of ₹ 2/- (Rupees Two only) each

The Board of Directors in their meeting held on 16th May 2023 approved alteration to the Capital Clause of the Memorandum of Association of the Company in order to re-classify the Authorised Share Capital of the Company subject to approval of the Members of the Company. As per the provisions of Sections 13 of the Companies Act, 2013, a Company can alter the Authorised Share Capital Clause of its Memorandum of Association with the consent of Members.

The alteration in the Memorandum of Association of the Company is only consequential amendment to reflect the reclassification in the Authorised Share Capital of the Company.

The Unclassified Share Capital component of the Authorised Share Capital is sought to be reclassified as Equity Share Capital i.e. ₹ 10,00,00,000 (Rupees Ten Crore only) divided into 5,00,00,000 (Five Crore) equity shares of ₹ 2/- (Rupees Two only) each.

Copy of the amended Memorandum of Association shall be available for inspection by Members on the website of the Company viz. www.safaribags.com from the date of dispatch of this Notice up to the date of the ensuing Annual General Meeting of the Company.

The Board of Directors recommends the resolution for approval of the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise in the resolutions, except to the extent of their shareholding, if any.

ITEM NO. 7:

To consider and approve alteration of Articles of Association of the Company:

As on the date of this Notice, Subscription Agreement signed between the Company, its Promoters and certain investors of the Company have automatically terminated. In this connection, it is necessary to make consequential changes in the Articles of Association of the Company.

The Board of Directors in their meeting held on 16th May 2023 approved to alter such articles in the Articles of Association which have become obsolete.

Copy of the Articles of Association containing draft amended clauses shall be available for inspection by Members on the website of the Company viz. www.safaribags.com from the date of dispatch of this Notice up to the date of the ensuing Annual General Meeting of the Company.

The Board of Directors recommends the resolution for approval of the Members of the Company as a Special Resolution.

None of the Directors and/or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

BY ORDER OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

RAMEEZ SHAIKH
Company Secretary

Additional Information of Director recommended for re-appointment in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards on General Meeting (SS-2):

Name of Director	**Mr. Piyush Goenka**
Date of birth/age	26th July 1977/ 45 years
Qualification	MBA & CFA
Expertise in specific functional areas	Mr. Piyush Goenka has 21 years of experience in Private Equity investing and other financial services.
Date of first appointment on the Board	7th February 2017
Terms and conditions of appointment/ re-appointment	Appointed as Non-Independent, Non-Executive Director whose term of office is liable to retire by rotation.
Details of remuneration sought to be paid	He is entitled for receiving sitting fees and commission, if any.
Details of last drawn remuneration (FY 2022-23)	Sitting Fees : ₹ 3,19,000/- Commission : ₹ 6,00,000/-*
Directorship held in other companies (including listed entities)	• Safari Manufacturing Limited • Arohan Financial Services Limited • J B Ecotex Limited
Listed entities from which the person has resigned in the past three years	• Shilpa Medicare Limited
Chairmanship/ Membership in Committees of other Boards	Member of Audit Committee of - Arohan Financial Services Limited
Shareholding in the Company	Nil
Relationship with other Directors & KMP of the Company	None
Number of meetings of the Board attended during the financial year 2022-23	Attended 4 out of 4 meetings

**Commission will be paid after the financial statements are approved by the Members at the ensuing 43rd Annual General Meeting.*

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 43rd (Forty Third) Director's Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended as on 31st March 2023.

1. STATE OF AFFAIRS OF THE COMPANY:

a) FINANCIAL RESULTS: **(₹ in Lakh)**

Particulars	Standalone		Consolidated	
	2022-23	2021-22	**2022-23**	2021-22
Revenue from operations	**1,21,062.49**	70,493.13	**1,21,198.25**	70,517.28
Other income	**1,104.46**	839.24	**945.80**	798.43
Total income	**1,22,166.95**	71,332.37	**1,22,144.05**	71,315.71
Expenses	**1,06,448.57**	67,427.37	**1,05,639.52**	67,476.40
Profit / (Loss) before exceptional items and tax	**15,718.38**	3,905.00	**16,504.53**	3,839.31
Exceptional items	**-**	(928.02)	**-**	(928.02)
Profit / (Loss) before tax	**15,718.38**	2,976.98	**16,504.53**	2,911.29
Tax expense	**3,824.19**	676.46	**3,995.54**	674.53
Profit / (Loss) after tax	**11,894.19**	2,300.52	**12,508.99**	2,236.76
Other comprehensive income	**(29.23)**	(47.37)	**(28.65)**	(47.37)
Total comprehensive income for the period	**11,864.96**	2,253.15	**12,480.34**	2,189.39

b) PERFORMANCE REVIEW:

<u>**Standalone:**</u>

The total income of the Company for the financial year 2022-23 stood at ₹ 1,22,166.95 Lakh as against last years' ₹ 71,332.37 Lakh. Profit before tax for the year was at ₹ 15,718.38 Lakh as against last year's ₹ 2,976.98 Lakh. The total comprehensive income was ₹ 11,864.96 Lakh as against ₹ 2,253.15 Lakh of the previous year.

As on 31st March 2023, the Reserves and Surplus of the Company were at ₹ 41,488.99 Lakh.

<u>**Consolidated:**</u>

The total income of the Company for the financial year 2022-23 stood at ₹ 1,22,144.05 Lakh as against last years' ₹ 71,315.71 Lakh. Profit before tax for the year was at ₹ 16,504.53 Lakh as against last years' ₹ 2,911.29 Lakh. The total comprehensive income was ₹12,480.34 Lakh as against ₹ 2,189.39 Lakh of the previous year.

Highlights on the performance of wholly owned subsidiaries and their contribution to the overall performance of the Company:

a) Safari Lifestyles Limited:

The total income of the Safari Lifestyles Limited for the financial year 2022-23 stood at ₹ 227.71 Lakh as against last year's ₹ 95.21 Lakh. Profit before tax was at ₹ 6.94 Lakh as against last year's Loss of ₹ (30.23) Lakh. The total comprehensive income was ₹ 9.16 Lakh as against ₹ (34.28) Lakh of the previous year.

b) Safari Manufacturing Limited:

The total income of the Safari Manufacturing Limited for the financial year 2022-23 stood at ₹ 11,663.62 Lakh as against last year's ₹ 1.20 Lakh. Profit before tax was at ₹ 929.67 Lakh as against last year's Loss of ₹ (48.59) Lakh. The total comprehensive income was ₹ 751.88 Lakh as against ₹ (45.90) Lakh of the previous year.

DIRECTORS' REPORT (contd..)

2. **DIVIDEND:**

The Board of Directors are pleased to recommend for your consideration a final dividend of ₹ 2/- per equity share of ₹ 2/- each i.e. 100% on the paid up value for the financial year 2022-23. (in previous year, the Company declared and paid dividend of ₹ 0.80 per equity share of ₹ 2/- each i.e. 40% on the paid up value).

During the year under review, the Board of Director's in its Meeting held on 8th February 2023, declared and paid interim dividend at the rate of ₹ 1.50 (75%) per equity share of ₹ 2/- each to those Members whose names appear on the Register of Members of the Company on the record date i.e. 17th February 2023.

3. **TRANSFER TO RESERVES:**

It is not proposed to transfer any amount to reserves out of the profits earned during FY 2022-23.

4. **SHARE CAPITAL:**

During the year under review, the Company's paid-up share capital increased from ₹ 4,47,79,000/- (Rupees Four Crore Forty Seven Lakh Seventy Nine Thousand Only) to ₹ 4,74,22,580/- (Rupees Four Crore Seventy Four Lakh Twenty Two Thousand Five Hundred and Eighty Only) on account of conversion of 13,15,790 Compulsorily Convertible Debentures to 13,15,790 Equity Shares and issuance of 6,000 Equity Shares through ESOP Allotments.

Reclassification of Authorised Share Capital:

The Board of Directors in their meeting held on 16th May 2023 approved re-classification of Authorised Share Capital of the Company subject to approval of the Members of the Company. The Unclassified Share Capital component of the Authorised Share Capital is sought to be reclassified as Equity Share Capital i.e. ₹ 10,00,00,000 (Rupees Ten Crore only) divided into 5,00,00,000 (Five Crore) equity shares of ₹ 2/- (Rupees Two only) each.

Equity shares with differential rights:

The Company has not issued any equity shares with differential rights and hence, no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Sweat equity shares:

The Company has not issued any sweat equity shares during the year under review and hence, no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

5. **TRANSFER TO INVESTORS' EDUCATION AND PROTECTION FUND:**

In accordance with the applicable provisions of Section 124 and 125 of the Companies Act, 2013 (the Act) and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereof, the relevant dividend amounts which remain unpaid and unclaimed for a period of seven years have been transferred to the Investor Education and Protection Fund from time to time. Further, Equity Shares in respect of which dividend has not been encashed by the Members during the last seven years, from the date of transfer to the unpaid dividend account of the Company, has been transferred to the designated Suspense Account as prescribed by the IEPF Authority from time to time.

Details of the unpaid and unclaimed dividend amount lying with the Company as on 31st March 2023 have been uploaded on the Company's website at https://safaribags.com/pages/investor-relations#unclaimed_unpaid_dividends.

6. **DIRECTORS:**

a) **RETIREMENT BY ROTATION:**

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Piyush Goenka, Director (DIN: 02117859) of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Mr. Piyush Goenka has provided his consent for re-appointment.

The aforesaid re-appointment with a brief profile and other related information of Mr. Piyush Goenka forms part of the Notice convening the ensuing AGM.

DIRECTORS' REPORT (contd..)

b) INDEPENDENT DIRECTORS:

Dr. Shailesh Mehta, Non-Executive and Independent Director of the Company was re-appointed on 28th July 2019 for a period of 3 years. He ceased to be the director of the Company since his tenure as Non-Executive and Independent Director expired on 27th July 2022 and pursuant to Section 149 of the Act, he was not eligible for re-appointment. The Board placed on record it's appreciation for the valuable contribution made by him.

During the year under review, pursuant to Section 134(3)(d) of the Act, declarations were received from all the Independent Directors confirming they fulfil the criteria of independence specified under Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms and conditions of appointment of Independent Directors are placed on the website of the Company at https://files.safaribags.com/pub/media/Appointment_Letter/Safari-Industries-India-Ltd-Appointment-lettter-for-Independent-Directors.pdf.

c) KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1.	Mr. Sudhir Jatia	Managing Director
2.	Mr. Vineet Poddar	Chief Financial Officer
3.	Mr. Rameez Shaikh	Company Secretary

d) NOMINATION AND REMUNERATION POLICY:

The Company has adopted a Nomination and Remuneration Policy on criteria for determining Directors' appointment and remuneration including qualifications, positive attributes, independence of a director and other matters provided under Section 178 (3) of the Act. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

The said Policy lays down the guidelines to be followed in relation to:

A. Appointment of the directors and key managerial personnel of the Company;

B. Fixation of the remuneration of the directors, key managerial personnel and other employees of the Company; and

C. Evaluation of performance of directors, key managerial personnel and other employees of the Company.

The objective of this Policy is to inter-alia:

A. Attract, recruit and retain good and exceptional talent;

B. List down the criteria for determining the qualifications, positive attributes and independence of the directors of the Company;

C. Ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;

D. Motivate such personnel to align their individual interests with the interests of the Company and further the interests of its stakeholders;

E. Ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and

F. Fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency and sustained long-term value creation for its stakeholders.

The Nomination and Remuneration Policy of the Company can be viewed on website of the Company at https://files.safaribags.com/pub/media/Polices/Nomination_and_Remuneration_Policy.pdf.

DIRECTORS' REPORT (contd..)

e) **MANNER OF FORMAL EVALUATION OF BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

During the year under review, performance evaluation of the Board as a whole, its Committees and Individual Directors have been carried out as per the provisions of the Act. All Independent Directors of the Company at their meeting held on 8th February 2023 have evaluated the performance of the Board as a whole, Committees of Board, the Chairman of the Company and the Non-Independent Directors as per the criteria adopted by the Nomination, Remuneration and Compensation Committee and the Board.

The performance evaluation of the Board was based on various parameters such as qualification of Board Members, their diversity of experience and background, whether the Members of the Board met all applicable independence requirements, sufficient number of Board meetings and Committee meetings etc. The performance of the individual Directors was evaluated on parameters such as qualifications, experience, independence, participation in Board Meetings and Committee Meetings, etc.

The evaluation of the Independent Directors was carried out by the entire Board excluding the Independent Director being evaluated.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

f) **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS DURING THE YEAR:**

During the year under review, the Board of Directors have held four (4) Board Meetings. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed as **Annexure A.**

g) **COMPOSITION OF AUDIT COMMITTEE:**

The Audit Committee of the Board of Directors of the Company comprises of the following members as on 31st March 2023:

Sr. No.	Name of Member	Position	Category
1.	Mr. Dalip Sehgal	Chairman	Non-Executive Independent
2.	Mrs. Vijaya Sampath	Member	Non-Executive Independent
3.	Mr. Gaurav Sharma	Member	Non-Executive Non-Independent
4	Mr. Punkajj Lath	Member	Non-Executive Independent

Recommendations of the Audit Committee not accepted by the Board of Directors of the Company, along with the reasons thereof: None

7. **CORPORATE GOVERNANCE REPORT:**

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Corporate Governance Report together with a Certificate from M/s. Ninad Awachat & Associates, Practicing Company Secretaries confirming compliance thereto is enclosed with the Corporate Governance Report as **Annexure A**.

In compliance with the requirements of Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a certificate from the Managing Director and Chief Financial Officer of the Company was placed before the Board. The same is enclosed as a part of the Corporate Governance Report.

All the Board Members and Senior Management Personnel of the Company had affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Managing Director is enclosed as a part of the Corporate Governance Report.

8. **PARTICULARS OF EMPLOYEES:**

The information pursuant to Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure B**.

The statement containing particulars of remuneration of employees as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure C** of this Report.

DIRECTORS' REPORT (contd..)

In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid **Annexure C**. This Annexure will be available on the website of the Company 21 days prior to the date of the AGM. The information is also available for inspection by the Members at the Registered Office of the Company between 11:00 am (IST) to 1:00 pm (IST) on all working days except Saturdays, Sundays and Public Holidays up to the date of the AGM. Any Member desirous of obtaining a copy of the said Annexure may write to the Company Secretary at the Registered Office Address and/or send an E-mail at investor@safari.in.

9. SAFARI EMPLOYEE STOCK OPTION SCHEME 2016:

Presently, the Company has Employee Stock Option (ESOP) Scheme namely Safari Employee Stock Option Scheme 2016 ("the ESOP Scheme") which helps the Company to retain and attract the right talent. The Nomination, Remuneration and Compensation Committee monitors the Company's ESOP scheme.

There are no changes in the ESOP Scheme and the ESOP Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The disclosures required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the website of the Company at https://www.safaribags.com/investors-relations/annual-reports/

10. SAFARI EMPLOYEES STOCK APPRECIATION RIGHTS SCHEME 2022:

The Company has Safari Employees Stock Appreciation Rights Scheme, 2022 ('ESAR' /'the ESAR Scheme') with an objective of rewarding the employees for association, dedication and contribution to the goals of the Company. The Company intends to use this ESAR Scheme to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The ESAR Scheme covers eligible employees of the Company and its wholly owned subsidiaries.

During the year under review, there were no changes in the ESAR Scheme and the ESAR Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. Based on the approval of the Nomination, Remuneration and Compensation Committee and Board of Directors and subject to the approval of the Members, it is proposed to vary ESAR Scheme by increasing maximum number of equity shares that may be issued towards exercise of Employee Stock Appreciation Rights ('ESARs') under the ESAR Scheme from 1,11,947 (One Lakh Eleven Thousand Nine Hundred Forty Seven) having face value of ₹ 2/- each to 3,00,000 (Three Lakh) having face value of ₹ 2/- each.

The disclosures required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the website of the Company at https://www.safaribags.com/investors-relations/annual-reports/

11. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134 OF THE ACT:

The Directors hereby confirm:

a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that they have prepared the annual accounts on a going concern basis;

e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS' REPORT (contd..)

12. AUDITORS:

M/s. Walker Chandiok & Co LLP were appointed as Statutory Auditors of the Company for the period of five years commencing from the conclusion of 42nd AGM of the Company till the conclusion of 47th AGM of the Company.

The Auditor's Report for the year under review does not contain any qualification, reservation or adverse remark.

13. INTERNAL AUDITORS:

Based on the recommendation of the Audit Committee of the Company, the Board of Directors of the Company has appointed M/s. Moore Singhi Advisors LLP as the Internal Auditors of the Company.

14 SECRETARIAL AUDIT REPORT:

In accordance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ninad Awachat & Associates, Practicing Company Secretaries (Membership No. 26995 & CP No. 9668) to conduct Secretarial Audit for the financial year 2022-23.

The Report of the Secretarial Auditor is annexed hereto as **Annexure D**. The said Report contains no qualification, reservation or adverse remark except delay in re-constitution of Nomination, Remuneration and Compensation Committee as prescribed Regulation 19(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31st March 2022, which was complied w.e.f. 1st March 2022.

15. ACCOUNTING TREATMENT:

The Accounting Treatment is in line with the applicable Indian Accounting Standards (IND-AS) recommended by the Institute of Chartered Accountants of India and prescribed by the Central Government, as may be amended from time to time.

16. SUBSIDIARIES:

As on the financial year ended 31st March, 2023, the Company has following 2 (two) wholly owned subsidiaries:

a) Safari Lifestyles Limited; and

b) Safari Manufacturing Limited.

Further, during the year under review, no companies have become/ceased to be joint venture or associate companies of the Company.

During the year under review, Safari Manufacturing Limited, the wholly owned subsidiary of the Company has successfully commenced its commercial production/manufacturing of luggage on 17th June 2022 at its newly set up factory situated at Halol, Gujarat.

The Consolidated Financial Statements of the Company include the financial statements of the aforesaid wholly owned subsidiaries of the Company for the financial year 2022-23. The Financial Statements of wholly owned subsidiaries are also placed on the website of the Company. Any Member desirous of obtaining a copy of the said Financial Statements may send an e-mail to the Company Secretary at investor@safari.in for the same.

The Report on the performance and financial position of wholly owned subsidiaries in Form AOC-1 pursuant to first proviso to Sub-section (3) of Section 129 of the Act and Rule 5 of Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure E.**

17. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Board of Directors has adopted a Policy on Internal Financial Controls to ensure orderly and efficient conduct of the business of the Company including the Company's policies. The said Policy is adequate and is operating effectively.

18. RISK MANAGEMENT POLICY:

The Company has adopted the Risk Management Policy, the brief of the same is disclosed in the Corporate Governance Report annexed as **Annexure A** to this report.

DIRECTORS' REPORT (contd..)

19. PARTICULARS OF CONTRACTS WITH RELATED PARTIES:

All the related party transactions entered by the Company during the year under review were in the ordinary course of business, on arm's length basis and in accordance with the provisions of the Act read with the Rules issued thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no material related party transactions entered during the year under review.

Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

20. VIGIL MECHANISM/WHISTLE BLOWERS POLICY:

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In order to achieve the same, the Company has formulated a Whistle Blowers Policy to provide a secure environment and to encourage all employees, Directors, Members, customers, vendors and/ or third party intermediaries of the Company to report unethical, unlawful or improper practices, acts or activities in the Company and to prohibit managerial personnel from taking any adverse action against those employees/ persons who report such practices in good faith.

The Policy has been uploaded on the website of the Company at https://files.safaribags.com/pub/media/Polices/Whistle_Blowers_Policy.pdf

21. PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS UNDER SECTION 186 OF THE ACT:

Details of loans, guarantees and investments covered under Section 186 of the Act forms part of the notes to the Standalone Financial Statements.

22. ANNUAL RETURN:

The Annual Return for financial year 2022-23 has been uploaded on the website of the Company at https://safaribags.com/pages/investor-relations#annual_returns

23. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

Details on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, etc. are annexed as **Annexure F** to this Report.

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure G** to this Report.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

The Company has adopted a CSR Policy in accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The same is available on the website of the Company at https://files.safaribags.com/pub/media/CSR/Policy_on_corporate_social_responsibily.pdf

The composition of the CSR Committee is disclosed in the Corporate Governance Report which is annexed as **Annexure A** to this report. The report on CSR activities undertaken by the Company for the year under review is annexed to this Report as **Annexure H**.

27. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility

DIRECTORS' REPORT (contd..)

and Sustainability Report for the year under review is annexed as **Annexure I** to this Report.

28. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The information required as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in the Corporate Governance Report which is annexed as **Annexure A** to this Report.

The Policy for Prevention of Sexual Harassment of Women at Workplace has been uploaded on the website of the Company at https://files.safaribags.com/pub/media/Polices/Policy_for_Prevention-_of_sexual_harassment.pdf

29. DIVIDEND DISTRIBUTION POLICY:

In compliance with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy formulated by the Company is available on the website of the Company at https://files.safaribags.com/pub/media/Polices/Dividend_Distribution_Policy.pdf

30. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events during the year under review:

a) Details relating to deposits covered under Chapter V of the Act.

b) Change in nature of Company's business.

c) Details of significant and material orders passed by Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

d) Material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year and the date of Report.

e) No material fraud has been reported by the Auditors to the Audit Committee of the Board.

f) Maintenance of cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Act is not applicable to the Company.

g) No application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

31. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the dedicated services of the employees of your Company at all levels. Further, the Directors would also like to express their gratitude for the continued support of all the stake-holders and last but not the least our valued Members, for all their support and trust reposed in the Company.

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

SUDHIR JATIA
Chairman & Managing Director
DIN:00031969

Place: Mumbai
Date: 16th May 2023

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure A
REPORT ON CORPORATE GOVERNANCE

1. **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine a Management's ability to make sound decisions vis-à-vis all its stakeholders - in particular, its Members, creditors, the state and employees.

We firmly believe that Board independence is essential to bring objectivity and transparency in the Management and in the dealing of the Company. We keep our governance practices under continuous review.

2. **BOARD OF DIRECTORS:**

(A) Composition and categories of Directors:

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Section 149 of the Companies Act, 2013 ('Act'). The composition of the Board of Directors consists of an optimum combination of Executive and Non-Executive Directors and an optimum representation of Independent Directors as follows:

Name of Director	Category
Mr. Sudhir Jatia	Promoter and Executive
Mr. Punkajj Lath	Non-Executive and Independent
Mr. Dalip Sehgal	Non-Executive and Independent
Mrs. Vijaya Sampath	Non-Executive and Independent
Mr. Rahul Kanodia	Non-Executive and Independent
Mr. Piyush Goenka	Non-Executive and Non-Independent
Mr. Sumeet Nagar	Non-Executive and Non-Independent
Mr. Gaurav Sharma	Non-Executive and Non-Independent

Dr. Shailesh Mehta (DIN: 01633893) ceased to be the director of the Company since his tenure as Non-Executive and Independent Director expired on 27th July 2022 and pursuant to Section 149 of the Act, he was not eligible for re-appointment.

(B) Attendance of each Director at the Board Meetings and the last AGM:

4 (Four) meetings of the Board of Directors were held during the financial year 2022-23 i.e. on 13th May 2022, 11th August 2022, 4th November 2022 and 8th February 2023.

The attendance record of all Directors is as follows:

Name of Director	No. of Board Meetings		Attendance at last AGM held on 11th August 2022
	Held	Attended	
Mr. Sudhir Jatia	4	4	Yes
Mr. Punkajj Lath	4	4	Yes
Mr. Dalip Sehgal	4	3	Yes
Mrs. Vijaya Sampath	4	4	Yes
Mr. Rahul Kanodia	4	2	Yes
Mr. Piyush Goenka	4	4	Yes
Mr. Sumeet Nagar	4	4	Yes
Mr. Gaurav Sharma	4	4	Yes
Dr. Shailesh Mehta*	1	1	NA

Dr. Shailesh Mehta ceased to be Director of the Company w.e.f. 27th July 2022.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

(C) Number of other Board of Directors or Committees in which a Director is a Member or Chairperson:

Name of Director	No of other Directorship($)	Number of Memberships in Committees of other Companies ($)(*)	Number of Chairperson in Committees of other Companies ($)(*)
Mr. Sudhir Jatia	2	-	-
Mr. Punkajj Lath	3	1	-
Mr. Dalip Sehgal	-	-	-
Mrs. Vijaya Sampath	8	6	-
Mr. Rahul Kanodia	4	2	-
Mr. Piyush Goenka	3	1	-
Mr. Sumeet Nagar	-	-	-
Mr. Gaurav Sharma	1	-	-

($) includes public companies only.

(*) Only two committees, namely, Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of Listing Regulations.

All the Directors have informed the Company periodically about their Directorship and Membership on the Board/ Committees of the Board of other companies.

As per the disclosures received, none of the Directors of the Company are directors in more than 20 companies including 10 public limited companies or act as a director in more than 7 listed companies (including independent directorship) or act as an independent director in more than 3 listed companies in cases where he/she is serving as whole time director or managing director in any listed company. Further, none of the Directors hold membership in more than 10 committees or act as the chairman in more than 5 committees across all public limited companies and listed companies in which he/ she is a director. As per Regulation 26 of Listing Regulations, Audit Committee and Stakeholders Relationship Committee have been considered for committee membership and chairmanship.

Details of Directorships held by Directors in other listed entities and category of such directorship is as follows:

a) Mrs. Vijaya Sampath

Sr. No	Name of Listed Entity	Category of Directorship
1	Varroc Engineering Limited	Non-Executive Independent
2	Craftsman Automation Limited	Non-Executive Independent
3	Intellect Design Arena Limited	Non-Executive Independent
4	Ingersoll Rand India Limited	Non-Executive Independent
5	VA Tech Wabag Limited	Non-Executive Independent

b) Mr. Rahul Kanodia

Sr. No	Name of Listed Entity	Category of Directorship
1	Datamatics Global Services Limited	Executive Non-Independent

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

c) **None of the following director holds directorship in other listed entity:**
1. Mr. Sudhir Jatia;
2. Mr. Punkajj Lath;
3. Mr. Piyush Goenka;
4. Mr. Sumeet Nagar;
5. Mr. Gaurav Sharma;
6. Mr. Dalip Sehgal.

(D) Disclosure of relationships between Directors:

As on 31st March 2023, none of the Directors are related to each other.

(E) Number of shares and convertible instruments held by Non- Executive Directors:

As on 31st March 2023, none of the Non- Executive Directors hold any shares or convertible instruments of the Company.

(F) Web link where details of familiarisation programmes imparted to Independent Directors is disclosed:

The Board of Directors of the Company has adopted a Familiarization Program for Independent Directors of the Company. Details of the Familiarization Program has been disclosed on the website of the Company. The same can be viewed at https://files.safaribags.com/pub/media/Polices/Safari-Familiarization-Programme.pdf

(G) Fulfilment of the criteria to be Independent Director:

In opinion of the Board, all the Independent Directors of the Company meet the requirements laid down under Section 149 of the Act and Regulation 16 of the Listing Regulations and have declared that they do not fall under any disqualifications specified thereunder.

(H) Completion of tenure of Independent Director:

Dr. Shailesh Mehta (DIN: 01633893) ceased to be the director of the Company since his tenure as Non-Executive and Independent Director expired on 27th July 2022 and pursuant to Section 149 of the Act, he was not eligible for re-appointment.

(I) Separate Meeting of Independent Directors:

As stipulated under Section 149 of the Act read with Schedule IV pertaining to the Code of Independent Directors and Regulation 25 of Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 8th February 2023 with the following agenda:

- To review performance of the Board on different lines as stipulated in the Schedule IV of the Act and Listing Regulations as follows:
  - Performance evaluation of Non-Independent Directors;
  - Performance evaluation of Board as a whole and Committees of the Board;
  - Performance evaluation of Chairman;
  - Evaluation of flow of Information.

(J) Skills/expertise/competence of Board of Directors:

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. These Directors are nominated based on well-defined selection criteria. The Nomination, Remuneration and Compensation Committee considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of such Director. The Board of Directors have, based on the recommendations of the Nomination, Remuneration and Compensation Committee, identified the following core key skills/ expertise/

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board of Directors of the Company and mapped against each of the Directors:

Name of Director	Finance	Law, Governance and Risk	Sales, Marketing	Investment	Research, Technical Operations
Mr. Sudhir Jatia		✓	✓		✓
Mr. Punkajj Lath			✓		✓
Mr. Dalip Sehgal			✓		✓
Mrs. Vijaya Sampath		✓			
Mr. Rahul Kanodia			✓		✓
Mr. Piyush Goenka	✓			✓	
Mr. Sumeet Nagar				✓	
Mr. Gaurav Sharma				✓	

3. **AUDIT COMMITTEE:**

Composition and Meetings of the Audit Committee:

As on 31st March 2023, the Audit Committee comprises of Members as stated below. The Committee met 5 (Five) times during the financial year 2022-23 i.e. on 12th April 2022, 13th May 2022, 11th August 2022, 4th November 2022 and 8th February 2023.

The composition and attendance of Members at the Committee Meeting is given below:

Name of Member	Category	Number of meetings attended
Mr. Dalip Sehgal[1]	Chairman	4 out of 5
Mr. Punkajj Lath	Member	5 out of 5
Mr. Gaurav Sharma	Member	5 out of 5
Mrs. Vijaya Sampath[2]	Member	3 out of 3

[1] *Mr. Dalip Sehgal was appointed as Chairman of the Audit Committee with effect from 14th May 2022.*

[2] *Mrs. Vijaya Sampath was appointed as member of the Audit Committee with effect from 14th May 2022.*

Dr. Shailesh Mehta ceased to be chairman of the Audit Committee with effect from 13th May 2022. He attended 2 out of 2 Audit Committee meetings.

The Company Secretary acts as the Secretary to the Audit Committee.

In accordance with Listing Regulations and Section 177 of the Act, the terms of reference of the Audit Committee inter-alia include:

1) Oversee Company's financial process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2) Reviewing with the management, the quarterly and annual financial statements and auditors report thereon before submission to the board for approval;
3) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take steps in this matter; and,
4) Approval of appointment of Chief Financial Officer after assessing qualification, experience and background etc. of the candidate etc.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

4. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE:

Composition and Meetings of the Nomination, Remuneration and Compensation Committee:

As on 31st March 2023, the Committee comprises of Members as stated below. The Committee met 4 (Four) times during the financial year 2022-23 i.e. on 13th May 2022, 9th June 2022, 11th August 2022 and 4th November 2022.

The Composition and attendance of Members at the Committee meeting is given below:

Name of Member	Category	Number of meetings attended
Mr. Punkajj Lath	Chairman	4 out of 4
Mrs. Vijaya Sampath	Member	4 out of 4
Mr. Gaurav Sharma	Member	4 out of 4
Mr. Rahul Kanodia[1]	Member	3 out of 3

[1] *Mr. Rahul Kanodia was appointed as member of the Nomination, Remuneration and Compensation Committee with effect from 14th May 2022.*

Dr. Shailesh Mehta ceased to be member of the Nomination, Remuneration and Compensation Committee with effect from 13th May 2022.

In accordance with Listing Regulations and Section 178 of the Act, the terms of reference of the Nomination, Remuneration and Compensation Committee inter-alia include:

A. Compensation Policies:

1. To review performance of Directors and Senior Managerial Personnel.
2. To make recommendations to the Board with respect to incentive compensation plans.
3. To recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees.
4. Implementation, approval, oversight and superintendence of Employee Stock Option Purchase ("ESOP") scheme, also known as 'Safari Employee Stock Option Scheme 2016' and Stock Appreciation Rights ("SAR") Scheme, also known as 'Safari Stock Appreciation Rights Scheme 2022'.
5. Recommending to the Board the compensation/ remuneration in whatever form of Senior Management.

B. Nomination of Directors:

1. Review and recommend the structure, size and composition (based on skills, experience, knowledge and diversity) of the Board.
2. Identifying the persons who are qualified to become directors and Senior Management in accordance with criteria laid down.
3. To formulate the criteria to determine the qualifications, qualities, skills, positive attributes, independence of a Director.
4. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience etc.
5. To develop and recommend to the Board for approval a succession plan for top level management.
6. To develop, recommend and review, a succession plan for top level management.
7. To consider and recommend whether to extend or continue the term of appointment of the Independent Directors.

C. Performance Evaluation and Leadership Development

1. Evaluation of performance of Independent Directors and Board of Directors.
2. Devising policy on diversity of Board of Directors.
3. To carry out such other tasks and programs as may be necessary to enable the Directors, Key Managerial Personnel and Senior Management to discharge their functions efficiently.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Performance evaluation criteria for Independent Directors of the Company:

During the year under review, performance evaluation of the Independent Directors was carried out by the entire Board excluding the Independent Director being evaluated as per the criteria adopted by the Board. The performance evaluation was evaluated on the various parameters such as participation at Board/ Committee Meetings, relationship, knowledge and skill, independence, overall rating of Director performance.

5. REMUNERATION OF DIRECTORS:

Remuneration to Managing Director:

Mr. Sudhir Jatia was re-appointed as the Managing Director of the Company for a period of 5 years with effect from 18th April 2021 till 17th April 2026. His remuneration includes basic salary, contribution to provident fund, gratuity, variable performance pay upto 1% of the net profit calculated as per Section 198 of the Act and perquisites (including monetary value of taxable perquisites) etc.

The remuneration paid to Mr. Sudhir Jatia for the financial year 2022-23 is as follows:

Particulars of Remuneration	₹ (In Lakh)
Gross salary Salary as per provisions contained in Section 17(1) of the Income-tax Act,1961	111.33
Value of perquisites u/s 17(2) Income-tax Act, 1961	11.55
Performance linked variable pay*	50.00
Total	172.88

** Performance linked variable pay will be paid after the financial statements are approved by the Members at the ensuing 43rd Annual General Meeting.*

Service contract / notice period / severance fees:

As per the Employment Agreement entered into by the Company with Mr. Sudhir Jatia, Managing Director, either party can terminate the agreement by giving 6 (six) months' notice in writing to the other party. The Employment Agreement does not contain any provisions for payment of any severance fees in case of cessation of employment of the Managing Director.

Remuneration and sitting fees paid to Non-Executive Directors:

The Non-Executive Independent Directors are paid remuneration by way of sitting fees and commission. The Company pays Rs. 75,000/- per meeting for Board Meeting, ₹ 30,000/- per meeting for Audit Committee, ₹ 10,000/- per meeting for Nomination, Remuneration and Compensation Committee & Corporate Social Responsibility Committee, ₹ 1,500/- per meeting for Stakeholders' Relationship Committee and ₹ 5,000/- per meeting for Risk Management Committee.

The remuneration paid to other Directors for the financial year 2022-23 is as follows:

Particulars of Remuneration	**Name of Directors**				**Total Amount (₹ in Lakh)**
Independent Directors	**Dr. Shailesh Mehta[1]**	**Mr. Punkajj Lath**	**Mr. Dalip Sehgal**	**Mrs. Vijaya Sampath**	
Fee for attending Board/ Committee meetings	1.35	5.11	3.35	4.60	14.41
Commission*	-	5.00	5.50	6.00	16.50
Others, please specify	-	-	-	-	-
Total (1)	**1.35**	**10.11**	**8.85**	**10.60**	**30.91**
Other Non-Executive Directors	**Mr. Rahul Kanodia**	**Mr. Piyush Goenka[2]**	**Mr. Sumeet Nagar[3]**	**Mr. Gaurav Sharma[3]**	
Fee for attending Board/ Committee meetings	1.80	3.19	-	-	4.99
Commission*	2.50	6.00	-	-	8.50
Others, please specify	-	-	-	-	-
Total (2)	**4.30**	**9.19**	**-**	**-**	**13.49**
Total (1+2)					**44.40**

** Commission will be paid after the financial statements are approved by the Members at the ensuing 43rd Annual General Meeting.*

[1] During the year, Dr. Shailesh Mehta ceased to be Non-Executive and Independent Director of the Company w.e.f. 27th July 2022.

[2] Mr. Piyush Goenka withdrew his waiver w.r.t entitlement to receive sitting fees of Committees w.e.f. 4th November 2022.

[3] Mr. Sumeet Nagar and Mr. Gaurav Sharma have waived off their entitlement to receive sitting fees and commission.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Composition and Meetings of the Stakeholders Relationship Committee:

As on 31st March 2023, the Committee comprises of Members as stated below. The Committee met 15 (Fifteen) times during the financial year 2022-23.

The Composition and attendance of Members at the Committee meeting is given below:

Name of Member	Category	Number of meetings attended
Mr. Punkajj Lath	Chairman	14 out of 15
Mr. Sudhir Jatia	Member	15 out of 15
Mr. Piyush Goenka	Member	14 out of 15

Mr. Rameez Shaikh, Company Secretary acts as Compliance Officer of the Company.

The details of Shareholders' complaints received and disposed-off during the year under review is as follows:

Number of Complaints	
Pending at the beginning of the financial year	Nil
Received during the financial year	1
Disposed off during the financial year	1
Pending at the end of the financial year	Nil

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE :

Composition and Meetings of the CSR Committee:

As on 31st March 2023, the CSR Committee comprises of Members as stated below. The Committee met 3 (Three) times during the financial year 2022-23 i.e. on 13th May 2022, 11th August 2022 and 8th February 2023.

The Composition and attendance of members at the CSR Committee meeting is given below:

Name of Member	Category	Number of meetings attended
Mr. Sudhir Jatia	Chairman	3 out of 3
Mr. Piyush Goenka	Member	3 out of 3
Mrs. Vijaya Sampath	Member	3 out of 3
Mr. Gaurav Sharma	Member	3 out of 3

The Board of Directors of the Company has adopted a CSR Policy and Annual Action Plan for the Financial Year 2022-23 which was reviewed and recommended by the CSR Committee of the Company. The CSR Policy and Annual Action Plan of the Company are placed on Company's website and the web link https://safaribags.com/pages/investor-relations#corporate_social_responsibility

8. RISK MANAGEMENT COMMITTEE:

Composition and Meetings of Risk Management Committee:

As on 31st March 2023, the Risk Management Committee comprises of Members as stated below. The Committee met 3 (Three) times during the financial year 2022-23 i.e. 13th May 2022, 11th August 2022 and 4th November 2022.

The Composition and attendance of members at the Risk Management Committee meeting is given below:

Name of Member	Category	Number of meetings attended
Mr. Sudhir Jatia	Chairman	3 out of 3
Mr. Punkajj Lath	Member	2 out of 3
Mr. Piyush Goenka	Member	3 out of 3

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

In accordance with Listing Regulations the terms of reference of the Risk Management Committee inter-alia include:

1. To formulate a detailed Risk Management Policy;
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
4. To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee.
7. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

9. GENERAL BODY MEETINGS:

A. Annual General Meeting:

The particulars of the last three AGM of the Company are given hereunder:

Financial Year	Date and Time	Venue	Special Resolution Passed if any
2019-20	40th AGM 13th August 2020 at 12:00 noon	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Yes 1. Re-appointment of Mrs.Vijaya Sampath (DIN 00641110) as an Independent Director of the Company for second term; 2. Increase in limit of total shareholding of all Registered Foreign Portfolio Investors (FPIs) / Registered Foreign Institutional Investors (FIIs) put together upto 49% of the paid-up equity share capital of the Company; 3. Amendment in the Object Clause and Liability Clause of Memorandum of Association of Company.
2020-21	41st AGM 11th August 2021 at 1:30 pm	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Yes 1. Re-appointment of Mr. Rahul Kanodia (DIN 00075801) as an Independent Director of the Company for second term.
2021-22	42nd AGM 11th August 2022 at 1:30 pm	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Nil

B. Postal Ballot:

During the year under review, no special resolution was passed through Postal Ballot.

None of the business proposed to be transacted at the ensuing AGM require passing of resolution through postal ballot.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

10. MEANS OF COMMUNICATION:

Publication of results:
The quarterly, half-yearly and annual Financial Results of the Company are published in Business Standard (English financial national daily) and Sakal (vernacular newspaper).

Website and News Releases:
All official news releases and Financial Results are communicated by the Company through its corporate website www.safaribags.com. The quarterly, half-yearly and annual Financial Results, Shareholding Pattern and all other corporate communications to the Stock Exchanges are filed through the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) Portal.

Presentation made to institutional investors or to the analysts:
There were no presentations made to the institutional investors or analysts during the financial year ended 31st March 2023.

11. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting (AGM):

- Day, Date, Time: Wednesday, 9th August 2023 at 2:30 pm (IST)
- Venue: Annual General Meeting through Video Conferencing / Other Audio Visual Means facility.

Financial year: 1st April 2022 to 31st March 2023

Dividend Payment Date: Dividend, if declared, will be paid/dispatched on or before 30th August 2023.

Listing Details:

BSE Limited
Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

The National Stock Exchange of India Limited
Exchange Plaza, Plot C/1, Block G,
BKC, Bandra (E), Mumbai - 400 051.

Stock Code: **BSE:** 523025 **NSE:** SAFARI

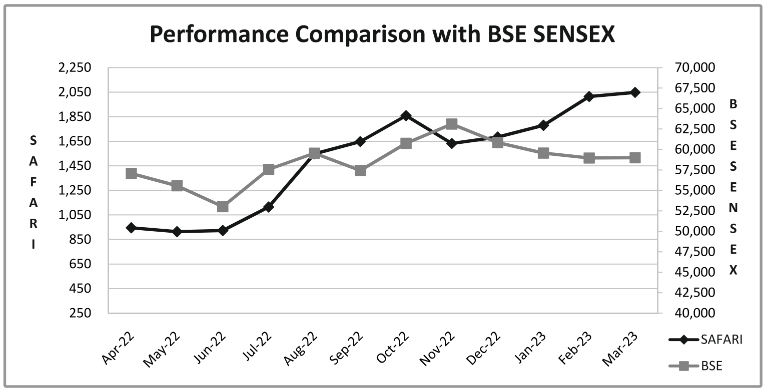
Listing Fees: The Company has paid the annual listing fees for the financial year 2022-23.

Market Price data: High, Low during each month in financial year 2022-23:

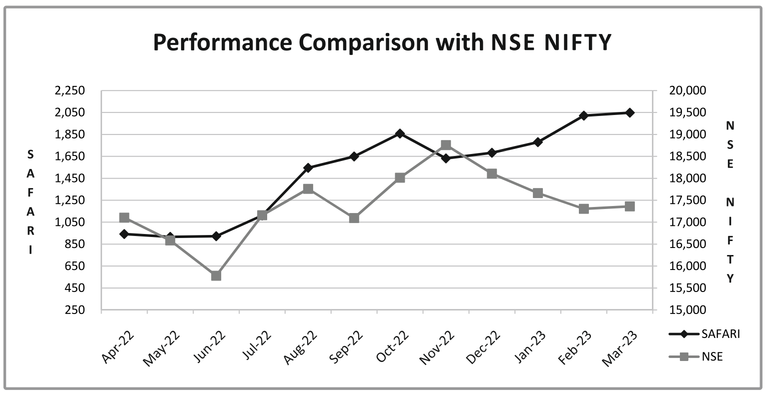
Month	BSE High	BSE Low	NSE High	NSE Low
April 2022	1,016.90	905.00	1,016.40	925.00
May 2022	988.00	817.90	1,018.00	819.20
June 2022	973.75	879.90	974.35	883.55
July 2022	1,195.00	909.70	1,194.00	913.65
August 2022	1,571.05	1,115.55	1,576.00	1,112.35
September 2022	1,730.20	1,320.00	1,731.00	1,430.00
October 2022	1,907.00	1,638.05	1,909.20	1,626.20
November 2022	1,975.25	1,614.60	1,977.00	1,613.75
December 2022	1,764.90	1,576.45	1,766.05	1,571.40
January 2023	1,928.95	1,671.65	1,904.00	1,670.40
February 2023	2,129.35	1,734.00	2,130.00	1,730.30
March 2023	2,099.95	1,844.65	2,199.95	1,850.50

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Performance in comparison with BSE Sensex based on monthly closing price:



Performance in comparison with NSE Nifty based on monthly closing price:



Suspension from trading: No Securities of the Company are suspended from trading during the financial year 2022-23.

Registrar and Share Transfer Agents:

Adroit Corporate Services Private Limited
18-20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059.
(T) 91-22-4227 0400; (E) info@adroitcorporate.com

Share Transfer System:

Adroit Corporate Services Private Limited (Adroit), Share Transfer Agent of the Company, handles share and shareholders related matters. Adroit has adequate infrastructure to process share transfer related matters. Pursuant to Regulation 40 of Listing Regulations read with SEBI Circular Nos. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May 2022 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated 25th May 2022 as amended from time to time, all the requests relating to issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; subdivision / splitting of securities certificate; consolidation of securities certificates/folios; transmission; transposition shall be processed by delivering Letter of Confirmation to the Shareholder/claimant with a validity of 120 days, basis which the Shareholder/ claimant has to dematerialise the shares in order to give effect to the requests. If Shareholder/claimant fails to submit the demat request within the aforesaid period of 120 days from the date of Letter of Confirmation, Adroit/Company shall credit the securities to the suspense escrow demat account of the Company.

The Company obtains from a Company Secretary in practice, a yearly certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of Listing Regulations, and files a copy of the same with the Stock Exchanges.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Distribution of shareholding as on 31st March 2023:

Nominal Values (₹)	No. of Shareholders	% to total	No. of Shares	Amount in ₹	% to Total
upto 5,000	15,221	98.49	18,48,592	36,97,184	7.80
5001 to 10,000	98	0.63	3,48,936	6,97,872	1.47
10,001 to 20,000	50	0.32	3,54,357	7,08,714	1.49
20,001 to 50,000	42	0.27	6,97,090	13,94,180	2.94
50,001 to Above	44	0.29	2,04,62,315	4,09,24,630	86.30
Total	**15,455**	**100.00**	**2,37,11,290**	**4,74,22,580**	**100.00**

Dematerialization of Shares and Liquidity:

99.18% of shareholding was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March 2023.

The Company's shares are actively traded in the dematerialised form on BSE Limited and The National Stock Exchange of India Limited.

Outstanding GDRs/ADRs/Warrants/Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any Global Depository Receipts (GDRs)/American Depository Receipts (ADRs)/Warrants.

The Company has granted stock options to its eligible employees under the Safari Employee Stock Option Scheme 2016. The Company allots Equity Shares from time to time on exercise of stock options by the employees pursuant to the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the Safari Employee Stock Option Scheme 2016. As on 31st March 2023, 26,000 stock options were outstanding.

In addition to above, the Company has also granted stock appreciation rights (SAR) to its eligible employees under the Safari Stock Appreciation Rights Scheme 2022. The SAR's granted are yet not vested, however, if needed Company will allot Equity Shares from time to time on exercise of SARs by the employees pursuant to the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the terms and conditions of the Safari Stock Appreciation Rights Scheme 2022. As on 31st March 2023, 2,05,000 SARs were outstanding.

During the year under review, 13,15,790 Compulsorily Convertible Debentures ("CCDs") issued and allotted on preferential basis to Investcorp Private Equity Fund II were converted into 13,15,790 fully paid-up Equity Shares of the Face Value of ₹ 2/-(Rupees Two) each of the Company (the "Equity Shares"), at a conversion price of ₹ 570/- (Rupees Five Hundred and Seventy) per Equity Share (including a premium of ₹ 568/- per Equity Share).

Commodity price risk or foreign exchange risk and hedging activities:

- **Risk Management Policy:**

  The Company is committed to high standards of business conduct and good risk management to:

  - Protect the Company's assets;
  - Achieve sustainable business growth;
  - Avoid major surprises relating to overall control environment;
  - Safeguard shareholder investment;
  - Ensure compliance with applicable legal and regulatory requirements.

  The Board has adopted a Risk Management Policy to mitigate inherent risks and help accomplish the growth plans of the Company. Accordingly, various potential risks relevant to the Company has been identified by the Risk Management Committee. The Risk Management Committee and Board reviews the same periodically and suggests measures to mitigate and control these risks.

- **Commodity risks exposure:**

  The Company has adequate risk assessment and minimization system in place for commodities. The risks are averted by taking prudent hedging activities on foreign currency exposure and widening source base. The Company does not have material exposure of any commodity. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated 15th November 2018.

Plant Location:

The Company's Plant is located at Plot No. 1701/1, 2200 & 2201, GIDC Industrial Estate, Halol 389350, District Panchmahal, Gujarat.

Address for correspondence:

Registered Office:

302-303, A Wing, The Qube, CTS No. 1498, A/2, M. V. Road, Marol, Andheri (East), Mumbai 400059.

Website: www.safaribags.com **Email:** investor@safari.in

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Credit Ratings:

The Company has received following credit ratings:

Total Bank Loan Facilities	₹ 150 Crore
Long Term rating	CRISIL A/Stable
Short term rating	CRISIL A1

12. OTHER DISCLOSURES:

(a) Materially significant related party transactions:

There were no materially significant transactions with related parties during the financial year 2022-2023 that were in conflict with the interest of the Company. Suitable disclosure as required under Indian Accounting Standards (IND AS 24) has been made in the notes of the Financial Statements and in the Director's Report as required under Section 134 of the Act.

(b) Details of non-compliance:

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

(c) Establishment of Vigil Mechanism/Whistle Blowers Policy:

The Company has adopted the Whistle Blowers Policy to report concerns about any actual or possible violation of the Company's Code of Conduct or any other unlawful or unethical or improper practice or any wrongful conduct or act or activity concerning the Company. A copy of the Whistle Blowers Policy of the Company has been put up on Company's Website and the web link is https://files.safaribags.com/pub/media/Polices/Whistle_Blowers_Policy.pdf. None of the personnel has been denied access to Audit Committee of the Company.

(d) Compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all mandatory requirements as laid down in Listing Regulations. In addition, Company has adopted the following non-mandatory requirement:

- Reporting by internal auditor: The internal auditor directly reports to the Audit Committee of the Company.

(e) Policy determining Material Subsidiaries:

In compliance with the Regulation 16(1)(c) of Listing Regulations, the Company has formulated a Policy for determining Material Subsidiaries and such Policy has been put up on the Company's website. The same can be viewed at https://files.safaribags.com/pub/media/Polices/Policy_on_Material_Subsidiaries.pdf

The Company has two unlisted Indian subsidiaries viz. Safari Lifestyles Limited and Safari Manufacturing Limited which are not material subsidiaries.

(f) Policy on Related Party Transactions:

In compliance with the Regulation 23(1) of Listing Regulations, the Company has formulated a Policy on Related Party Transactions and such Policy has been put up on the Company's website. The same can be viewed at https://files.safaribags.com/pub/media/Polices/Policy_on_Related_Party_transactions.pdf

(g) Utilization of funds:

The amount raised from issuance and allotment of 13,15,790 CCDs each priced at Face Value of ₹ 570/- per CCD for an aggregate amount of ₹ 75,00,00,300 (Rupees Seventy Five Crore Three Hundred only) on preferential basis to Investcorp Private Equity Fund II has been fully committed/utilized the funds within the scope of Object of the offer/preferential issue during the year under review.

(h) Certificate on disqualification or debar of Board of Directors:

The statement relating to non-disqualification and non-debarring of Board of Directors by SEBI or Ministry of Corporate Affairs or any regulatory authority is set out as a part of Compliance Certificate on Corporate Governance issued by Practicing Company Secretary i.e. Annexure II of this Corporate Governance Report.

(i) Recommendation of Committee to the Board for approval:

During the year under review, none of the recommendations of the Committees of the Board were disapproved by the Board of Directors of the Company.

(j) Fees paid to statutory auditors on consolidated basis:

Total fees for all the services paid by the Company, Safari Lifestyles Limited and Safari Manufacturing Limited, wholly owned subsidiaries on consolidated basis to M/s. Walker Chandiok & Co LLP, Statutory Auditors of the Company and all its network firms/entities in which they are part, forms part of notes to Consolidated Financial Statements of this Annual Report.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

(k) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Policy for Prevention of Sexual Harassment of Women at Workplace has been uploaded on the website of the Company at https://files.safaribags.com/pub/media/Polices/Policy_for_Prevention-_of_sexual_harassment.pdf

The Company has formed a Committee to redress complaints received regarding sexual harassment. During the year under review, following are the details of the complaints:

- No. of complaints filed during FY2022-23 : Nil
- No. of complaints disposed off during FY2022-23 : Nil
- No. of complaints pending as on 31st March 2023 : Nil

(l) Disclosure by Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:

Not applicable

(m) Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub - Regulation (2) of Regulation 46 of Listing Regulations:

The Company has complied with all Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

(n) Managing Director/ CFO Certification:

The Company has obtained a certificate from the Managing Director and Chief Financial Officer of the Company in respect of matters stated in Regulation 17(8) of Listing Regulations is annexed as **Annexure I** to this Corporate Governance Report.

(o) Compliance Certificate by M/s. Ninad Awachat & Associates, Practicing Company Secretaries:

The Company has obtained a Certificate from M/s. Ninad Awachat & Associates, Practicing Company Secretaries regarding compliance of Corporate Governance as stipulated, which is annexed as **Annexure II** to this Corporate Governance Report.

(p) Code of Conduct:

The Company has laid down a Code of Conduct for all Board Members and Senior Management of the Company by including duties of Independent Directors. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. The Code of Conduct is placed on the website of the Company at https://safaribags.com/pages/investor-relations#code_of_conduct. A declaration signed by the Company's Managing Director for the compliance of these requirements is annexed as **Annexure III** to this Corporate Governance Report.

(q) Disclosures with respect to demat suspense account/ unclaimed suspense account:

Not applicable

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

SUDHIR JATIA
Chairman & Managing Director
DIN:00031969

Place: Mumbai
Date: 16th May 2023

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure I

CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To,

The Board of Directors,
Safari Industries (India) Limited

We, Sudhir Jatia, Managing Director and Vineet Poddar, Chief Financial Officer of Safari Industries (India) Limited, to the best of our knowledge and belief, certify that:

a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 and to the best of our knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

   1. That there are no significant changes in internal control over financial reporting during the year;

   2. That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and

   3. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is being given to the Board pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SUDHIR JATIA
Managing Director

VINEET PODDAR
Chief Financial Officer

Place: Mumbai
Date: 16th May 2023

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure II

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Part E of Schedule V Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Safari Industries (India) Limited

I have examined the compliance of conditions of Corporate Governance by Safari Industries (India) Limited, (**'the Company'**), for the year ended on March 31, 2023 as stipulated under Regulations 17 to 27, Clause (b) to (i) of Sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On basis of written representation given by all the directors of the Company and to the best of my knowledge and belief, data and documents reviewed by me on publicly available websites, I state that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **NINAD AWACHAT & ASSOCIATES**
Company Secretaries

Ninad Awachat
Proprietor
Membership No : 26995
C.P No : 9668

Date : 16th May 2023
Place : Mumbai
UDIN : A026995E000320200
PR No. : 3482/2023

Annexure III

Declaration regarding compliance by the Members of Board of Directors and Senior Management Personnel with the Code of Conduct of Board of Directors and Senior Management.

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel. This Code of Conduct is available on the Company's website.

I hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31st March 2023.

SUDHIR JATIA
Chairman & Managing Director
Safari Industries (India) Limited
DIN: 00031969

Place: Mumbai
Date: 16th May 2023

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure B

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director*	Ratio
Mr. Sudhir Jatia	39.80 : 1
Mr. Rahul Kanodia	1 : 1
Mr. Dalip Sehgal	2.06 : 1
Mr. Punkajj Lath	2.35 : 1
Mr. Piyush Goenka	2.14 : 1
Mrs. Vijaya Sampath	2.46 : 1

** Commission to Directors will be paid after the financial statements are approved by the Members at the ensuing 43rd Annual General Meeting. Mr. Sumeet Nagar and Mr. Gaurav Sharma have waived off their entitlement to receive sitting fees and commission.*

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Percentage increase
Mr. Sudhir Jatia	Managing Director	64.57%
Mr. Rahul Kanodia	Non-Executive, Independent Director	(4.44%)
Mr. Dalip Sehgal	Non-Executive, Independent Director	30.15%
Mr. Punkajj Lath	Non-Executive, Independent Director	37.55%
Mr. Piyush Goenka	Non-Executive, Non-Independent Director	36.15%
Mrs. Vijaya Sampath	Non-Executive, Independent Director	76.67%
Mr. Vineet Poddar	Chief Financial Officer	9.61%
Mr. Rameez Shaikh	Company Secretary	37.92%

3. The percentage increase in the median remuneration of employees in the financial year: 26.92%
4. The number of permanent employees on the rolls of Company as on 31st March 2023: 963 employees
5. For the FY 2022-23, the average annual increase in the remuneration of employees (excluding the remuneration of managerial personnel) was 9.91% and for the managerial remuneration was 64.57%. The substantial increase in managerial remuneration is due to last year's waiver of performance linked pay by Mr. Sudhir Jatia.
6. The remuneration paid to the Directors, KMPs and other employees is as per the Nomination and Remuneration Policy of the Company.

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

SUDHIR JATIA
Chairman & Managing Director
DIN: 00031969

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure D
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

SAFARI INDUSTRIES (INDIA) LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAFARI INDUSTRIES (INDIA) LIMITED (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (**"Financial Year"**) complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:
   (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
   (iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and Bye-laws framed thereunder;
   (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing were not attracted to the Company during the financial year under report.
   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
      a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
      d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
      e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable as the Company has not issued any non-convertible debt securities during the financial year under review)**;
      f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review)**;
      g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable as the Company has not delisted its equity shares from stock exchange during the financial year under review)**;
      h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable as the Company has not bought back any of its equity shares during the financial year under review)**.

   I have also examined compliance with the applicable clauses of the following:
   (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
   (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

   During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except BSE Limited and National Stock Exchange of India Limited have imposed fine of ₹ 1,18,000/- + GST each for non-compliance of Regulation 19(1) of the Listing Regulations pertaining to composition of Nomination and Remuneration Committee ("NRC") during the quarter ended 31st March 2022.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines. The list of major head /groups of applicable general laws, rules, regulations and guidelines are mentioned in **Annexure I**, apart from these, as per Management, there are no other laws specifically applicable to the Company.

I further report that during the audit period, following specific events/actions which took place in the Company:

(i) The Company has declared and paid interim dividend of ₹ 1.50 (75%) per equity share of ₹ 2/- each for the financial year 2022-23.

For **NINAD AWACHAT & ASSOCIATES**
Company Secretaries

Date : 16th May 2023
Place : Mumbai
UDIN : A026995E000320035
PR No. : 3482/2023

Ninad Awachat
Proprietor
Membership No : 26995
C.P No : 9668

Annexure I

1. Factories Act, 1948;
2. Employees State Insurance Act, 1948;
3. Environment (Protection) Act, 1986;
4. Water (Prevention and Control of Pollution) Act, 1974;
5. Air (Prevention and Control of Pollution) Act, 1981;
6. Hazardous and other wastes (Management and Trans boundary Movement) Rules, 2016;
7. Minimum Wages Act, 1948;
8. Workmen's Compensation Act, 1923;
9. Payment of Wages Act, 1936;
10. Industrial Dispute Act, 1947;
11. The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
12. The Payment of Bonus Act, 1965;
13. The Payment of Gratuity Act, 1972;
14. Legal Metrology Act, 2009;
15. Negotiable Instruments Act, 1881;
16. Rules and Regulations of GIDC Halol;
17. Local Laws as applicable to various offices of the Company;
18. Act prescribed under Direct Tax and Indirect Tax.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure E

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(₹ in Lakh)

Sr. No.	**1**	**2**
Name of the Subsidiary	Safari Lifestyles Limited	Safari Manufacturing Limited
Date since the Company was acquired	30/10/2014	09/11/2021
Reporting period	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	INR	INR
Share capital	5.00	3,500.00
Reserves and surplus	55.95	759.75
Total Assets	254.87	9820.33
Total Liabilities	193.92	8560.58
Investments	-	-
Turnover	164.02	11644.18
Profit / (Loss) before taxation	6.94	929.66
Provision for taxation	(2.23)	178.38
Profit / (Loss) after taxation	9.17	751.28
Proposed Dividend		
- Equity Shares	NIL	NIL
- Preference Shares	NA	158.88
% of shareholding	100%	100%

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures: Nil. The Company does not have any associates or joint ventures.

For and on behalf of the board of Directors

SUDHIR JATIA
Chairman & Managing Director
(DIN : 00031969)

PUNKAJJ LATH
Director
(DIN : 00172371)

VINEET PODDAR
Chief Financial Officer

RAMEEZ SHAIKH
Company Secretary

Place: Mumbai
Date: 16th May 2023

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure F

Statement on Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

(A) CONSERVATION OF ENERGY :

i. The steps taken or impact on conservation of energy:
- Conventional lights replaced with LED in entire Factory.
- Different process optimizations / process improvement has given significant energy units saving:
  - ➢ Auto-level controller for water for RO drinking water plant.
  - ➢ Usage of STP and RO waste water for gardening purpose in place of pumping system.
  - ➢ Installation of temperature controller in cooling tower (100TR) unit to stop idle running of Fan.
- Air Compressor: Existing Air Compressor was conventional type, installed variable frequency drive to reduce energy consumption.

ii. The steps taken by the Company for utilizing alternate sources of energy:
- Exploring the possibility of installing solar power system at factory's warehouse and feasibility of using solar power from external agency.

iii. Capital Investment on energy conservation equipment: No significant investments were made during the year under review.

(B) TECHNOLOGY ABSORPTION :

i. Efforts made towards technology absorption:
- Two Stage Thermoforming Machines: We have replaced our three stage forming machines with two stage forming machines. By using two stage forming machines, we have reduced the sheet size and offcut generation, which has resulted in saving of electricity per luggage and increase in extruder capacity.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution :
- Following value engineering projects resulted into major cost benefits:
  - ➢ Alternate material for cost saving: Logos in PVC material are replaced with ABS material to reduce the cost without compromising the aesthetic value.
  - ➢ Set-up local suppliers for lining used in interior, earlier it was imported from China.
  - ➢ Developed and launched new range of PP luggage as alternative to PC luggage benefited in lower raw material cost.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

iv. The expenditure incurred on Research and Development: Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

Foreign exchange used : ₹ 30,983.20 Lakh

Foreign exchange earned : ₹ 686.90 Lakh

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

SUDHIR JATIA
Chairman & Managing Director
DIN: 00031969

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure G

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry Structure and Developments:

The post-pandemic market growth has been strong and sustained especially for the organised sector. The travel industry is continuing to experience an unprecedented growth with more consumers travelling and also travelling more frequently. This growth in travel has sustained beyond the post lock-down revenge travel phenomenon, indicating perhaps a more permanent trend.

Marriage demand has also remained strong led by the opening of the economy and easing of restrictions. The demand in the backpack segment, which was the last to recover post-pandemic, has been very strong during the year led by opening of schools and offices. While hybrid working and work-from-home trends have been adopted as sustained modes of working in many organisations, most offices now require physical presence either full-time or partially. This has driven strong backpack demand in the formal and laptop segments during the year.

The E-commerce channel continued to lead the category growth with continued trends on increasing digital penetration, e-commerce adoption for higher ticket purchases and deeper geographic penetration. In Hyper channel, value retailers continued their strong growth in the category further helped by a jump in outlet addition. The General Trade channel segment also grew well as organised companies offered better pricing to channel partners, translating to more competitive consumer pricing. The demand in the Canteen Stores Department segment was stable during the year.

During the pandemic-period the category had experienced some level of consumer down-trading to lower price points with the growth being led by the mid and economy segments. In last one year the premium segment has bounced back strongly, driven by increasing affluence and increasing consumer preference for better featured products. This trend is expected to continue over the foreseeable future.

The overall long-term outlook for the organised sector remains very robust with a strong growth in travel, increasing preference for branded luggage, growth in school and office going population, and sustained marriage demand.

Company Development:

The Company continued to grow ahead of the market offering a competitive and innovative range, catering to consumer needs in all significant product categories. In order to meet the rising demand for hard luggage, the Company has set up a new manufacturing plant through Safari Manufacturing Limited, wholly owned subsidiary in Halol, Gujarat for production of polypropylene zippered hard luggage. It has also expanded its production capacity for polycarbonate zippered hard luggage in the existing manufacturing plant.

The Company introduced a new brand, Urban Jungle, in the casual premium segment. This brand will initially focus on the zippered hard luggage category. With a strong focus on engaging younger consumers and driving growth with digital shoppers, the Company is focussing on scaling up the Direct to Consumer business through its own brand websites i.e. www.safaribags.com, www.genietravel.com and www.urbanjungle.shop. The Company will continue its efforts on building its brands via strong advertising presence on digital platforms.

To enhance its physical brand availability and recall, the Company added several retail stores in prestigious high footfall locations. These exclusive retail stores have helped improve the premium sales mix as well as drive better brand equity with the consumers. The International Business division of the Company has gained good traction in several global markets, especially the West Asian countries with large Indian diaspora taking advantage of the latent equity of the 'Safari' brand in this segment.

B. Opportunities and Threats:

During the pandemic the disruption in global supply chain had resulted in significant upward pressure on raw material cost and sourcing costs. While with the easing out of supply chains some of the raw-material cost pressure has eased out, a structural shift towards domestic manufacturing has also helped manage the margins better. The Company has significantly increased its procurement of soft-luggage and backpack categories from domestic market and Bangladesh, the sourcing locations continue to be more cost competitive compared to China. The Company has been actively investing both in expanding owned production capacity for hard luggage, and in helping vendors expand their facilities for soft luggage and backpack production.

With e-commerce continuing to be a lead growth channel and consumers moving to digital platforms for content consumption, it is critical for the long-term to invest aggressively in this area for continued growth. The Company has

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

built a strong position in e-commerce market-place platforms and is now investing behind scaling up its own brand websites. It is also investing behind building a strong digital content strategy to engage consumers on its brands.

While the overall growth for the domestic economy and travel sub-sector continues to be very strong, the risk of a global slowdown continues to be a demand side threat. To continue to outperform the market and sustain profitable growth is the most important medium-term challenge. The Company's linear structure facilitates faster and better decision making which allows the Company to grab opportunities in time.

C. Segment/Product-wise Performance:

The long period of supply disruption during the pandemic-era as well as adverse ocean freights and currency movement have put imported soft-luggage products at a significant pricing disadvantage versus the domestically produced hard-luggage. This has accelerated the consumer shift from soft-luggage to hard-luggage, which was already happening, driven by increasing preference for more premium looking and durable hard-luggage products. The Company continued to invest in zippered hard luggage by continuing to expand its range of polycarbonate zippered cases as well as launch of polypropylene zippered cases.

The backpack category had a sharp bounce back in demand this year led by the first full year of physical schooling post the pandemic and rising physical attendance in offices. With huge numeric potential still untapped by the organised sector, the Company is looking to invest aggressively behind this category as a strong growth driver.

D. Outlook:

The Company has continued to grow ahead of the market and will continue to build on this momentum. It has a focussed strategy on identified channels, categories and consumer segments that are expected to drive market growth.

The Company has also made significant investments in modernising and improving its warehousing capability. The Company has invested in upgrading its SAP system which has a positive impact on operations and value chain. These improvements will help the Company in reducing costs and making its supply chain leaner and more responsive to the changing market.

While the pressure on raw material and sourcing costs has eased out in the second half of the year, the Company intends to keep improving price realisation through product mix improvement.

While there continue to be some uncertainties, the overall growth drivers are well in place for the Company to continue on a high growth trajectory with improving profitability.

E. Risks and Concerns:

The Company is exposed to various risks and uncertainties which may adversely impact its performance. The Company's future growth prospects and cash flow generation could be materially impacted by any of these risks or opportunities. The major risks as identified by the Company are demand-risks due to recessionary trends in the global economy, currency risk associated with imports, unfair competition, etc.

The Company follows the Enterprise Risk Management (ERM) framework to manage and mitigate such risks which is primarily based on the integrated framework for enterprise risk management and internal controls developed by the Company.

F Internal Control Systems and their adequacy:

M/s. Moore Singhi Advisors LLP were appointed as the Internal Auditors of the Company to review internal controls periodically with specific reference to evaluation of the current business processes, identify gaps, inefficiencies, process exceptions and suggest action plans, verify adherence to risk mitigation plans, to review sourcing and supply chain management, plant operations and effectiveness, sales planning and distribution channels, branches of the Company, warehouse and retail operations, to provide assurance regarding various compliances by assessing the reliability of financial controls and IT controls and compliance with applicable laws and regulations. The Company has a regular check on expenses including capital expenditure. The Company has documented policies and SOPs with regards to all major activities. The Internal Auditors submit their reports to the Audit Committee quarterly. The management considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the Audit Committee of the Company. Significant policies with changes during the year, if any, are disclosed in the notes to the financial statements.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

G Financial Performance with respect to operational performance:

Sales:

The Total Income of the Company for the year ended 31st March 2023 was at ₹ 1,22,166.95 Lakh (previous year ₹ 71,332.37 Lakh).

Expenditure:

The Total Expenses of the Company for the year ended 31st March 2023 was at ₹ 1,06,448.57 Lakh (previous year ₹ 67,427.37 Lakh).

Profit:

Profit after Tax for the year under review amounted to ₹ 11,894.19 Lakh (Previous Year ₹ 2,300.52 Lakh).

H Material Developments in Human Resources / Industrial Relations front, including number of people employed:

The Company has in place ESOP Scheme and ESAR Scheme to retain and attract skilled and experienced personnel. During the year, the Company faced challenges in retaining and attracting required talent in various functions. Also based on well-defined training process, the Company identified the needs of training and required training was imparted to employees to improve their efficiencies and capabilities.

During the year, Industrial Relations remained cordial.

The employee strength as on 31st March 2023 was 963.

I Financial ratios:

Sr. No.	Particulars*	FY 2022-23	FY 2021-22
i.	Debtors Turnover (days)	**43**	53
ii.	Inventory Turnover (days)	**60**	67
iii.	Interest Coverage Ratio	**27.13**	7.15
iv.	Current Ratio	**2.38**	2.61
v.	Debt Equity Ratio	**0.08**	0.04
vi.	Operating Profit Margin (%)	**13.48%**	4.91%
vii.	Net Profit Margin (%)	**9.82%**	3.26%

** Profits and revenue from operation is higher in current year as compared to previous year.*

J Return on Net Worth:

Financial Year	FY 2022-23	FY 2021-22
Return on net worth (%)*	**33.01%**	7.94%

** Profits earned in current year is higher as compared to previous year.*

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

SUDHIR JATIA
Chairman & Managing Director
DIN: 00031969

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure H

Report on CSR Activities of the Company as per Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company:

   The CSR Policy adopted by the Company includes all the activities which are prescribed under Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. The Composition of the CSR Committee:

Sr. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sudhir Jatia	Chairman / Managing Director	3	3
2	Mrs. Vijaya Sampath	Member / Non-executive Independent Director	3	3
3	Mr. Piyush Goenka	Member / Non-executive Non- Independent Director	3	3
4	Mr. Gaurav Sharma	Member / Non-executive Non- Independent Director	3	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

   The CSR Committee composition : https://safaribags.com/pages/investor-relations#committee

   The CSR Policy : https://files.safaribags.com/pub/media/CSR/Policy_on_corporate_social_responsibily.pdf

   CSR Projects : https://files.safaribags.com/pub/media/CSR/CSR_annual_action_plan_for_FY_2022-2023.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable

5. (a) Average net profit of the Company as per Section 135(5): ₹ 1,410.76 Lakh
   (b) Two percent of average net profit of the Company as per Section 135(5): ₹ 28.22 Lakh
   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
   (d) Amount required to be set off for the financial year, if any: Nil
   (e) Total CSR obligation for the financial year [(b) + (c) - (d)]: ₹ 28.22 Lakh

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 30.75 Lakh

Sr No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Amount spent for the Project (₹ In Lakh)	Mode of implementation Direct (Yes/No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Regn. number
1	Providing food to the people who are in need of them.	Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Mumbai	7.00	No	Annam	CSR00007441
2	Organizing Medical Camps	Promoting health care including preventive health care	No	Maharashtra	Palghar	10.00	No	Rotary Club of Bombay	CSR00004479
3	Renovation of the swimming pool for aqua therapy and educational sponsorship for 4 special children at Lonavala.	Promoting education, including special education and employment enhancing vocation skills	No	Maharashtra	Lonavala	13.75	No	Human Development Centre Trust	CSR00018558

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

(b) Amount spent in Administrative overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 30.75 Lakh

(e) CSR amount spent or unspent for the financial year: **(₹ in Lakh)**

Total Amount Spent for the Financial Year	**Amount Unspent**				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		**Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
30.75	Nil	–	–	Nil	–

(f) Excess amount for set off, if any:

Sr. No.	**Particular**	**Amount (₹ In Lakh)**
(i)	Two percent of average net profit of the Company as per Section 135(5)	28.22
(ii)	Total amount spent for the financial year	30.75
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.53
(iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.53

7. Details of Unspent CSR amount for the preceding three financial years: Not applicable
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not applicable

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

SUDHIR JATIA
Chairman & Managing Director
and Chairman of CSR Committee
DIN: 00031969

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

The following are the areas of emphasis for CSR activities under the CSR Policy:

a) Providing facilities to communities and other sections of the society located near to the Company's Plant - Halol - Gujarat in the form of primary health care support and sanitation, promoting education especially among children, women, senior citizen;

b) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

c) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

d) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

e) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

f) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

g) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

h) Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;

i) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) any other fund set up by the Central Government for socio economic development and relief and welfare of the scheduled castes, tribes, other backward classes, minorities and women;

j) (1) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(2) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

k) Rural development projects;

l) Slum Area Development;

m) Disaster management, including relief, rehabilitation and reconstruction activities.

n) Such other activity as the Board may consider appropriate which is in line with Schedule VII of the Companies Act, 2013 as amended from time to time.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Annexure I

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURE

This section provides a general overview of the business operations, workforce, key material risks & opportunities.

SDGs:

I. Details of the Listed Entity		
1	Corporate Identity Number (CIN)	L25200MH1980PLC022812
2	Name of the Listed Entity	Safari Industries (India) Limited
3	Year of incorporation	1980
4	Registered office address	302-303, A wing, The Qube, CTS No. 1498, A/2, M.V. Road, Marol, Andheri (E), Mumbai, Maharashtra - 400 059.
5	Corporate address	302-303, A wing, The Qube, CTS No. 1498, A/2, M.V. Road, Marol, Andheri (E), Mumbai, Maharashtra - 400 059.
6	Email	investor@safari.in
7	Telephone	022 40381888
8	Website	www.safaribags.com
9	Financial year for which reporting is being done	2022-2023
10	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11	Paid-up Capital	₹ 4,74,22,580
12	Contact Person	
	Name of the Person	Rameez Shaikh
	Telephone	022 40381888
	Email address	investor@safari.in
13	Reporting Boundary Type of Reporting- Select from the Drop-Down List	Standalone

II. Product/Services					
14	Details of business activities (accounting for 90% of the turnover):	**Sr. No.**	**Description of Main Activity**	**Description of Business Activity**	**% Turnover of the Entity**
		1	Manufacturing	Textile, leather and other apparel products	38%
		2	Trade	Retail Trading	62%
15	Products/Services sold by the entity (accounting for 90% of the entity's Turnover):	**S.No.**	**Product/Service**	**NIC Code**	**% Of Total Turnover contributed**
		1	Hard Luggage Case	22205	54%
		2	Soft Luggage and Backpacks	15121	46%

III. Operations					
16	Number of locations where plants and/or operations/offices of the entity are situated:	**Location**	**Number of plants**	**No. of Offices & Warehouses**	**Total**
		National	1	30	31
		International	-	1	1
17	Market served by the entity a. No. of Locations	Locations		Numbers	
		National (No. of States)		All States & Union Territories	
		International (No. of Countries)		10	

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

	b. What is the contribution of exports as a percentage of the total turnover of the entity?	0.47%
	c. A brief on types of customers	• General Trade - standalone stores selling luggage, backpacks and other types of bags exclusively • Modern Trade - large format stores offering a wide variety of merchandise including luggage and bags • Ecommerce Resellers - companies selling luggage on Ecommerce marketplaces like Amazon, Flipkart, etc • Canteen Stores - A department with the armed forces running canteens for soldiers. They sell various merchandise including luggage and bags at special rates • B2B - various organisations doing one-off bulk purchases for employees or their own customers • D2C - consumers directly buying from the Company's websites

IV. Employees

18. Details as at the end of Financial Year:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	**Employees and workers (including differently abled)**					
	Employees					
1	Permanent Employees (A)	901	848	94%	53	6%
2	Other than Permanent Employees (B)	2,124	1,878	88%	246	12%
3	Total Employees (A+B)	3,025	2,726	90%	299	10%
	Workers					
4	Permanent (C)	62	62	100%	0	0%
5	Other than Permanent (D)	561	455	81%	106	19%
6	Total Workers (C+D)	623	517	83%	106	17%
b.	**Differently abled employees and workers**					
	Employees					
1	Permanent Employees (E)	0	0	0%	0	0%
2	Other than Permanent Employees (F)	0	0	0%	0	0%
3	Total Employees (E+F)	0	0	0%	0	0%
	Workers					
4	Permanent (G)	1	1	100%	0	0%
5	Other than Permanent (H)	2	2	100%	0	0%
6	Total Differently Abled Employees (G+H)	3	3	100%	0	0%

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

19. Participation/Inclusion/Representation of women

S.No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	8	1	12.5%
2	Key Management Personnel*	2	0	0%

**KMP includes Chief Financial Officer and Company Secretary. Managing director has been considered as a part of Board of Directors.*

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	19%	19%	18%	33%	25%	31%	40%	36%
Permanent Workers	23%	0%	23%	16%	0%	16%	13%	0%	13%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary / associate companies /joint ventures (A)	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Safari Lifestyle Limited	Subsidiary	100%	No
2	Safari Manufacturing Limited	Subsidiary	100%	No

V. Holding, Subsidiary and Associate Companies (including joint ventures)

22	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	Turnover (in ₹)	1,21,062.49 Lakh
	Net worth (in ₹)	41,963.22 Lakh

safari

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If Yes, then provide web-link for grievance redress policy	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	The Company's Stakeholder Engagement Policy outlines grievance of all the stakeholders. Additionally, the Company's Whistle Blower Policy also outlines mechanism to report grievances and wrongful conduct. Weblink: https://safaribags.com/pages/investor-relations#policies	-	-	-	-	-	-
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes	The Company's Stakeholder Engagement Policy outlines grievance of all the stakeholders. Additionally, the Company's Whistle Blower Policy also outlines mechanism to report grievances and wrongful conduct. Weblink: https://safaribags.com/pages/investor-relations#policies The Company's website also features a dedicated investor relations page. Weblink: https://safaribags.com/pages/investor-relations#aboutus	1	-	-	6	-	-
Employees and workers	Yes	The Company's Stakeholder Engagement Policy outlines grievance of all the stake-holders. Additionally, the Company's Whistle Blower Policy and Prevention of Sexual Harassment Policy also outlines mechanism to report grievances and wrongful conduct. Weblink: https://safaribags.com/pages/investor-relations#policies	-	-	-	-	-	-

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If Yes, then provide web-link for grievance redress policy	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes	The Company's Stakeholder Engagement Policy outlines grievance of all the stakeholders. Additionally, the Company's Whistle Blower Policy also outlines mechanism to report grievances and wrongful conduct. Weblink:https://safaribags.com/pages/investor-relations#policies	51,936	542	These complaints refer to consumer complaints for warranty claim or product queries. The Company is in process to resolve the un-attended cases in subsequent financial year. Major pending complaints are on account of insufficient documents.	43,712	735	These complaints refer to consumer complaints for warranty claim or product queries. The Company has attended all the pending complaints in FY22-23.
Value Chain Partners	Yes	The Company's Stakeholder Engagement Policy outlines grievance of all the stakeholders. Additionally, the Company's Whistle Blower Policy also outlines mechanism to report grievances and wrongful conduct. Weblink:https://safaribags.com/pages/investor-relations#policies	-	-	-	-	-	-
Other (please specify)	NA	NA	NA	NA	NA	NA	NA	NA

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Resource efficiency- Water, waste, energy	Opportunity	Implementing resource-efficient practices can help a business save costs by reducing waste, increasing productivity, and improving energy efficiency. Resource efficiency can also help businesses optimize their supply chains, resulting in reduced costs and improved performance.	N A	Positive
2	Climate Strategy & Emission Management	Opportunity	Managing & reducing greenhouse gas emissions is essential for mitigating the effects human induced warming of the climate and associated long-term implications for the business. Comprehensive Climate Strategy can help in identification of risks, reduce operational cost, identifying new business opportunities, prepare for changing market, consumer expectations and regulatory landscape.	N A	Positive
3	Employee engagement	Opportunity	Active employee engagement, focus on development, safety, and overall well-being can drive enhanced productivity, reduced turnover, boost customer satisfaction and positively impact the financial and non-financial performance of the Company.	N A	Positive
4	Occupational Health & Safety	Risk	Poor occupational health and safety practices can lead to workplace accidents and injuries, which can result in lost productivity and downtime. Also, non-compliance with occupational health and safety regulations can result in fines, penalties, and legal action.	Our Company has internal safety management system, supported by policies and the Standard Operating Procedures displayed internally in multiple languages to increase the awareness on the health & safety among our workforce. The Company also conduct regular training, mock drills, awareness programs etc. related various health & safety topics.	Negative

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Human Rights	Risk	Ensuring adherence to the Human Rights practices across the value chain can be a significant risk for the Company. Failure to do so can damage its reputation and brand image, leading to a loss of customer trust and loyalty. This can negatively impact sales and long-term profitability.	Employees and workers have been provided training on human rights issues and policy. The Company also respond to the SEDEX survey related to the Human Rights compliance at the request of its key customers.	Negative
6	Corporate Governance	Opportunity	The Company has formulated policies to form a strong corporate governance and keep its governance practices under continuous review. It also believe that Board independence is essential to bring objectivity and transparency in the management and in the dealing of the Company.	N A	Positive
7	Sustainable Supply Chain	Opportunity	A sustainable supply chain can help a Company mitigate risks associated with environmental, social, and governance (ESG) factors. By adopting sustainable practices and working with responsible suppliers, a Company can reduce the risk of supply chain disruptions, regulatory non-compliance, and reputational damage.	N A	Positive
8	Customer Relationship Management	Opportunity	A customer centric approach is at the core of Company's operations. Along with focus on customer experience, Company also strive to ensure transparency in its operations and communication. The Company focuses on the deeper the satisfaction of a customer, resulting in the lower the churn rate, and the higher the brand loyalty.	N A	Positive
9	Compliance & Risk Management	Risk	The Company's operations and supply chain is subjected to a dynamic regulatory environment and stakeholder expectations. Non-compliance can lead to disruptions in raw material supply, transportation delays, labour issues, loss of stakeholder confidence etc. Effective compliance and risk management can help mitigate these risks and ensure continuity of business.	Company has a Risk Management Committee ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. The Company follows the Enterprise Risk Management (ERM) framework to manage and mitigate such risks which is primarily based on the integrated framework for enterprise risk management and internal controls developed by the Company.	Negative

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Integrating the principles of the National Guidelines for Responsible Business Conduct into the structures, policies and processes ensure that stakeholder interests are integrated into the business fabric. Creating adequate governance enables businesses to contribute towards wider development goals.

SDGs: 

NGRBC Principles

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.

Principle 2: Businesses should provide goods and service in a manner that is sustainable and safe.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Principle 5: Businesses should respect and promote human rights.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Principle 8: Businesses should promote inclusive growth and equitable development.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions		**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Policy and Management Processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	The mandatory Policies are available at Company's website. Weblink: https://safaribags.com/pages/investor-relations#aboutus All other Policies which are of internal nature are available on the Human Resource ('HR') Portal of the Company.								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4	Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Supplier Ethical Data Exchange (SEDEX) Certification: As per the need based requirement, the Company conducts a SEDEX audit. The audit entailed four pillars: Labour Standards, Health and Safety, Environmental Assessment and Business Ethics.								

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Company has embark on the ESG journey from FY 2022-23 and is in the process to formulate Company's ESG goals and targets.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								
Governance, Leadership and Oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements: I am proud to announce that we are embarking on a sustainability journey. We recognize the importance of environmental, social, and governance factors in today's business world, and we are committed to making sustainability a top priority. Our workforce and processes are adapting to the growing issue of climate change, and we are diligently creating effective mitigation and adaptation strategies. Company has constantly proven its devotion to being an ethical corporate entity. Our mission is to deliver our customers a exceptional travel and lifestyle services while also making a positive impact in the communities we operate.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Sudhir Jatia, Chairman and Managing Director								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes Mr. Sudhir Jatia, Chairman and Managing Director								
10	Details of Review of NGRBCs by the Company:	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee.									
	Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)										
	Performance against above policies and follow up action	Annually								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Annually								
		P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).	No								
	If yes, provide name of the agency.	-								

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

12.	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

SDGs:

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	8	1. ESG 2. Corporate Governance 3. Corporate Social Responsibility	100%
Key Management Personnel	4	1. Corporate Governance 2. Artificial Intelligence 3. ESG 4. Labour Laws 5. POSH Training	100%
Employees other than BODs and KMPs	42	1. E commerce Outbound Learning 2. Sales Champions Program 3. Safety Training 4. Safari RISE - Promoter Enangement Program 5. POSH Training	100%
Workers	5	1. POSH Training 2. Fire Fighting & Mock Drills 3. First-Aid	100%

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

   a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	NA	NA	NA	NA
Settlement	Nil	NA	NA	NA	NA
Compounding fee	Nil	NA	NA	NA	NA

   b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	NA	NA	NA
Punishment	Nil	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed: Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.
   - Yes, Company has Anti-Bribery Policy.
   - This Policy reflects Company's business practices and principles of conduct, which underpin our commitment to a zero-tolerance approach towards acts of bribery and corruption.
   - Weblink: It is uploaded on internal HR Portal (Workline HR).

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

Topic	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.
   - Not Applicable, as there were no cases on corruption and conflicts of interest.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:
   - Nil
2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.
   - Yes, the Company has a dedicated 'Code of Conduct for Board Members and Employees including Senior Management', explaining the circumstances to avoid that may likely lead to conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

SDGs:

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2022-23	FY 2021-22	Details of improvement in social and environmental aspects
Research & Development (R&D)	-	-	Not applicable
Capital Expenditure (CAPEX)	-	-	Not applicable

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
   - Yes, the Company has Sustainable Sourcing Policy and procedures in place.

   b. If yes, what percentage of inputs were sourced sustainably?
   - Company has formulated out Sustainable Sourcing Policy in FY22-23 and will disclose its performance from subsequent financial year.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
   - Company's products in themselves are durable products meant for long-term usage, hence, they do not require disposal mechanism.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
   - Yes, the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

PRINCIPLE 3: Businesses should respect and promote the wellbeing of all employees, including those in their value chains

SDGs:

ESSENTIAL INDICATORS

1. a. Details of measures for the wellbeing of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	848	848	100%	848	100%	-	-	848	100%	848	100%
Female	53	53	100%	53	100%	53	100%	-	-	53	100%
Total	**901**	**901**	**100%**	**901**	**100%**	**53**	**6%**	**848**	**94%**	**901**	**100%**
Other than Permanent Employees											
Male	1,878	1,878	100%	1,878	100%	-	-	-	-	-	-
Female	246	246	100%	246	100%	246	100%	-	-	-	-
Total	**2,124**	**2,124**	**100%**	**2,124**	**100%**	**246**	**12%**	**-**	**-**	**-**	**-**

Note:
100% of our permanent employees are covered under Term Life Insurance.
92% of our non-permanent employees are registered under ESIC scheme.
Health and Accident Insurance includes employees covered under ESIC.

b. Details of measures for the wellbeing of workers:

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	62	62	100%	62	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**62**	**62**	**100%**	**62**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent Workers											
Male	455	455	100%	455	100%	-	-	-	-	-	-
Female	106	106	100%	106	100%	106	100%	-	-	-	-
Total	**561**	**561**	**100%**	**561**	**100%**	**106**	**19%**	**-**	**-**	**-**	**-**

Note:
100% of our permanent workers are covered under Term Life Insurance.
100% of our contractual workers are registered under ESIC scheme.
Health and Accident Insurance includes employees covered under ESIC.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr. No.	Benefits	FY 2022-23			FY 2021-22		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	96%	100%	Yes	94%	100%	Yes
2	Gratuity	96%	100%	Yes	94%	100%	Yes
3	ESI	75%	90%	Yes	72%	86%	Yes
4	Others - Please Specify	NA	NA	NA	NA	NA	NA

Note: Trainees are excluded from PF and Gratuity benefits of employees.

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.
   - Yes, the Company's premises / offices are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.
4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.
   - Yes, as per the equal opportuntiy clause in our Recruitment Policy, Company ensures equal employment opportunity and decent work conditions for all including persons with disabilities in compliance with the Rights of Persons with Disabilities Act, 2016.
   - Weblink: Policy is available on Company's internal network.
5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention Rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Category	Yes / No	Details of the mechanism in brief
Permanent Workers	Yes	The Company's Whistle Blowers Policy, Stakeholder Engagement Policy and Prevention of Sexual Harassment Policy outlines mechanism to report grievances and wrongful conduct. At manufacturing site, Employees and Workers issues are addressed through a Grievance Redressal Mechanism or otherwise through direct communication with departmental heads.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Permanent Employees						
Male	848	-	0%	873	-	0%
Female	53	-	0%	54	-	0%
Total	901	-	0%	927	-	0%
Permanent Workers						
Male	62	62	100%	77	77	100%
Female	-	-	0%	-	-	0%
Total	62	62	100%	77	77	100%

8. Details of training given to employees and workers:

On Skill Upgradation

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received Skill Training (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received Skill Training (D)	% (D/C)
Employees						
Male	2,726	2,726	100%	2,253	2,253	100%
Female	299	299	100%	204	204	100%
Total	3,025	3,025	100%	2,457	2,457	100%
Workers						
Male	517	517	100%	498	498	100%
Female	106	106	100%	52	52	100%
Total	623	623	100%	550	550	100%

On Health and Safety Measures

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received training on Health and Safety (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received training on Health and Safety (D)	% (D/C)
Employees						
Male	2,726	126	5%	2,253	90	4%
Female	299	28	9%	204	1	0%
Total	3,025	154	5%	2,457	91	4%
Workers						
Male	517	517	100%	498	498	100%
Female	106	106	100%	52	52	100%
Total	623	623	100%	550	550	100%

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who had a career review (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who had a career review (D)	% (D/C)
Employees						
Male	2,726	1,446	53%	2,253	366	16%
Female	299	118	39%	204	17	8%
Total	3,025	1,564	52%	2,457	383	16%
Workers						
Male	517	517	100%	498	498	100%
Female	106	106	100%	52	52	100%
Total	623	623	100%	550	550	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes, the Company has an internal safety management system which is driven with Standard operating procedures The Company also has a Occupational Health and Safety Policy which applies to all business operations of the Company.
If yes, what is the coverage of such system?	The OHS policy and associated SOPs applies to all business operations of the Company, including employees, contractors, suppliers and business partners.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Hazard Identification and Risk Assessment (HIRA) for each and every activity.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, Nearmiss reporting & Verbal reporting during daily training.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.
    - Safety audit and workplace/shopfloor inspection.
    - Nearmiss reporting.
    - Various training modules.
    - Safety committee meeting.
13. Number of Complaints on the following made by employees and workers:

Topic	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.
    - No risks were identified by the internal auditors.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).
   a. Employees (Yes/No): Yes
   b. Workers (Yes/No): Yes
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
   - The Company is compliant with deduction of statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time. Value chain partners (vendors) are equally responsible to comply as per the contract signed with the Company.
3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).
   - ➢ The Company does not have a formal program on transition assistance. However, support is provided on a case-to-case merit basis.
5. Details on assessment of value chain partners:
   - ➢ In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. However, no formal examination of value chain partners has been conducted but the Company intends to do it in subsequent year.
6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.
   - ➢ Not Applicable, as no formal examination of value chain partners has been conducted but the Company intends to do it in subsequent year.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

SDGs:

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:
   - ➢ Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. Company has recognised both, internal stakeholder which includes employees and workers, and external stakeholder which includes external channels such as Customers, suppliers, regulators, investors/shareholders, and community.
2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, social media, Advertisement, SMS, Newspaper, Pamphlets, Customer's feed back	Regular basis	• Product Warranty • Product features • Complaints • Feedbacks on product and services
Employees	No	Email, Internal HR portal (Workline), meeting	Regular basis	• Job satisfaction • Career Growth • Training and Development • Performance review • Motivation and job satisfaction • Reward and Recognition
Supplier	No	Email, Website, meetings	Regular basis	• Quality, cost and delivery improvement • Minimal fluctuations in delivery schedules • On-time payment • Growth in Business avenues

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	Email, Investor section on Website, Annual Reports, meetings, AGM, News paper	Regular basis at least quarterly	• Developments in the Company • Growth in revenues and profits • Quaterly and annual results
Government and Regulators	No	Letter, E-mails and E-filing / online filing	Need based	• Adherence to applicable laws and regulations
Local Communities	No	Monitoring of CSR contribution with NGOs and implementing agencies	Regular basis	• Education • Health • Social responsibility
Media, journalists and special interest groups	No	Interview	When approached	➢ Business outlook

PRINCIPLE 5: Businesses should respect and promote human rights.

SDGs: 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	**No. of employees/ workers covered (B)**	**% (B/A)**	**Total (C)**	**No. of employees/ workers covered (D)**	**% (D/C)**
Employees						
Permanent	901	901	100%	927	927	100%
Other than permanent	2,124	2,124	100%	1,530	1,530	100%
Total Employees	3,025	3,025	100%	2,457	2,457	100%
Workers						
Permanent	62	62	100%	77	77	100%
Other than permanent	561	561	100%	473	473	100%
Total Workers	623	623	100%	550	550	100%

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	848	28	3%	820	97%	873	46	5%	827	95%
Female	53	3	6%	50	94%	54	7	13%	47	87%
Other than Permanent										
Male	1,878	229	12%	1649	88%	1,380	253	18%	1,127	82%
Female	246	44	18%	202	82%	150	21	14%	129	86%
Workers										
Permanent										
Male	62	0	0%	62	100%	77	0	0%	77	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent										
Male	455	455	100%	0	0%	421	0	0%	421	100%
Female	106	106	100%	0	0%	52	0	0%	52	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective category**	**Number**	**Median remuneration/ salary/ wages of respective category**
Board of Directors (BoD)	7	8,85,000	1	10,60,000
Key Managerial Personnel*	2	76,43,491	0	NA
Employees other than BoD and KMP	845	4,06,958	53	5,27,666
Workers	62	3,30,821	0	NA

**KMP includes Chief Financial Officer and Company Secretary. Managing director has been considered as a part of Board of Directors.*

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)
   - Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.
   - The Company has a dedicated policy on Human Rights, which provides access to remedy by resolving grievances in a timely and culturally appropriate manner.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
   - The Company has a dedicated Human Right Policy and Prevention of Sexual Harrasement Policy, for minimizing potential adverse impacts through due diligence and management of issues, and resolving grievances from affected stakeholders effectively.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
   - Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
    - Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.
   - Not applicable
2. Details of the scope and coverage of any Human rights due-diligence conducted.
   - No
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
   - Yes, the Company's premises / offices are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

4. Details on assessment of value chain partners:
   - In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. However, no formal examination of value chain partners has been conducted but the Company intends to do it in subsequent year.
5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   Not applicable as no formal examination of value chain partners has been conducted but the Company intends to do it in subsequent year.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

SDGs:

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) (GJ)	35,006	24,288
Total fuel consumption (B) (GJ)	526	392
Energy consumption through other sources (C) (GJ)	0	0
Total energy consumption (A+B+C) (GJ)	35,532	24,680
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (GJ/₹ million)	2.935	3.501

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
   - No
3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	7,574	7,527
(iv) Seawater / desalinated water	0	0
(v) Others (Produced water* + Tanker water)	0	0
Total volume of water withdrawal (in kL) (i + ii + iii + iv + v)	7,574	7,527
Total volume of water consumption (in kilolitres)	7,574	7,527
Water intensity per rupee of turnover (Water consumed / turnover) (kL/INR)	0.625	1.067

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
   - Yes. At the manufacturing plant the waste water is treated in the Sewage Treatment Plant (STP) and the treated water is further used for gardening activities within the premises.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Tonnes	Nil	Nil
SOx		Nil	Nil
Particulate matter (PM)		Nil	Nil
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil

Note: The Company's operations doesn't have any stack emissions.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	tCO2e	30	22
Total Scope 2 emissions	tCO2e	6,953	4,723
Total Scope 1+2 emissions	tCO2e	6,982	4,745
Total Scope 1 and Scope 2 emissions per turnover	tCO2e/INR million	0.576	0.673

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail:
   - Company has undertaken the following initiatives/improvements in operational mechanisms to reduce GHG emission by improving energy efficiency and reducing energy consumption:
     - Two Barrels (Main and Sub) Hot fumes suction / removal process was done with two numbers of pumps installed in machine, which is now being done by one pump with necessary changes made in system installation. This stoppage of one pump has given significant saving in power consumption of Extruder.
     - Replacing existing conventional air compressor and installed a variable frequency drive air compressor to reduce energy consumption
     - Installed a two stage forming machines, by using two stage forming machines, which has resulted in saving of electricity per luggage and increase in extruder capacity.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	10.51	9.44
E-waste (B)	0	0.042
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0.2
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	230.16	168.59
Total (A+B + C + D + E + F + G+ H)	240.67	178.27

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	FY 2022-23	FY 2021-22
Category of waste		
(i) Recycled	0	0.242
(ii) Re-used	0	0
(iii) Other recovery operations	240.67	178.03
Total	240.67	178.27

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	FY 2022-23	FY 2021-22
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.
   - We do have internal SOP for waste management system. All of the plastic waste is reused or recycles at the plant level and the remaining waste is collected by third party waste collectors who recycle that waste.
   - There are no toxic chemicals used in the plant premises.
10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:
    - Not Applicable. No operations/offices in/around ecologically sensitive areas.
11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:
    - Not Applicable
12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:
    - Yes

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

LEADERSHIP INDICATORS

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water - No treatment - With treatment - please specify level of Treatment	0	0
(ii) To Groundwater - No treatment - With treatment - please specify level of Treatment	0	0
(iii) To Seawater - No treatment - With treatment - please specify level of Treatment	0	0
(iv) Sent to third-parties - No treatment - With treatment - please specify level of Treatment	0	0
(v) Others - No treatment - With treatment - please specify level of Treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative *(Web-link, if any, may be provided along-with summary)*	Outcome of the initiative
1	Integration of LED lights	Conventional lights replaced with LEDs in entire Factory.	LED lights consume much less energy than conventional lights and has longer longer lifespan, leadind to lower energy consumption and associated emissions.
2	Process optimizations / process improvement	Auto-level controller of water for RO drinking water plant. Usage of STP and RO waste water for gardening purpose in place of pumping system.	These Process optimizations / Process improvement has given significant energy units saving.
3	Technology Installation	Existing Air Compressor is conventional type, installed variable frequency drive to reduce energy consumption. Installation of temperature controller in cooling tower (100TR) unit to stop idle running of Fan.	Installation of these technologies have reduced energy consumption and its associated emissions.
4	Technology Improvement	We have replaced our three stage forming machines with two stage forming machines.	By using two stage forming machines we have reduced the sheet size and offcut generation, which has resulted in saving of electricity per luggage, reducing waste generation and increase in extruder capacity.
5	STP Plant	At the manufacturing plant the wastewater is treated in the Sewage Treatment Plant (STP) and the treated water is further used for gardening activities within the premises.	This has resulted in reduced use of freshwater.

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
   - Our Disaster Recovery arrangement guarantee that we will continue to run our business effectively, secure our assets, and comply with requirements of all other stakeholders. In the event of any unanticipated disruptive events, the Disaster recovery arrangements define the specific processes required to recover and restore critical IT systems. Appropriate measures are consistently updated and recorded in the Disaster recovery arrangements in accordance with risk factors, industry standards (RPO and RTO) governmental directives, and occasionally released alerts.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

SDGs:

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations.
   - 3

   b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	IMC Chamber of Commerce and Industry	National
2	Association for Development of Luggage and Accessories	National
3	Federation of Gujarat Industries	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.
   - No adverse orders from regulatory authorities were issued related to anti-competitive conduct.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

SDGs:

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.
   - No Social Impact Assessments (SIA) required by any Law.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:
   - Not applicable

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

3. Describe the mechanisms to receive and redress grievances of the community
   - The Company's Stakeholder Engagement Policy outlines grievance of all the stakeholders. Additionally, The Company's Whistle Blower Policy also outlines mechanism to report grievances and wrongful conduct. Weblink: https://safaribags.com/pages/investor-relations#policies

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ Small producers	41%	42%
Sourced directly from within the district and neighboring districts	59%	58%

LEADERSHIP INDICATORS

6. Details of beneficiaries of CSR Projects.

Sr. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Promoting health care including preventive health care and sanitation	8,246	100%
2	Eradicating hunger, poverty and malnutrition	815	100%
3	Promoting education, including special education and employment enhancing vocation skills	141	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

SDGs:

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
   - All Company's products carry contact information (email ID, phone number and website address) where consumers can reach us in case of any complaint or feedback.
   - Contact information:

     - Wesbite URL - https://safaribags.com/pages/contact
     - Phone Number - 9819547085
     - email ID - customercare@safari.in

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	0%
Safe and responsible usage	0%
Recycling and/or safe disposal	0%

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

3. Number of consumer complaints

	FY 2022-23			FY 2021-22		
	Received during the year	**Pending resolution at the end of year**	**Remarks**	**Received during the year**	**Pending resolution at the end of year**	**Remarks**
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others	51,936	542	These complaints refer to consumer complaints for warranty claim or product queries. The Company is in process to resolve the unattended cases in subsequent financial year. Major pending complaints are on account of insufficient documents.	43,718	735	These complaints refer to consumer complaints for warranty claim or product queries. The Company has attended all the pending complaints in FY22-23

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
   - Yes
   - Weblink: IT policy is available on the Company's internal network

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.
   - No such actions required

ANNEXURES TO THE DIRECTORS' REPORT (contd..)

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
    - Website, ecommerce websites
    - Weblink:
        - www.safaribags.com
        - www.genietravel.com
        - www.urbanjungle.shop
        - Other E-commerce websites
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
    - Not Applicable
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
    - Not Applicable
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
    - Yes, the product information displayed our products are over and above what is mandated as per local law.
5. Provide the following information relating to data breaches:
    a. Number of instances of data breaches along-with impact: Nil
    b. Percentage of data breaches involving personally identifiable information of customers: 0%

ON BEHALF OF THE BOARD OF DIRECTORS
For SAFARI INDUSTRIES (INDIA) LIMITED

Place: Mumbai
Date: 16th May 2023

SUDHIR JATIA
Chairman & Managing Director
DIN: 00031969

INDEPENDENT AUDITORS' REPORT

To,
The Members,
SAFARI INDUSTRIES (INDIA) LIMITED.

Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Safari Industries (India) Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income and total comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Restatement

4. We draw attention to note 51 to the standalone financial statements, which describes the restatement made to the comparative financial statements by the management of the Company in accordance with Indian Accounting Standard 8 pertaining to reclassification of bank deposits as further described in the said note. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
Revenue Recognition under Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') Refer note 2 - 'Income recognition' and note 24 and 40 - 'Revenue from operations' to the standalone financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year. Revenue for the Company consists primarily of sale of manufactured and traded goods. Owing to the multiplicity of the Company's channels through which sale of products is made,	Our audit included, but was not limited to, the following procedures performed in respect of revenue recognition: • Understood the process of revenue recognition and evaluated the appropriateness of the accounting policy adopted by the management on revenue recognition in accordance with Ind AS 115; • Evaluated the design and tested the operating effectiveness of the relevant manual and information technology internal financial controls, including

INDEPENDENT AUDITORS' REPORT

Key Audit Matters	How our audit addressed the key audit matter
and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 involves significant judgements / material estimates relating to identification of performance obligations, determination of transaction price, including impact of variable consideration in the form of rebates and discounts, assessment of satisfaction of the identified performance obligations represented by the transfer of control of the products sold. Revenue is a key performance indicator and there is presumed fraud risk of revenue being overstated during the year on account of variation in the timing of transfer of control due pressure to achieve performance targets and meeting the external expectations. Owing to significance of amount, multiplicity of the Company's channels through which sale of products is made, volume of transactions, nature of customer with varied terms of contracts, presumed fraud risk, audit of revenue recognised during the year requires significant auditor attention and accordingly, revenue recognition is considered to be a key audit matter for the current year audit.	controls over identification of the distinct performance obligations, determination of transaction price and satisfaction of performance obligations. Procedures performed included enquiry, observation and inspection of evidence in respect of operation of these controls. • Selected channel-wise (e-commerce , hyper , trade, Central Police Canteen , Canteen Stores Department and other small channels) samples of continuing and new customers, and performed the following procedures: 1) Read, analysed and identified the distinct performance obligations in these contracts; 2) Compared such performance obligations with those identified and recorded by the management; and 3) Reviewed contract terms to determine the transaction price including variable consideration, if any, to determine the appropriate transaction price for measuring revenue. • Tested, on a sample basis, revenue transactions recorded during the year, and in the period before and after year-end, relating to sale of products by inspecting supporting documents such as customer contracts, sales orders, proofs of dispatch, customer acceptance, invoices, etc., for the accuracy and completeness of revenue recorded for such transactions. • Assessed the underlying assumptions used by the management for determination of variable consideration as at year end, as a result of rebates, discount rates, sales returns, etc., and traced inputs used to source data. • Tested a sample of credit notes issued during the year and subsequent to year end to confirm revenue recognised during the period was appropriate. • Performed analytical procedures for reasonableness of revenue recorded such as trend analysis by channel, by customer, etc. • Assessed the appropriateness and adequacy of disclosures included in the standalone financial statements, in accordance with the requirements of Ind AS 115.

Information Other than the Standalone Financial Statements and Auditor's report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the standalone financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements 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 Standards on Auditing 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 financial statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the 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 Act we are also responsible for expressing our opinion on whether the Company has adequate 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 made by management;
    - Conclude on the appropriateness of 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 Company's ability to continue as a going concern. If we conclude that a material

INDEPENDENT AUDITORS' REPORT

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

16. The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor, Lodha & Co., who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 13 May 2022.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c) The standalone financial statements dealt with by this report are in agreement with the books of account;
    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
    f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

INDEPENDENT AUDITORS' REPORT

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company, as detailed in note 42 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 48 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 48 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with the section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with the section 123 of the Act to the extent it applies to the payment of dividend. Further, as stated in note 39 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **WALKER CHANDIOK& CO LLP**
Chartered Accountants
(Firm Regn. No. 001076N/N500013)

Noida
Date : 16th May 2023

Ashish Gupta
Partner
(Membership No. 504662)
UDIN: 23504662BGWGEI3868

INDEPENDENT AUDITORS' REPORT

ANNEXURE I

Annexure I referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Safari Industries (India) Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the standalone financial statements are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year, including inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

b) As disclosed in the note 18 to standalone financial statements, the Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, except for the following:

Name of the bank	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Amount disclosed as per return (₹ in lakhs)	Amount as per books of account (₹ in lakhs)	Difference
Citi Bank	4,000	Current assets	I	31,281.46	30,631.18@	(650.28)
Axis Bank	5,130		II	39,052.23	39,282.01@	(229.78)
HDFC Bank	3,360		III	38,898.33	39,407.55@	(509.22)
Indusind Bank	2,500		IV	42,049.51	42,783.48*	(733.97)

**Per books of accounts which were subject to audit*
@ Per books of accounts which were subject to review

INDEPENDENT AUDITORS' REPORT

iii. a) The Company has made investments in and provided loans and guarantee to Subsidiaries during the year as per details given below:

(₹ in lakhs)

Particulars	Guarantees	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	5,900.00	3,855.00
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	2,833.33	-*

**repaid during the year*

b) The Company has not given any security or granted any advances in the nature of loans during the year. However, the Company has made investment in two entities being wholly owned subsidiaries amounting to ₹ 1569.60 lakhs (year-end balance - ₹ 3574.60 lakhs), provided guarantees and granted loans during the year and in our opinion, and according to the information and explanations given to us, such investments made, guarantees provided, and terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.

c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

e) The Company has granted loan which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans.

f) The Company had granted loans which were repayable on demand. The repayments of such loans were demanded during the year and the same has been fully repaid.

iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act and has not entered into any transaction under 186 of the Act in respect of security provided by it.

v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

INDEPENDENT AUDITORS' REPORT

b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of the dues	Gross Amt ₹ in lakhs	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Uttar Pradesh Value Added Tax, 2008	Value Added Tax	2.80	0.43	F.Y. 2014-15	Commercial Tax Dept. Uttar Pradesh	-
Central Goods and Service Tax Act, 2017	Central Goods and Service Tax (CGST) and State Goods and Service Tax (SGST)	3.05	3.05	F.Y. 2022.23	Commercial Tax Dept. Uttar Pradesh	-
Central Goods and Service Tax Act, 2017	Central Goods and Service Tax (CGST) and State Goods and Service Tax (SGST)	1.90	-	F.Y. 2017-18 & F.Y. 2018-19	CGST and Central Excise, Indore	-

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

ix. a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

x. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

INDEPENDENT AUDITORS' REPORT

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

xiv. a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **WALKER CHANDIOK& CO LLP**
Chartered Accountants
(Firm Regn. No. 001076N/N500013)

Noida
Date : 16th May 2023

Ashish Gupta
Partner
(Membership No. 504662)
UDIN: 23504662BGWGEI3868

INDEPENDENT AUDITORS' REPORT

Annexure II

Independent Auditor's Report on the Internal Financial Controls with reference to the standalone financial statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the standalone financial statements of Safari Industries (India) Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibilityfor the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions

INDEPENDENT AUDITORS' REPORT

of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to StandaloneFinancial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **WALKER CHANDIOK& CO LLP**
Chartered Accountants
(Firm Regn. No. 001076N/N500013)

Ashish Gupta
Partner
(Membership No. 504662)
UDIN: 23504662BGWGEI3868

Noida
Date : 16th May 2023

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2023

(₹ in lakhs, unless otherwise stated)

Particulars	Note no.	As at 31st March 2023	As at 31st March 2022 Restated
Assets			
Non-current assets			
a) Property, plant and equipment	3	**4,423.18**	4,154.51
b) Right of use asset	4	**7,351.95**	4,010.72
c) Other intangible assets	5	**43.53**	47.84
d) Financial assets			
i) Investments in subsidiaries	6	**3,574.60**	2,005.00
ii) Other financial assets	7	**886.61**	461.02
e) Deferred tax assets (net)	8	**352.38**	681.91
f) Income-tax assets (net)	9	**291.72**	289.15
g) Other non-current assets	10	**68.36**	42.47
Total non-current assets		**16,992.33**	11,692.62
Current assets			
a) Inventories	11	**25,080.78**	14,607.16
b) Financial assets			
i) Trade receivables	12	**16,968.73**	11,488.37
ii) Cash and cash equivalents	13	**240.47**	212.32
iii) Bank balances other than (ii) above	14	**8,356.13**	5,705.28
iv) Loan to subsidiary	15	**-**	1,183.37
v) Other financial assets	7	**432.76**	262.99
c) Other current assets	10	**1,444.52**	1,219.85
Total current assets		**52,523.39**	34,679.34
Total assets		**69,515.72**	46,371.96
Equity and liabilities			
Equity			
a) Equity share capital	16	**474.23**	447.79
b) Other equity	17	**41,488.99**	29,660.05
Total equity		**41,963.22**	30,107.84
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	18	**2.84**	9.34
ii) Lease liabilities	4	**5,460.66**	2,959.91
Total non-current liabilities		**5,463.50**	2,969.25
Current liabilities			
a) Financial liabilities			
i) Borrowings	18	**3,195.69**	1,093.06
ii) Lease liabilities	4	**2,123.95**	1,292.37
iii) Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		**4,271.56**	2,523.25
Total outstanding dues of creditors other than micro enterprises and small enterprises		**11,035.24**	7,481.92
iv) Other financial liabilities	20	**638.79**	356.03
b) Other current liabilities	21	**678.60**	364.15
c) Provisions	22	**135.22**	184.09
d) Current tax liabilities (net)	23	**9.95**	-
Total current liabilities		**22,089.00**	13,294.87
Total equity and liabilities		**69,515.72**	46,371.96

Accompanying notes are an integral part of these standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in lakhs, unless otherwise stated)

Particulars	Note no.	Year Ended 31st March 2023	Year Ended 31st March 2022
Income			
a) Revenue from operations	24	121,062.49	70,493.13
b) Other income	25	1,104.46	839.24
Total income		**122,166.95**	71,332.37
Expenses			
a) Cost of materials consumed	26	**25,798.88**	17,914.92
b) Purchases of stock-in-trade		**57,215.03**	29,182.10
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	**(10,135.70)**	(2,613.02)
d) Employee benefits expense	28	**8,210.57**	6,621.59
e) Finance costs	29	**601.45**	483.90
f) Depreciation and amortisation expense	30	**2,899.51**	1,944.80
g) Other expenses	31	**21,858.83**	13,893.08
Total expenses		**106,448.57**	67,427.37
Profit before exceptional items and tax		**15,718.38**	3,905.00
Exceptional items	31(i)	**-**	928.02
Profit before tax		**15,718.38**	2,976.98
Tax expense	32		
a) Current tax		**3,489.50**	266.09
b) Deferred tax		**329.53**	407.18
c) Tax for earlier years		**5.16**	3.19
Total tax expense		**3,824.19**	676.46
Profit for the year		**11,894.19**	2,300.52
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit plan		**(37.55)**	(60.86)
b) Tax relating to these items		**8.32**	13.49
Total other comprehensive income/(loss)		**(29.23)**	(47.37)
Total comprehensive income		**11,864.96**	2,253.15
Earnings per share	33		
a) Basic earnings per equity share (in ₹)		**50.17**	10.27
b) Diluted earnings per equity share (in ₹)		**49.97**	9.81
(Face value of ₹ 2 each)			

Accompanying notes are an integral part of these standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in lakhs, unless otherwise stated)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
A. Cash flow from operating activities		Restated
Profit before exceptional items and tax	**15,718.38**	3,905.00
Adjustments for :		
Depreciation and amortisation expense	**2,899.51**	1,944.80
Unwinding of interest on security deposits	**(73.40)**	-
Finance costs	**601.45**	483.90
Interest income on fixed deposits and loan	**(661.86)**	(643.49)
Dividend income on preference shares	**(127.09)**	(31.79)
Other income on concession / termination of leases	**(82.78)**	(105.52)
Profit on disposal of property, plant and equipment (net)	**(8.05)**	101.35
Sundry balances (written back)/ written off (net)	**(35.96)**	1.32
Unrealised exchange fluctuation gain	**(21.64)**	(5.30)
Share based payments to employees	**466.95**	15.41
Bad debts written off / allowance for expected credit loss / advances / deposits	**72.69**	651.19
Corporate Guarantee commission	**(22.45)**	-
Gain on sale of investments	**(12.62)**	-
Operating profit before working capital changes	**18,713.13**	6,316.87
Adjustments for :		
Changes in working capital		
(Increase) in inventories	**(10,473.62)**	(3,209.34)
(Increase) in trade receivables	**(5,553.05)**	(4,007.42)
(Increase)/decrease in other bank balances	**(0.38)**	10.16
(Increase) in other financial assets	**(547.79)**	(169.33)
(Increase) in other assets	**(229.05)**	(278.30)
Increase in trade payables	**5,359.25**	3,011.74
Increase in other financial liabilities	**204.06**	207.14
(Decrease) in provisions	**(86.41)**	(99.34)
Increase in other current liabilities	**266.90**	83.92
Cash generated from operations	**7,653.04**	1,866.10
Income taxes paid (net of refunds)	**(3,478.96)**	(260.79)
Net cash generated from operating activities	**4,174.08**	1,605.31

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023 (CONTD..)

(₹ in lakhs, unless otherwise stated)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022 Restated
B. Cash flow from investing activities		
Purchase of property, plant & equipment and other intangible assets (including capital work in progress and capital advances)	**(1,457.73)**	(1,309.95)
Proceeds from disposal of property, plant and equipment	**246.27**	104.18
Investment in subsidiary	**(1,500.00)**	(2,000.00)
Loan repaid by/(given to) subsidiary	**1,183.37**	(1,183.37)
Proceeds from (investments)/maturity in term deposits (other than cash and cash equivalents) (net)	**(2,650.47)**	3,303.80
Proceeds from sale of current investments (net)	**12.62**	-
Interest received	**596.20**	625.31
Net cash used in investing activities	**(3,569.74)**	(460.03)
C. Cash flow from financing activities		
Proceeds from issue of shares (stock options exercised by employees)	30.60	13.20
Repayment of long-term borrowings (including current maturities)	(193.17)	(434.74)
Proceeds / (repayment) of short-term borrowings (net)	2,316.99	569.07
Repayment of lease liabilities	(1,596.21)	(1,010.64)
Finance costs	(599.90)	(492.64)
Dividend paid	(534.50)	-
Net cash generated (used in)/ from financing activities	**(576.19)**	(1,355.75)
Net increase/(decrease) in cash and cash equivalents	**28.15**	(210.47)
Opening cash and cash equivalents	**212.32**	422.79
Closing cash and cash equivalents *(Refer Note 13)*	**240.47**	212.32

The statement of cash flows has been prepared under indirect method as set out in Ind AS7 'Statement of Cash Flows' specified under section 133 of the Companies Act, 2013 ('Act').

Accompanying notes are an integral part of these standalone financial statements.

This is the standalone statement of cash flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

A. Equity share capital

(₹ in lakhs, unless otherwise stated)

Particulars	31st March 2023	31st March 2022
Balance as at beginning of the year	**447.79**	447.73
Change in equity share capital during the year	**26.44**	0.06
Balance as at end of the year	**474.23**	447.79

B. Other equity

Particulars	Reserves and surplus						Equity Component of Compound Financial Intrument	Total
	Capital reserve	Securities premium	General reserve	Share-based payment reserve	Retained earnings	Remeasure-ment of defined benefit plan	Compulsorily Convertible Debentures *(Refer Note 16)*	
Balance as at 1st April 2021	**11.18**	**12,308.77**	**618.80**	**13.16**	**7,904.17**	**(281.78)**	**6,804.06**	**27,378.36**
a) Profit for the year	-	-	-	-	2,300.52	-	-	2,300.52
b) Other comprehensive income/(loss) for the year								
Re-measurement loss on defined benefit plan	-	-	-	-	-	(47.37)	-	(47.37)
Total Comprehensive income for the year (a+b)	**-**	**-**	**-**	**-**	**2,300.52**	**(47.37)**	**-**	**2,253.15**
c) Issue of equity shares on exercise of employee stock options	-	13.14	-	-	-	-	-	13.14
d) Transferred to securities premium	-	8.91	-	(8.91)	-	-	-	-
e) Expenses on share based payments	-	-	-	15.41	-	-	-	15.41
Balance as at 31st March 2022	**11.18**	**12,330.82**	**618.80**	**19.66**	**10,204.68**	**(329.15)**	**6,804.06**	**29,660.05**
f) Profit for the year	-	-	-	-	11,894.19	-	-	11,894.19
g) Other comprehensive income/(loss) for the year Re-measurement loss on defined benefit plan for the year	-	-	-	-	-	(29.23)	-	(29.23)
Total Comprehensive income for the year (f+g)	**-**	**-**	**-**	**-**	**11,894.19**	**(29.23)**	**-**	**11,864.96**
h) Issue of equity shares on exercise of employee stock options	-	30.48	-	-	-	-	-	30.48
i) Transferred to securities premium	-	12.74	-	(12.74)	-	-	-	-
j) Dividend *(refer note 39 (b))*	-	-	-	-	(534.82)	-	-	(534.82)
k) Conversion of 6% compulsorily convertible debentures into equity shares	-	6,805.43	-	-	-	-	(6,804.06)	1.37
l) Expenses on share based payments	-	-	-	466.95	-	-	-	466.95
Balance as at 31st March 2023	**11.18**	**19,179.47**	**618.80**	**473.87**	**21,564.05**	**(358.38)**	**-**	**41,488.99**

Accompanying notes are an integral part of these standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

1. Corporate information:

Safari Industries (India) Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act as applicable in India. Its equity shares are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Company is engaged in the manufacturing and marketing of luggage and luggage accessories.

The registered office of the company is situated at 302-303, A Wing, The Qube CTS No.1498, A/2, Sir MathuradasVasanji Road, Marol, Andheri East, Mumbai, Maharashtra 400059.

2. Basis of preparation:

2.1 General information and statement of compliance:

The Standalone Financial Statements comprise of the Standalone Balance Sheet as at 31 March 2023, Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Cash Flows and Standalone Changes in Equity for year ended 31 March 2023 and summary statement of significant accounting policies and other explanatory information (hereinafter collectively referred to as 'Standalone Financial Statement').

These Standalone Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards ('Ind AS'), prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

All amounts included in the Standalone Financial Statements are reported in Indian Rupees ('INR') in lakhs unless otherwise stated and "0" denotes amounts less than fifty thousand rupees.

Details of significant investments in subsidiary companies in accordance with Ind AS 27

Name of the subsidiary	Principal place of business	% Ownership company interest held by the as at 31 March 2023 and 31 March 2022	Business of subsidiaries
Safari Lifestyles Limited	India	100.00%	Marketing and distribution of luggage and luggage accessories
Safari Manufacturing Limited	India	100.00%	Manufacturing and distribution of luggage and luggage accessories

2.2 Basis of preparation and presentation

The Standalone Financial Statements have been prepared on a going concern basis using accrual method of accounting and historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value;
- Share-based payments; and
- Defined Benefit and other long-term employee benefits

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III of the Act.

2.3 Current and Non- current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

2.4 Use of estimates and judgements:

The preparation of the Standalone Financial Statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Standalone Financial Statements and the reported amounts of revenues and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the Standalone Financial Statements is made relying on these estimates.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

The estimates and judgments used in the preparation of the Standalone Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Rebates, discounts and sales

The revenue recognition policy requires estimation of rebates, discounts and sales returns. There are a varied number of rebates/ discount schemes offered which are primarily driven by the terms and conditions for each scheme including the working methodology to be followed and the eligibility criteria for each of the scheme. The estimates for rebates/ discounts need to be based on evaluation of eligibility criteria and the past trend analysis. The expected sales returns are estimated based on a detailed historical study of past trends.

Provision for inventory

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

Defined benefit obligation.

The Company provides defined benefit employee retirement plans. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate, salary escalation rate, attrition rate and mortality rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The appropriate discount rate, salary escalation rate are determined and attrition rate at the end of each year. In determining the appropriate discount rate, the interest rates of government bonds of maturity approximating the terms of the related plan liability are considered and attrition rate and salary escalation rate is determined based on the past trends adjusted for expected changes in rate in the future.

Impairment of Trade Receivables.

The impairment provisions for trade receivable are based on expected credit loss method. The judgement is used in making the assumptions in calculating the default rate required for identifying the provision as per the expected credit loss method at the end of each reporting period.

Useful life of property, plant and equipment and intangible assets.

The useful life of the assets are determined in accordance with Schedule II of the Act. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account amongst other things, the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income (supported by reliable evidence) against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Impairment of financial assets

At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Government grant

Grants receivables are based on estimates for utilisation of the grant as per the regulations as well as analysing actual outcomes on a regular basis and compliance with stipulated conditions. Changes in estimates or non-compliance of stipulated conditions could lead to significant changes in grant income and are accounted for prospectively over the balance obligation period.

Fair value measurements

Management applies valuation techniques to determine fair value of equity shares (where active market quotes are not available). This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of equity shares.

2.5 Property, plant and equipment

All the items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses, if any. Costs include purchase price, freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset. Cost also includes borrowing costs for long-term construction projects if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other expenses of repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Leasehold land and leasehold improvements are stated at historical cost less amounts amortised proportionate to expired lease periods.

Depreciation method, estimated useful lives and residual value:

Depreciation is provided on the straight-line method applying the useful lives as prescribed in part C of Schedule II of the Act.

The range of estimated useful lives of Property, Plant and Equipments are as under:

Category	Estimated useful life
Buildings	
- Factory Buildings	30 years
- Roads	10 years
- Compound Wall	5 years
- Others	3 years
Plant and equipment*	
- Machinery equipment	2 to 15 years
- Electrical installation and equipment	2 to 10 years
Furniture and fixtures	
- Furniture and Fixtures at retail stores	2 years
- Others	2 to 10 years
Vehicles	5 years
Office equipment	
- Computer hardware	2 to 3 Years
- Others	2 to 5 years

** Useful life of Plant and Equipment is determined based on the internal assessment supported by independent technical evaluation.*

The management believes that the useful lives, as given above, best represent the period over which the management expects to use these assets. The Company reviews the useful lives and residual value at each reporting date.

Leasehold land and leasehold improvements are amortised over the period of lease.

Depreciation on the property, plant and equipment added/ disposed off/ discarded during the year is provided on pro rata basis with reference to the month of addition/ disposal/ discarding. Gains and losses on disposals/ derecognizing the assets are determined by the difference between the net proceeds and the carrying amount of the asset and recognized in the statement of profit and loss when the asset is derecognized.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2.6 Intangible assets

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses, if any. Intangible assets developed or acquired with finite useful life are amortised on straight-line basis over the useful life as specified below:

Category	Estimated useful life
Trademarks	5 Years
Brands	5 Years
Computer software	3 Years

2.7 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal / external factors, an asset is tested for impairment. When the carrying cost of the asset exceeds its recoverable value, an impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

2.8 Inventories:

Inventories include raw material, work-in-progress, finished goods, stock-in-trade, stores and spares, and packing materials. Inventories are valued at lower of cost and net realisable value. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw material, stores and spares and packing materials are not written down below cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Finished goods and work-in-progress include costs of direct materials, direct labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.

Obsolete, slow moving and defective inventory are duly provided on the basis of management estimates.

2.9 Revenue recognition:

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured at transaction price net of rebates, discounts, sales return provision and taxes. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. No significant element of financing is deemed present as the sales are either made with a nil credit term or with a credit period of 0-90 days. The Company applies the revenue recognition criteria to each component of the revenue transaction as set out below.

Income from sale of goods: Revenue from products is recognized as and when the control of products is transferred to the customer. The Company considers its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for the products, excluding amounts collected on behalf of third parties (for example, indirect taxes).

Other Income: Dividend income on investments is recognised when the right to receive dividend is established. Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

Trade receivables: A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realisable on the due date.

2.10 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

A. Non-derivative financial instruments:

1. Financial assets

(i) Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is measured at fair value. In case of financial assets which are recognised at fair value through profit or loss (FVTPL), their transaction costs are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

(ii) Subsequent measurement:

Financial assets are classified as subsequently measured at:

(a) Amortised cost

(b) Fair value through profit and loss ("FVTPL") or

(c) Fair value through other comprehensive income ("FVOCI")

The above classification is being determined considering:

(a) The entity's business model for managing the financial assets, and

(b) The contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing the financial assets.

(a) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Measured at FVOCI:

Financial assets are subsequently measured at FVOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and selling financial assets. Fair value movements are recognised in the other comprehensive income ("OCI"). Interest income measured using the effective interest rate (EIR) method and impairment losses, if any are recognised in the statement of profit and loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from equity to the statement of profit and loss under the head 'Other income'/ 'Other expenses'.

(c) Measured at FVTPL:

Financial assets, other than investment in equity instruments, are subsequently measured at FVTPL unless they are measured at amortised cost or at FVOCI. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the statement of profit and loss.

Investment in equity instruments:

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in OCI that would otherwise be measured at FVTPL pertaining to investments in equity instruments (other than investment in subsidiary). This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. However, the Company may transfer the cumulative gain or loss within equity.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss under the head 'Other income' when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Investment in subsidiary:

Investment in subsidiary is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

(iii) Impairment

The Company recognises a loss allowance for expected credit losses ("ECL") on financial assets that are measured at amortised cost or at FVOCI. The credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. This is assessed on an individual or collective basis after considering all reasonable and supportable information including that which is forward-looking.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to lifetime ECL i.e. expected cash shortfalls, being simplified approach for recognition of impairment loss allowance. Under simplified approach, the Company does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month ECL for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The ECL are measured as lifetime ECL if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL. The impairment losses and reversals are recognised in the statement of profit and loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

(iv) Derecognition

The Company derecognises a financial asset when,

(a) the contractual rights to the cash flows from the financial asset expire, or

(b) it transfers the contractual rights to receive the cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset, or

(c) it retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a pass through arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset), or

(d) it has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

When the Company transfers a financial asset, it evaluates the extent to which it has retained the risks and rewards of ownership of the financial asset. If the Company has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset, but retains control of the financial asset, the Company continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value, net of directly attributable transaction costs for all financial liabilities not carried at FVTPL.

(ii) Subsequent measurement

The Company subsequently measures all non-derivative financial liabilities at amortised cost using EIR method. A gain or loss on a financial liability measured at amortised cost is recognised in the statement of profit and loss when the financial liability is derecognised and through EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognised in the statement of profit and loss.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3. Equity instruments:

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Dividends paid on equity instruments are directly reduced from equity.

4. Compound financial instruments:

The component parts of compound instruments (convertible debentures) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rates. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

B. Derivative financial instruments:

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in the statement of profit and loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2.11 Fair value measurement:

The Company measures financial instruments such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.12 Foreign currency transactions:

The Company's standalone financial statements are presented in INR which is also its functional currency.

a) Initial recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

b) Measurement of foreign currency items at the Balance Sheet date

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the balance sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in the OCI or the statement of profit and loss are also reclassified in the OCI or the statement of profit and loss, respectively).

2.13 Taxes on income :

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in equity or in OCI.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary difference between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year-on-year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in Standalone Financial Statements. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets are not recognised when it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position.

2.14 Employee benefits:

The Company has following post-employment plans:

(a) Defined contribution plan such as Provident fund and

(b) Defined benefit plan - Gratuity

(c) Compensated Absences

a) Defined contribution plan

Under defined contribution plan, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like employees' state insurance and employees' pension scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

b) Defined benefit plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuary through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(i) Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine settlements; and

(ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the statement of profit and loss.

Remeasurements of the net defined benefit liability/(asset) comprising:

(i) actuarial (gains)/ losses,

(ii) return on plan assets, excluding amounts included in interest income and

(iii) any change in the effect of the asset ceiling, excluding amounts included in interest income are recognised in the period in which they occur directly in OCI. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Ind AS 19 "Employee benefits" requires the exercise of judgment in relation to various assumptions including future pay rises, inflation, discount rates and employee demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the statement of profit and loss, OCI and balance sheet. There may also be interdependency between some of the assumptions.

c) Compensated absences

The Company had a policy on compensated absences which were both accumulating and non accumulating in nature. In the previous year, the Company had revised it policy for compensated absences to allow leave entitlements which would be non-accumulating in nature except for a certain class of employees. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. Necessary impact of the same had been considered in the Standalone Financial Statements.

The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

2.15 Share-based payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payment reserve.

No expense is recognised for ESOPs that do not ultimately vest because non-market performance and/ or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.16 Leases:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract is, or contains, a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset,

(ii) the Company has the right to obtain substantially all of the economic benefits from use of the identified asset, throughout the period of use, and

(iii) the Company has the right to direct the use of the identified asset, throughout the period of use.

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term leases and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liabilities and right-of-use assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2.17 Provisions and contingencies:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.18 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet and for the purpose of statement of cash flows include cash and cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

2.19 Earnings per equity share:

Basic earnings per equity share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per equity share is the net profit/ (loss) for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, share split, etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Segment Reporting

As the Company business activity primarily falls within a single business of luggage and luggage accessories and geographical segment (domestic) and the Chief Operating Decision Maker monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Standalone Financial Statements, thus there are no additional disclosure to be provided under Ind As 108 - Segment Reporting.

2.21 Borrowing cost :

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as a part of cost of those assets during the period till all the activities necessary to prepare the qualifying assets for their intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.22 Exceptional items:

When an item of income or expense within profit/ (loss) from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed separately in the statement of profit and loss.

2.23 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements – The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Ind AS 12 - Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its standalone financial statements

Ind AS 109 - Financial instruments – The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies the fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The Company is evaluating the requirement of the said amendment and its impact on these standalone financial statements.

Note 3 Property, plant and equipment (PPE) **(₹ in lakhs, unless otherwise stated)**

Particulars	Lease-hold land	Build-ings	Plant and equip-ment	Furni-ture and fixtures	Vehicles	Office equip-ment	Lease-hold improv-ements	Total
Balance as at 1st April 2021	**6.71**	**1,112.43**	**3,642.03**	**473.71**	**378.87**	**415.60**	**125.28**	**6,154.63**
Additions	-	-	1,189.05	64.26	142.44	13.13	14.32	1,423.20
Disposals / adjustment	-	-	310.83	34.44	83.16	9.28	4.90	442.61
Balance as at 31st March 2022	**6.71**	**1,112.43**	**4,520.25**	**503.53**	**438.15**	**419.45**	**134.70**	**7,135.22**
Accumulated Depreciation								
Balance as at 1st April 2021	**0.63**	**201.03**	**1,504.98**	**250.50**	**156.11**	**255.56**	**64.48**	**2,433.29**
Additions	0.10	54.65	535.81	87.97	47.60	33.41	26.84	786.38
Disposals / adjustment	-	-	162.10	16.38	47.35	8.70	4.43	238.96
Balance as at 31st March 2022	**0.73**	**255.68**	**1,878.69**	**322.09**	**156.36**	**280.27**	**86.89**	**2,980.71**
Net block as at 31st March 2022	**5.98**	**856.75**	**2,641.56**	**181.44**	**281.79**	**139.18**	**47.81**	**4,154.51**
Balance as at 1st April 2022	**6.71**	**1,112.43**	**4,520.25**	**503.53**	**438.15**	**419.45**	**134.70**	**7,135.22**
Additions	-	-	848.62	286.49	120.27	191.58	66.49	1,513.45
Disposals / adjustment	-	-	258.82	81.78	15.98	33.97	-	390.55
Balance as at 31st March 2023	**6.71**	**1,112.43**	**5,110.05**	**708.24**	**542.44**	**577.06**	**201.19**	**8,258.12**
Accumulated Depreciation								
Balance as at 1st April 2022	**0.73**	**255.68**	**1,878.69**	**322.09**	**156.36**	**280.27**	**86.89**	**2,980.71**
Additions	0.10	52.57	541.31	123.70	157.58	87.98	43.30	1,006.54
Disposals / adjustment	-	-	43.49	63.64	13.99	31.19	-	152.31
Balance as at 31st March 2023	**0.83**	**308.25**	**2,376.51**	**382.15**	**299.95**	**337.06**	**130.19**	**3,834.94**
Net block as at 31st March 2023	**5.88**	**804.18**	**2,733.54**	**326.09**	**242.49**	**240.00**	**71.00**	**4,423.18**

Note:

i) Leasehold land is under lease arrangement for a period of 99 years commencing from 1st April 1982.

ii) Refer note 18 for information on property, plant and equipment provided as collateral or security for borrowings or finance facilities availed by the Company.

iii) Refer note 42(b) for capital commitments.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 4 Right-of-use assets and lease liability:

Right of use assets **(₹ in lakhs, unless otherwise stated)**

Particulars	Buildings
Balance as at 1st April 2021	**4,105.01**
Additions	2,668.59
Disposals / adjustment	(974.26)
Balance as at 31st March 2022	**5,799.34**
Accumulated Depreciation	
Balance as at 1st April 2021	**1,258.12**
Additions	1,139.14
Disposals / adjustment	(608.64)
Balance as at 31st March 2022	**1,788.62**
Net block as at 31st March 2022	**4,010.72**
Balance as at 1st April 2022	**5,799.34**
Additions	5,788.65
Disposals / adjustment	(1,896.91)
Balance as at 31st March 2023	**9,691.08**
Accumulated Depreciation	
Balance as at 1st April 2022	**1,788.62**
Additions	1,888.66
Disposals / adjustment	(1,338.15)
Balance as at 31st March 2023	**2,339.13**
Net block as at 31st March 2023	**7,351.95**

Lease liabilities	**Non-current**		**Current**	
PARTICULARS	**As at 31st March 2023**	As at 31st March 2022	**As at 31st March 2023**	As at 31st March 2022
Lease liabilities	**5,460.66**	2,959.91	**2,123.95**	1,292.37

Following is the movement in lease liabilities:

Particulars	As at 31st March 2023	As at 31st March 2022
Balance as at beginning of the year	**4,252.28**	3,116.17
Additions	**5,567.94**	2,668.59
Accretion of interest	**371.18**	259.60
Deductions / reversal	**(556.86)**	(416.32)
Income on concession on lease liability	**-**	(43.96)
Income on termination of lease liability	**(82.54)**	(61.56)
Payment of lease liabilities	**(1,596.21)**	(1,010.64)
Payment of interest on lease liabilities	**(371.18)**	(259.60)
Balance as at the end of the year	**7,584.61**	4,252.28

Amount recognised in the standalone statement of profit and loss:

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation charge of right of use assets	**1,888.66**	1,139.14
Interest expenses on lease liabilities	**371.18**	259.60

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Break-up of the contractual maturities of lease liabilities on an undiscounted basis: **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Less than one year	**2,561.30**	1,546.89
One to five years	**5,438.50**	3,224.42
More than five years	**740.31**	68.86

Short-term leases expenses:

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Short and variable lease payments	**269.63**	101.17
Total	**269.63**	101.17

Extension and termination option

Extension and termination options are included in a number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are excersiable when mutually agreed between the lessor and the Company.

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Note 5 Other intangible assets

Particulars	Trademarks	Brands	Computer software	Total
Balance as at 1st April 2021	**0.05**	**462.70**	**278.14**	**740.89**
Additions	-	-	14.15	14.15
Disposals	-	-	5.40	5.40
Balance as at 31st March 2022	**0.05**	**462.70**	**286.89**	**749.64**
Accumulated amortisation				
Balance as at 1st April 2021	**0.05**	**435.15**	**252.70**	**687.90**
Additions	-	2.25	17.05	19.30
Disposals	-	-	5.40	5.40
Balance as at 31st March 2022	**0.05**	**437.40**	**264.35**	**701.80**
Net block as at 31st March 2022	**-**	**25.30**	**22.54**	**47.84**
Balance as at 1st April 2022	**0.05**	**462.70**	**286.89**	**749.64**
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31st March 2023	**0.05**	**462.70**	**286.89**	**749.64**
Accumulated amortisation				
Balance as at 1st April 2022	**0.05**	**437.40**	**264.35**	**701.80**
Additions	-	-	4.31	4.31
Disposals	-	-	-	-
Balance as at 31st March 2023	**0.05**	**437.40**	**268.66**	**706.11**
Net block as at 31st March 2023	**-**	**25.30**	**18.23**	**43.53**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 6 Non-current investments

Particulars	No. of shares		Amount	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Unquoted - measured at cost				
Equity instruments - wholly owned subsidiaries				
Safari Lifestyles Limited (Equity shares of ₹ 10 each - fully paid-up)#	**50,000**	50,000	**5.00**	5.00
Safari Manufacturing Limited (Equity shares of ₹ 10 each - fully paid-up)	**50,00,000**	50,00,000	**569.60**	500.00
Unquoted-measured at amortised cost				
Preference shares - wholly owned subsidiary*				
Safari Manufacturing Limited (6.5% cumulative redeemable preference shares of ₹ 10 each - fully paid up)	**1,50,00,000**	1,50,00,000	**1,500.00**	1,500.00
Safari Manufacturing Limited (6.75% cumulative redeemable preference shares of ₹ 10 each - fully paid up)	**1,50,00,000**	-	**1,500.00**	-
Total			**3,574.60**	2,005.00

Particulars	As at 31st March 2023	As at 31st March 2022
Aggregate value of unquoted investments	**3,574.60**	2,005.00
Aggregate amount of impairment in value of investments	**-**	-

 # Investments inter alia, includes ₹69.60 lakhs on account of measurement and recognition of corporate guarantee commission as per the provisions Ind AS.

***Terms of preference shares:** 6.5% cumulative redeemable preference shares of ₹10 each - fully paid up and 6.75% cumulative redeemable preference shares of ₹10 each - fully paid up shall be redeemable on or before the end of 10 year from the date of investments (refer note 1 below). The early redemption of preference shares shall be at the discretion of the issuer i.e Safari Manufacturing Limited.*

Note 1:

Particulars		***No. of shares***	***Date of investements***
6.5% cumulative redeemable preference shares		*1,50,00,000*	*03rd December, 2021*
6.75% cumulative redeemable preference shares	*Tranche I*	*50,00,000*	*03rd November, 2022*
	Tranche II	*50,00,000*	*25th November, 2022*
	Tranche III	*50,00,000*	*15th February, 2023*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 7 Other financial assets

(₹ in lakhs, unless otherwise stated)

Particulars	Non-current		Current	
	As at 31st March 2023	As at 31st March 2022	**As at 31st March 2023**	As at 31st March 2022
Unsecured, considered good				
Security deposits	**875.31**	450.29	**138.60**	175.01
Bank deposits with remaining maturity of more than 12 months (whole amount is held as lien against bank guarantees and letter of credit issued by the bank)	**11.30**	10.73	**-**	-
Dividend receivable on preference shares in subsidiary company	**-**	-	**158.88**	31.79
Interest accrued on loan to subsidiary	**-**	-	**-**	15.20
Interest accrued on fixed deposits	**-**	-	**108.86**	28.00
Derivative financial asset (designated as derivative instrument)	**-**	-	**-**	0.19
Others	**-**	-	**26.42**	12.80
Total	**886.61**	461.02	**432.76**	262.99

Note: i) Refer note 38(iii) for information on derivative financial instrument.

Note 8 Deferred tax assets (Net)

Particulars	**As at 31st March 2023**	As at 31st March 2022
Deferred tax assets arising on account of		
On temparary difference between depreciation as per books and as per the Income-tax Act, 1961	**231.99**	196.19
Provision for employee benefits	**5.78**	8.26
Allowance for expected credit loss	**19.52**	362.27
Lease liabilities	**1,908.90**	1,084.39
On interest of compulsorily convertible debentures	**-**	53.27
	2,166.19	1,704.38
(Deferred tax liabilities) arising on account of		
Right of use assets	**(1,813.81)**	(1,022.47)
	(1,813.81)	(1,022.47)
Deferred tax liabilities (net)	**352.38**	681.91

Particulars	Opening balance as on 1st April 2022	Recognised in profit or loss	As at 31st March 2023
Deferred tax assets arising on account of			
On temparary difference between depreciation as per books and as per the Income-tax Act, 1961	196.19	35.80	231.99
Provision for employee benefits	8.26	(2.48)	5.78
Allowance for expected credit loss	362.27	(342.76)	19.51
Lease liabilities	1,084.39	824.51	1,908.90
On interest of compulsorily convertible debentures	53.27	(53.27)	-
	1,704.38	461.80	2,166.18
(Deferred tax liabilities) arising on account of			
Right of use assets	(1,022.47)	(791.33)	(1,813.80)
	(1,022.47)	(791.33)	(1,813.80)
Total deferred tax liabilities (net)	**681.91**	**(329.53)**	**352.38**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Movement in deferred tax assets and deferred tax liabilities **(₹ in lakhs, unless otherwise stated)**

Particulars	**Opening balance as on 1st April 2021**	**Recognised in profit or loss**	**As at 31st March 2022**
Deferred tax assets arising on account of			
On temparary difference between depreciation as per books and as per the Income-tax Act, 1961	179.85	16.34	196.19
Provision for employee benefits	9.17	(0.91)	8.26
Allowance for expected credit loss	228.56	133.71	362.27
Lease liabilities	784.34	300.05	1,084.39
On interest of compulsorily convertible debentures	158.25	(104.98)	53.27
Carried forward business loss	460.63	(460.63)	-
	1,820.80	(116.42)	1,704.38
(Deferred tax liabilities) arising on account of			
Right of use assets	(729.33)	(293.14)	(1,022.47)
	(729.33)	(293.14)	(1,022.47)
Total deferred tax liabilities (net)	**1,091.47**	**(409.56)**	**681.91**

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off the said balances.

Note 9 Income tax assets (net)

Particulars	**As at 31st March 2023**	As at 31st March 2022
Income tax assets (net)	**291.72**	289.15
Total	**291.72**	289.15

Note 10 Other assets

Particulars	**Non-current**		**Current**	
	As at 31st March 2023	As at 31st March 2022	**As at 31st March 2023**	As at 31st March 2022
Capital advances	**56.32**	34.81	**-**	-
Advances other than capital advances				
Advances to suppliers/others	**-**	-	**150.01**	311.72
Prepayments	**6.70**	5.37	**78.19**	69.72
Refunds due from/balances with government authorities	**5.34**	2.29	**1,213.71**	835.42
Other receivables	**-**	-	**2.61**	2.99
Total	**68.36**	42.47	**1,444.52**	1,219.85

Note 11 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	**As at 31st March 2023**	As at 31st March 2022
Raw materials*	**2,106.00**	1,762.72
Work-in-progress	**326.74**	287.64
Finished goods	**4,787.77**	3,124.35
Stock-in-trade*	**17,790.28**	9,357.10
Stores and spares	**36.02**	23.25
Packing materials	**33.97**	52.11
Total	**25,080.78**	14,607.16

(Reversal of write down) / write down of inventories to net realisable value ₹ 85.08 (Previous year ₹ 234.57)

** Including goods in transit :*
- Raw materials : ₹755.46 lakhs (as at 31st March 2022 - ₹477.28 lakhs)
- Stock-in-trade : ₹2,286.52 lakhs (as at 31st March 2022 - ₹705.66 lakhs)

Note:
i) Refer note 18 for information on assets provided as collateral or security for borrowings or finance facilities availed by the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 12 Trade receivables (₹ in lakhs, unless otherwise stated)

Particulars	**As at 31st March 2023**	As at 31st March 2022
Unsecured		
Considered good	**17,046.25**	11,503.50
Less: Allowance for expected credit loss	**77.52**	15.13
	16,968.73	11,488.37
Credit impaired	**-**	1,424.97
Less: Allowance for expected credit loss	**-**	1,424.97
	-	-
Total	**16,968.73**	11,488.37

Movement in the allowance for expected credit loss	**Amounts**
Balance as at 1st April 2021	908.05
Bad debts write off	(1,047.16)
Created during the year (net)	1,579.21
Balance as at 31st March 2022	1,440.10
Bad debts write off	(1,435.27)
Created during the year (net)	72.69
Balance as at 31st March 2023	77.52

Notes:

i) Trade receivables are non-interest bearing and are generally on credit terms in line with applicable industry norms.

ii) Refer note 36 for amount recoverable from related parties.

iii) Refer note 18 for information on assets provided as collateral or security for borrowings or finance facilities availed by the Company.

Trade receivables ageing schedule

As at 31st March 2023	**Outstanding for following periods from due date of payment***						
Particulars	**Not Due**	**Less Than 6 months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables-considered good	13,550.14	3,361.82	127.61	3.76	0.60	2.32	17,046.25
Gross Trade receivables	**13,550.14**	**3,361.82**	**127.61**	**3.76**	**0.60**	**2.32**	**17,046.25**
Less: Allowance for expected credit loss	(10.89)	(39.54)	(20.41)	(3.76)	(0.60)	(2.32)	(77.52)
Net Trade receivables	**13,539.25**	**3,322.28**	**107.20**	**-**	**-**	**-**	**16,968.73**

As at 31st March 2022	**Outstanding for following periods from due date of payment**						
Particulars	**Not Due**	**Less Than 6 months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables – considered good	9,982.35	1,427.74	45.82	31.98	13.29	2.32	11,503.50
(ii) Undisputed trade receivables – credit impaired	-	377.87	105.67	941.43	-	-	1,424.97
Gross Trade receivables	**9,982.35**	**1,805.61**	**151.49**	**973.41**	**13.29**	**2.32**	**12,928.47**
Less: Allowance for expected credit loss	-	(377.87)	(105.67)	(941.43)	(12.81)	(2.32)	(1,440.10)
Net Trade receivables	**9,982.35**	**1,427.74**	**45.82**	**31.98**	**0.48**	**-**	**11,488.37**

Note: i) There are no unbilled receivables as at 31st March 2022 and 31st March 2023.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 13 Cash and cash equivalents **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Balance with banks in current accounts	**165.25**	200.05
Balance with banks in EEFC account	**64.26**	11.37
Cash on hand	**10.96**	0.90
Total	**240.47**	212.32

Note: i) Refer note 51 for restatement of the comparative year.

Note 14 Bank balances other than cash and cash equivalents

Particulars	As at 31st March 2023	As at 31st March 2022
Bank deposits with original maturity of more than three months and less than twelve months (whole amount is held as lien against bank guarantees and letter of credit issued by bank)	**1.34**	1.27
Bank deposits with remaining maturity of less than twelve months	**8,346.67**	5,696.20
Earmarked balances with banks (unpaid dividend)	**8.12**	7.81
Total	**8,356.13**	5,705.28

Note: i) Refer note 51 for restatement of the comparative year.

Note 15 Loan to subsidiary

Particulars	Non-current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good				
Loan to subsidiary - Safari Manufacturing Limited	**-**	-	**-**	1,183.37
Total	**-**	-	**-**	1,183.37

Note: i) Refer note 44 w.r.t disclosure under Section 186 of the Companies Act 2013 and Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Note 16 Equity share capital **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised :		
2,50,00,000 (as at 31st March 2022 : 2,50,00,000) equity shares of ₹ 2/- each	**500.00**	500.00
2,50,00,000 (as at 31st March 2022 : 2,50,00,000) unclassified shares of ₹ 2/- each	**500.00**	500.00
Total	**1,000.00**	1,000.00
Issued, subscribed and paid-up share capital		
2,37,11,290 (31 March 2022 : 2,23,89,500) equity shares of ₹ 2/- each fully paid- up	**474.23**	447.79
Total	**474.23**	447.79

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note

(a) The reconciliation of the shares at the begining and at the end of the reporting

Particulars	As at 31st March 2023		As at 31st March 2022	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
At the beginning of the year	**2,23,89,500**	**447.79**	2,23,86,500	447.73
Add: Shares issued on exercise of Employee Stock Option Plan *(refer note 35)*	**6,000**	**0.12**	3,000	0.06
Add: shares issued on conversion of convertible debentures into equity shares	**13,15,790**	26.32	-	-
Outstanding at the end of the year	**2,37,11,290**	**474.23**	2,23,89,500	447.79

Footnote:

Pursuant to shareholders' approval obtained in the General Meeting held on 25th March 2021 , the Company had allotted on preferential basis, 1,315,790 Compulsorily Convertible Debentures ("CCDs") having face value of ₹ 570 each to Investcorp Private Equity Fund II ("Investor") .Each warrant is convertible into 1 equity share of ₹ 2 per share on the earlier of occurrence of following events – a) Investor electing to convert the CCDs into equity shares and b) the date that is 18 months from the date of issue of CCDs. The CCD's have been converted into equity shares as the Investor elected to convert the CCD's into equity dated 30th August 2022.

(b) Rights, preference and restrictions on equity shares:

1) The Company has only one class of issued equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held.The Company declares and pays dividends in INR. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of fully paid-up equity shares held by the shareholder

(c) The details of shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March 2023		As at 31st March 2022	
	Numbers (face value of ₹ 2 each)	% of holding	Numbers (face value of ₹ 2 each)	% of holding
Safari Commercial LLP*	**22,00,000**	**9.28%**	22,00,000	9.83%
Sudhir Mohanlal Jatia	**90,00,000**	**37.96%**	90,00,000	40.20%
Malabar India Fund Limited	**20,08,617**	**8.47%**	21,64,332	9.67%

(d) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date

The Company has not issued any shares by way of bonus or pursuant to contract with out payment being received in cash and has not bought back any shares during the period of five years immediately preceding the reporting date.

(e) Shareholding of promoters:

As at 31st March 2023:

Shares held by promoters at the end of year Name of the promoters	Number of shares	% of shares	% change in shareholding
Equity shares of ₹ 2 each, fully paid-up			
Sudhir Mohanlal Jatia	90,00,000	37.96%	0.00%
Safari Commercial LLP*	22,00,000	9.28%	0.00%

As at 31st March 2022:

Shares held by promoters at the end of year Name of the promoters	Number of shares	% of shares	% change in shareholding
Equity shares of ₹ 2 each, fully paid-up			
Sudhir Mohanlal Jatia	90,00,000	40.20%	0.00%
Safari Commercial LLP*	22,00,000	9.83%	0.00%

**on 3rd September 2021, Safari Commercial Pvt. Ltd. (formerly known as Safari Investments Pvt. Ltd.) was converted to Safari Commercial LLP.*

(f) Shares reserved for issue under options

Information relating to the ESOP, including details of options issued, exercised and forfeited during the financial year and the options outstanding at the end of the reporting year, is as set out in note 35.

(g) Dividend paid and proposed: Refer note 39(b)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 17 Other equity

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31st March 2023	As at 31st March 2022
Capital reserve	**11.18**	11.18
Securities premium	**19,179.47**	12,330.82
General reserve	**618.80**	618.80
Share based payment reserve	**473.87**	19.66
Retained earnings	**21,564.05**	10,204.68
Remeasurement of defined benefit plan	**(358.38)**	(329.15)
Compulsorily Convertible Debentures *(Refer Note 16)*	-	6,804.06
	41,488.99	29,660.05

Nature and purpose of reserves:

i) Capital reserve
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instrument is transferred to capital reserve.

ii) Securities premium
Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Companies Act.

iii) General reserve
This represents appropriation of profit by the Company.

iv) Retained earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

v) Stock option outstanding account
The employee share-based compensation reserve is used to record the value of equity-settled share-based payment transactions with employees. The amounts recorded in this reserve will be transferred to equity share capital and securities premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance will be transferred to retained earnings.

Note 18 Borrowings

Particulars	Non-current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Secured - measured at amortised cost				
Vehicle loans from banks				
Rupee loan *(refer note A(i) and B(i))*	**2.84**	9.34	**6.50**	9.20
	2.84	9.34	**6.50**	9.20
Secured				
Loans repayable on demand from banks *(refer note A (ii))*	**-**	-	**2,384.84**	191.37
Others *(refer note A (iii))*	**-**	-	**804.35**	680.83
	-	-	**3,189.19**	872.20
Unsecured				
Liability component of compound financial instrument:				
6% Compulsorily convertible debentures *(refer note A(iv))*	**-**	-	**-**	211.66
	-	-	**-**	211.66
Total	**2.84**	9.34	**3,195.69**	1,093.06

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Terms :

A) Details of interest rates,terms and securities

i) **Vehicle loans - Rupee loans from banks in India**

For the year ended	Rate of interest
31st March 2023	7.90% p.a. to 9.30 % per annum
31st March 2022	7.90% p.a. to 9.30 % per annum

The vehicle loans are secured by way of charge on specific vehicle.

ii) **Loans repayable on demand from banks (includes working capital demand loan and cash credit facilities)**

For the year ended	Rate of interest
31st March 2023	5.00% per annum to 7.50% per annum
31st March 2022	5.00% per annum to 6.25% per annum

The loans repayable on demand are secured by :

Primary security:

First parri-passu charge on the entire current assets of the Company, both present and future.

Secondary security:

First parri-passu charge on entire moveable fixed assets of the Company both present and future, excluding vehicles charged to other banks and financial institutions.

Equitable mortgage on factory land and building situated at Halol (Gujarat)

iii) **Others**

It pertains to letter of credit. The amount is payable withing 90 days.

iv) **Liability component of compound financial instrument**

The Company had issued and allotted 13,15,790, 6% CCD's having face value of ₹ 570 each to Investor on preferential allotment basis on 25th March, 2021. The CCDs shall compulsorily be converted into equal number of equity shares at a face value of ₹ 2 per share on the earlier of occurrence of following events :

a) Investor electing to convert the CCDs into equity shares or

b) the date that is 18 months from the date of issue of CCDs.

The CCD's are presented in the balance sheet as follows: **(₹ in lakhs, unless otherwise stated)**

Particulars	31st March 2023	31st March 2022
Face value of the CCD's issued (₹)	-	570.00
Equity component of CCD's – value of conversion rights	-	6,799.64
Interest expense	**183.97**	417.07
Interest paid	**186.16**	450.00
Current borrowing	-	211.66

B) Details of repayment terms

i) Vehicle loans

As at 31st March 2023

Vehicle loans are repayable in 11 to 14 monthly instalments from 31st March 2023.

As at 31st March 2022

Vehicle loans are repayable in 4 to 26 monthly instalments from 31st March 2022.

Notes:

(a) There is no default in repayment of borrowings and interest during the year ended 31st March 2023 and 31st March 2022.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(b) **Details related to borrowings secured against current assets**

The Company has given current assets as security for borrowings obtained from banks. The Company duly submitted the required information to the banks on regular basis and the required reconciliation is presented below:

For the year ended 31st March 2023

(₹ in lakhs, unless otherwise stated)

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material variance
31st Mar 2023	Current Assets	42,049.51	42,783.48	(733.97)	No material variance
31st Dec 2022	Current Assets	38,898.33	39,407.55	(509.22)	
30th Sept 2022	Current Assets	39,052.23	39,282.01	(229.78)	
30th June 2022	Current Assets	31,281.46	30,631.18	650.28	

For the year ended 31st March 2022

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material variance
31st Mar 2022	Current Assets	26,095.53	26,691.66	(596.12)	No material variance
31st Dec 2021	Current Assets	24,080.02	23,278.51	801.51	
30th Sept 2021	Current Assets	29,998.93	29,511.34	487.59	
30th June 2021	Current Assets	24,030.94	24,037.36	(6.42)	

Note 19 Trade payables

Particulars	As at 31st March 2023	As at 31st March 2022
Total outstanding dues of micro enterprises and small enterprises	**4,271.56**	2,523.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	**11,035.24**	7,481.92
Total	**15,306.80**	10,005.17

Note:

i) Refer note 36 for related party balances.
ii) Refer note 38A and 38B for information on liquidity risk and market risk.
iii) Trade payables are generally non-interest bearing and are normally settled in line with applicable industry norms.

Disclosure in respect of Micro, Small and Medium Enterprises

The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at the year end has been made in the standalone financial statements based on information received and available with the Company and has been relied upon by the statutory auditor.

Particulars	As at 31st March 2023	As at 31st March 2022
The principal amount remaining unpaid to any supplier	**4,271.56**	2,523.25
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Trade Payables Ageing Schedule:

Outstanding for following periods from due date of payment* **(₹ in lakhs, unless otherwise stated)**

Particulars	Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2023						
Micro, Small and Medium Enterprises (MSME)	3,719.23	543.49	-	-	-	**4,262.72**
Other than MSME	6,399.35	4,631.20	2.43	2.22	0.04	**11,035.24**
Disputed dues – MSME	-	-	8.76	0.08	-	**8.84**
Total	**10,118.58**	**5,174.69**	**11.19**	**2.30**	**0.04**	**15,306.80**
As at 31st March 2022						
MSME	2,021.62	501.63	-	-	-	**2,523.25**
Other than MSME	2,966.38	4,499.08	14.84	1.62	-	**7,481.92**
Total	4,988.00	5,000.71	14.84	1.62	-	**10,005.17**

**Ageing calculated from the date of transaction where the due date was not available.*

Note 20 Other financial liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Payable for capital goods	**114.23**	37.01
Interest accrued but not due on borrowings	**1.29**	0.12
Unpaid dividends *(refer note (i) below)*	**8.12**	7.81
Employee related payables	**468.66**	299.18
Derivative financial liability (designated as derivative instrument)	**1.86**	-
Other payables	**44.63**	11.91
Total	**638.79**	356.03

Note: i) There are no amounts due for payment to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31st March 2023 (31st March 2022 : Nil)

Note 21 Other current liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Advances from customers	**129.69**	56.30
Statutory dues	**501.37**	307.85
Others	**47.54**	-
Total	**678.60**	364.15

Note 22 Provisions

Particulars	Non-current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Provision for employee benefits *(refer note 34)*				
Gratuity	**-**	-	**129.14**	171.54
Compensated absences	**-**	-	**6.08**	12.55
Total	**-**	-	**135.22**	184.09

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 23 Current tax liabilities (net)

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for income tax (net of advance tax)	**9.95**	-
Total	**9.95**	-

Note 24 Revenue from operations

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Sale of products	**1,20,754.93**	70,304.99
Other operating revenues		
Sale of scrap	**307.56**	188.14
Total	**1,21,062.49**	70,493.13

Reconciliation of revenue from operations with contract price:

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Contract Price	**1,27,462.18**	73,834.97
Less: Discounts, rebates, returns and others	**7,208.25**	3,529.98
Sale of products	**120,754.93**	70,304.99

Note 25 Other income

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest income on financial assets at amortised cost		
Bank deposits	**627.62**	628.29
Security deposits	**73.40**	-
Loan to subsidiary company *(refer note 36)*	**34.24**	15.20
Others	**2.71**	3.42
Dividend income on preference shares at amortised cost *(refer note 36)*	**127.09**	31.79
Other non operating income		
Electricity duty refund	**51.09**	33.12
Profit on disposal of property, plant and equipment (net)	**8.05**	-
Gain on sale of investments	**12.62**	-
Amounts written back (net)	**35.96**	-
Corporate guarantee commission *(refer note 36)*	**22.45**	-
On reversal of lease liability on concession *(refer note 4)*	**-**	43.96
On reversal of lease liability on termination *(refer note 4)*	**82.78**	61.56
Miscellaneous income	**26.45**	21.90
Total	**1,104.46**	839.24

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 26 Cost of materials consumed

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Raw materials		
Opening stock	**1,762.72**	1,192.46
Purchases	**24,403.29**	17,396.30
Closing stock	**(2,106.00)**	(1,762.72)
Raw materials consumed	**24,060.01**	16,826.04
Packing materials		
Opening stock	**52.11**	25.88
Purchases	**1,720.73**	1,115.11
Closing stock	**(33.97)**	(52.11)
Packing materials consumed	**1,738.87**	1,088.88
Total	**25,798.88**	17,914.92

Note 27 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Inventories at the beginning of the year		
Finished goods	**3,124.35**	1,758.02
Stock-in-trade	**9,357.10**	8,119.12
Work-in-progress	**287.64**	278.93
Sub-total	**12,769.09**	10,156.07
Inventories at the end of the year		
Finished goods	**4,787.77**	3,124.35
Stock-in-trade	**17,790.28**	9,357.10
Work-in-progress	**326.74**	287.64
Sub-total	**22,904.79**	12,769.09
Total change in inventory	**(10,135.70)**	(2,613.02)

Note 28 Employee benefits expense

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salaries and wages*	**6,970.78**	5,948.21
Contribution to provident and other funds*	**479.42**	435.21
Share based payments *(refer note 35)*	**466.95**	15.41
Staff welfare expense	**293.42**	222.76
Total	**8,210.57**	6,621.59

**Refer note 36 for related party transactions.*

Note 29 Finance costs

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest expense on borrowings	**230.27**	224.30
Interest on lease liabilities	**371.18**	259.60
Total	**601.45**	483.90

Note 30 Depreciation and amortisation expense

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation of property, plant and equipment *(refer note 3)*	**1,006.54**	786.35
Depreciation of right of use assets *(refer note 4)*	**1,888.66**	1,139.14
Amortisation of other intangible assets *(refer note 5)*	**4.31**	19.31
Total	**2,899.51**	1,944.80

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 31 Other expenses

(₹ in lakhs, unless otherwise stated)

Particulars	**Year ended 31st March 2023**	Year ended 31st March 2022
Consumption of stores and spares	**41.14**	24.57
Consumption of packing materials (trading)	**672.46**	400.62
Power and fuel	**838.74**	529.10
Repairs and maintenance		
Building	**45.58**	28.03
Plant and equipment	**49.02**	48.08
Others	**220.27**	146.66
Rent	**269.63**	101.17
Rates and taxes	**41.26**	36.74
Insurance	**121.63**	68.65
Postage, telegram and telephone expenses	**120.17**	97.10
Legal and professional fees	**407.27**	313.17
Freight expenses	**6,873.34**	4,301.65
Contractual labour	**4,693.05**	2,988.54
Job work charges	**1,182.30**	1,219.20
Travelling and conveyance	**931.11**	524.69
Advertisement and sales promotion	**4,556.96**	1,852.79
Bad debts written off	**-**	139.10
Allowance for expected credit loss	**72.69**	512.09
Sundry balances written off (net)	**-**	1.32
Loss on disposal property, plant and equipment (net)	**-**	101.35
Directors' sitting fees *(refer note 36)*	**19.39**	15.90
Commission to non-executive directors *(refer note 36)*	**24.50**	24.50
Contribution towards corporate social responsibility *(refer note 46)*	**30.75**	35.78
Foreign exchange/Mark to Market loss (net)	**248.02**	47.74
Miscellaneous expenditure	**399.55**	334.54
Total	**21,858.83**	13,893.08

i) Exceptional items

Exceptional items of ₹928.02 lakhs is on account of provision for doubtful debts created towards receivables from certain customers during the year ended 31st March 2022.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 32 Tax expenses

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
a) Income tax expense on profit or loss consists of:		
Current tax		
Current tax on profits for the year	**3,489.50**	266.09
Current tax for earlier years	**5.16**	3.19
Sub-total	**3,494.66**	269.28
Deferred tax		
In respect of current year origination and reversal of temporary differences	**329.53**	407.18
Sub-total	**329.53**	407.18
Total	**3,824.19**	676.46

b) Income tax on OCI

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Deferred tax credit in respect of current year origination and reversal of temporary differences	**(8.32)**	(13.49)
Total	**(8.32)**	(13.49)

c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Enacted income tax rate in India	**25.17%**	25.17%
Profit before tax	**15,718.38**	2,976.98
Income tax as per above rate	**3,956.00**	749.24
Adjustments for:		
Expenses not deductible for tax purposes	**877.66**	659.41
Expenses allowed for tax purposes	**(1,299.21)**	(579.34)
Items subject to temporary differences	**282.10**	(156.95)
Amount allowable on payment basis	**2.48**	0.91
Taxes of earlier years	**5.16**	3.19
Current tax as per standalone statement of profit and loss	**3,824.19**	676.46

Note 33 Earnings per share ('EPS')

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
The components of basic and diluted EPS are as follows:		
(a) Net profit attributable to equity shareholders		
Considered for basic EPS	**11,894.19**	2,300.52
Add : Effect of interest expense on CCD's (net of tax)	**-**	24.64
Considered for diluted EPS	**11,894.19**	2,325.16
(b) Weighted average number of outstanding equity shares (in absolute)		
Considered for basic EPS	**2,37,09,641**	2,23,87,758
Add : Effect of dilutive potential equity shares arising from outstanding stock options and CCD's	**93,870**	13,21,641
Considered for diluted EPS	**2,38,03,511**	2,37,09,399
(c) Earnings per equity share (face value of ₹ 2 each)		
Basic (in ₹)	**50.17**	10.27
Diluted (in ₹)	**49.97**	9.81

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 34 Disclosure pursuant to Ind AS - 19 "Employee benefits" **(₹ in lakhs, unless otherwise stated)**

A. Defined contribution plan:

The following amount is recognised in the standalone statement of profit and loss for the year ended:

Particulars	**31st March 2023**	31st March 2022
Contribution to provident fund	**261.12**	213.83
Contribution to employees' state insurance	**126.80**	131.01
Contribution to labour welfare fund	**0.04**	0.08

Above amounts have been included in the line item "Contribution to provident fund and other funds" in note 28. Also, the contribution of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

B. Defined benefit plan - Gratuity: The Company has a defined benefit gratuity plan (funded). The plan requires contributions to be made to a separately administered fund. The plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed continuous services of five years or more gets a gratuity on death, resignation, retirement or permanent disablement at 15 days salary (last drawn salary) for each completed year of service. Gratuity is funded through investment with Life Insurance Corporation under its respective Group Gratuity Scheme.

i. Amount recognised in the standalone balance sheet in respect of gratuity provision (defined benefit plan) is as follows:

Particulars	**As at 31st March 2023**	As at 31st March 2022
Present value of defined benefit obligation at the end of the year	**845.68**	743.34
Fair value of plan asset at the end of the year	**716.54**	571.80
Net liability recognised in the balance sheet	**(129.14)**	(171.54)

ii. Amount recognised in the standalone statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

Expense recognised through profit and loss:

Particulars	**Year Ended 31st March 2023**	Year Ended 31st March 2022
Current service cost	**79.05**	76.03
Net interest cost	**12.41**	14.27
Total amount recognised in stanalone statement of profit and loss	**91.46**	90.30

Expense recognised in the Other Comprehensive Income:

Particulars	**Year Ended 31st March 2023**	Year Ended 31st March 2022
Return on plan asset, excluding interest income	**0.43**	(0.04)
Actuarial (gain) / loss on obligations due to change in		
Demographic assumptions	**-**	0.14
Financial assumptions	**(20.19)**	(24.58)
Experience adjustments	**57.31**	85.34
Total amount recognised in other comprehensive income	**37.55**	60.86

iii. Change in the present value of the defined benefit obligation:

Particulars	**Year Ended 31st March 2023**	Year Ended 31st March 2022
Opening defined benefit obligation	**743.34**	661.47
Current service cost	**79.05**	76.03
Interest cost	**53.03**	45.31
Actuarial loss on obligation	**37.12**	60.90
Benefits paid from the fund	**(66.86)**	(100.37)
Closing present value of defined benefit obligation	**845.68**	743.34

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

iv. Change in the fair value of plan asset: **(₹ in lakhs, unless otherwise stated)**

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening fair value of plan assets	**571.80**	453.18
Interest income	**40.62**	31.04
Return on plan asset, excluding interest income	**(0.43)**	0.04
Employer's contribution	**171.41**	187.91
Benefits paid from the fund	**(66.86)**	(100.37)
Closing fair value of plan assets	**716.54**	571.80

v. Assumptions

The significant assumptions were as follows:

Actuarial assumptions

Particulars	As at 31st March 2023	As at 31st March 2022
Discount rate (% per annum)	**7.50%**	7.23%
Expected rate of return on plan assets (% per annum)	**7.50%**	7.23%
Salary growth rate (% per annum)	**8.00%**	8.00%

Demographic assumptions

Particulars	As at 31st March 2023	As at 31st March 2022
Mortality rate	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition rate (% per annum)	**For service four years and below: 26% per annum For service five years and above : 2.00% per annum**	For service four years and below: 26% per annum For service five years and above : 2.00% per annum
Average future service (in years)	12	12
Retirement age (in years)	58	58

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimate of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vi. Category of funded asset

Fund asset comprises of the LIC insurance funds.

vii. Sensitivity analysis

The financial statements are sensitive to the actuarial assumptions. The changes to the defined benefit obligation for increase / decrease of 1% from assumed salary growth, attrition rate and discount rate are given below. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit obligation at year-end.

Particulars	Increase by 1%		Decrease by 1%	
	As at 31st March 2023	As at 31st March 2022	**As at 31st March 2023**	As at 31st March 2022
Discount rate				
Change in the defined benefit obligation	**(67.72)**	(57.97)	**79.41**	68.12
Salary escalation rate				
Change in the defined benefit obligation	**71.74**	62.92	**(63.74)**	(55.14)
Attrition rate				
Change in the defined benefit obligation	**(3.31)**	(4.66)	**3.56**	5.07

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

viii. Risks associated with defined benefit plan:

Gratuity is a defined benefit plan and entity is exposed to the following risks:

Interest rate risk	A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.
Asset Liability Matching (ALM) Risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk. Mortality rate during employment is calculated considering Indian Assured Lives Mortality 2012-14 (Urban) (Previous year:Indian Assured Lives Mortality (2006-08) Ultimate)
Concentration Risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

ix. Other details **(₹ in lakhs, unless otherwise stated)**

Particulars	**Year ended 31st March 2023**	Year ended 31st March 2022
Expected contributions to the defined benefit plan for the next financial year	**219.06**	204.88
Weighted average duration of the defined benefit obligation (in years)	**11**	10

During the year, there were no plan amendments, curtailments and settlements.

x. Maturity analysis of defined benefit obligation

The defined benefit obligation shall mature as follows:

Particulars	**As at 31st March 2023**	As at 31st March 2022
One year	**125.09**	115.27
Two to five years	**235.83**	206.02
Six to ten years	**253.04**	229.54
Eleven years and above	**1,371.94**	1,119.96
Total	**1,985.90**	1,670.79

Maturity analysis of benefit payments is undiscounted cash flows considering future salary, attrition & death estimate of members in respective years.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

C) Compensated absences:

The disclosure in respect of the Compensated absences are given below: **(₹ in lakhs, unless otherwise stated)**

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Expenses recognised in statement of profit and loss	**(4.06)**	0.79
Balance sheet (provision)	**6.08**	12.55

Movement during the year:

Particulars	31st March 2023	31st March 2022
At the beginning of the year	**12.55**	14.27
Recognised during the year	**(5.06)**	-
Paid/ provision reversal during the year	**(1.41)**	1.72
At the end of the year	**6.08**	12.55

Note 35 Share based payments

(a) Employee options plan

The members of the Company had approved the Safari Stock Option Scheme 2016 ('ESOP 2016') at the Annual General Meeting held on 12 August 2016. The plan envisaged the grant of options to eligible employees setting aside 41,500 options under this scheme. The shareholders of the Company through special resolution dated 30 August 2017 approved the sub division in the face value of existing one share of Rs 10 each into five shares of Rs 2 each.Accordingly, post subdivision in the face value of share, the no. of options granted stands modified from 41,500 options to 207,500 options.The holder of each option is eligible for one fully paid up equity share of the Company. According to the scheme, the employees selected by the Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions.

i) A summary of general terms of grants under ESOP 2016 are as follows:

Particulars	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII
Grant date	**09 Feb 2018**	**05 Dec 2020**	**11 Aug 2021**	**09 Jun 2022**	**11 Aug 2022**
No of options granted	10,000	10,000	5,000	10,000	7,000
Vesting period from date of grant Vesting 1	40 % of the options from the end of 1 year (i.e. 08 Feb 2019)	40 % of the options from the end of 1 year (i.e. 05 Dec 2021)	40 % of the options from the end of 1 year (i.e. 11 Aug 2022)	40 % of the options from the end of 1 year (i.e. 09 Jun 2023)	40 % of the options from the end of 1 year (i.e. 11 Aug 2023)
Vesting 2	30 % of the options will vest from the end of 2 years (i.e. 08 Feb 2020)	30 % of the options will vest from the end of 2 years (i.e. 05 Dec 2022)	30 % of the options will vest from the end of 2 years (i.e. 11 Aug 2023)	30 % of the options will vest from the end of 2 years (i.e. 08 Jun 2024)	30 % of the options will vest from the end of 2 years (i.e. 10 Aug 2024)
Vesting 3	30 % of the options will vest from the end of 3 years (i.e. 08 Feb 2021)	30 % of the options will vest from the end of 3 years (i.e. 05 Dec 2023)	30 % of the options will vest from the end of 3 years (i.e. 11 Aug 2024)	30 % of the options will vest from the end of 3 years (i.e. 08 Jun 2025)	30 % of the options will vest from the end of 3 years (i.e. 10 Aug 2025)
Exercise period (in years)	One year from the end of vesting period	One year from the end of vesting period	One year from the end of vesting period	One year from the end of vesting period	One year from the end of vesting period
Exercise price per option (₹)	440.00	440.00	650.00	700.00	830.00
Average fair value per option	296.98	205.44	226.15	402.96	540.36

The options are granted at an exercise price, which is in accordance with the relevant Securities and Exchange Board of India ('SEBI') guidelines in force, at the time of such grants

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

ii) The details of activity under the ESOP 2016 plan is summarised below: **(₹ in lakhs, unless otherwise stated)**

Particulars	31st March 2023		31st March 2022	
	No. of options	* WAEP (₹)	No. of options	* WAEP (₹)
Opening balance	**15,000**	**510**	13,000	440.00
Granted during the year	**17,000**	**754**	5,000	650.00
Exercised during the year	**6,000**	**510**	3,000	440.00
Closing balance	**26,000**	**669**	15,000	510.00
Exercisable options as at year end	**3,000**	**440**	-	-

** WAEP denotes weighted average exercise price of the option*

iii) The following tables summarises the information about the outstanding options as at 31st March 2023 and 31st March 2022, respectively.

As at 31st March 2023

Grant	Grant date	No. of options outstanding	Weighted average remaining contractual life*
Tranche VIII	11 August, 2022	7,000	2.26
Tranche VII	09 June, 2022	10,000	2.09
Tranche VI	11 August, 2021	3,000	1.86
Tranche V	05 December, 2020	6,000	1.18

As at 31st March 2022

Grant	Grant date	No. of options outstanding	Weighted average remaining contractual life*
Tranche VI	11 August, 2021	5,000	2.26
Tranche V	05 December, 2020	10,000	1.58

** Weighted average of remaining contractual life of options outstanding at the end of respective year*
The weighted average fair value of the stock options outstanding as at 31st March 2023 is ₹373.97 (31st March 2022: ₹212.34).

iv) The key assumptions for calculating fair value of options as on the date of grant:

Particulars	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII
Grant date	**09 Feb 2018**	**05 Dec 2020**	**11 Aug 2021**	**09 June 2022**	**11 Aug 2022**
Fair Valuation Model	**Black-Scholes Merton Model**	**Binomial Model**	**Binomial Model**	**Binomial Model**	**Binomial Model**
Risk free interest rate (% per annum)					
Vesting 1	7.09%	4.19%	4.35%	6.49%	6.51%
Vesting 2	7.71%	4.61%	4.94%	6.93%	6.85%
Vesting 3	7.71%	4.89%	5.49%	7.10%	6.91%
Expected life of options (in years)					
Vesting 1	1.50 (Year 1)	2.00 (Year 1)	2.00 (Year 1)	2.00 (Year 1)	2.00 (Year 1)
Vesting 2	2.50 (Year 2)	3.00 (Year 2)	3.00 (Year 2)	3.00 (Year 2)	3.00 (Year 2)
Vesting 3	3.50 (Year 3)	4.00 (Year 3)	4.00 (Year 3)	4.00 (Year 3)	4.00 (Year 3)
Expected volatility (% per annum)	85%	38%	38%	38%	39%
Expected dividends yield (% per annum)	5.00%	-	0.07%	0.11%	0.10%
Weighted average market share price (₹)	539.86	531.05	691.80	910.60	1151.30

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Volatility: Volatility of the Company's stock price based on the price data commensurate with the expected life of options upto the date of grant.

Risk free rate: The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

Expected life of options: The period upto vesting date plus the exercise period corresponding to each vesting.

Dividend yield: Expected dividend yield has been calculated by dividing the last declared dividend per share by the market price per share as on the date of grant.

B) Share appreciation rights ('SAR')

The Board of Directors in their meeting held on 8th February 2022 and Members of the Company vide Postal Ballot, results of which were declared on 15th March 2022, approved implementation of Safari Employees Stock Appreciation Rights Scheme, 2022 ('SAR 2022') with an objective of rewarding the employees for association, dedication and contribution to the goals of the Company. The Company intends to use this ESAR Scheme to attract and retain key talents working with the Company by way of rewarding their performance and to motivate them to contribute to the overall corporate growth and profitability. The ESAR Scheme covers eligible employees of the Company and its wholly owned subsidiaries.The ESAR Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

i) A summary of general terms of grants under SAR 2022 are as follows:

Particulars	**Tranche I**	**Tranche II**
Grant date	**09 June, 2022**	**11 August, 2022**
No of options	1,80,500	28,000
Vesting period from date of grant Vesting 1	40 % of the options from the end of 1 year (i.e.09 June 2023)	40 % of the options from the end of 1 year (i.e.11 August 2023)
Vesting 2	30 % of the options will vest from the end of 2 years (i.e.08 June 2024)	30 % of the options will vest from the end of 2 years (i.e.10 August 2024)
Vesting 3	30 % of the options will vest from the end of 3 years (i.e.08 June 2025)	30 % of the options will vest from the end of 3 years (i.e.10 August 2025)
Exercise period	Within one year from the date of vesting	Within one year from the date of vesting
Exercise price per option (₹)	730.00	860.00
Average fair value per option (₹)	386.90	524.38

ii) The fair value of SAR's was determined using binomial model using the following inputs at the grant date and 31st March 2023:

Particulars	**Tranche I**	**Tranche II**
Grant date	**09 June, 2022**	**11 August, 2022**
Risk-free interest rate (% per annum) Vesting 1 Vesting 2 Vesting 3	 6.49% 6.93% 7.10%	 6.51% 6.85% 6.91%
Option life (no. of years) Vesting 1 Vesting 2 Vesting 3	 2.00 (Year 1) 3.00 (Year 2) 4.00 (Year 3)	 2.00 (Year 1) 3.00 (Year 2) 4.00 (Year 3)
Expected volatility (%)	38.48%	39.15%
Dividend yield / growth rate (%)	0.11%	0.10%
Weighted average market share price (₹)	904.5	1151.3

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

iii) The details of activity under the SAR 2022 plan is summarised below:

As at 31st March 2023 **(₹ in lakhs, unless otherwise stated)**

Particulars	No. of options	* WAEP (₹)
Opening balance	-	-
Granted during the year	208,500.00	747.46
Forfeited during the year	3,500.00	730.00
Closing balance	**205,000.00**	**747.76**

Note 36 Related party disclosures

In accordance with the requirement of Ind AS 24 "Related Party Disclosures", name of the related parties, their relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

(I) List of related parties and relationship

Names of related parties and description of relationship:

Subsidiaries:

Name	Extent of Holding
Safari Manufacturing Limited (with effect from 9th November 2021)	Wholly Owned Subsidiary
Safari Lifestyles Limited	Wholly Owned Subsidiary

Key Management Personnel (KMP):

Name	Nature of Relationship
Mr. Sudhir Mohanlal Jatia	Chairman & Managing Director
Mr. Vineet Poddar	Chief Financial Officer
Mr. Rameez Shaikh	Company Secretary
Dr. Shailesh Jayantilal Mehta (upto 27 July 2022)	Non-executive and independent director
Mr. Punkajj Girdharilal Lath	Non-executive and independent director
Mr. Dalip Charanjit Sehgal	Non-executive and independent director
Mrs. Vijaya Sampath	Non-executive and independent director
Mr. Rahul Lalit Kanodia	Non-executive and independent director
Mr. Anuj Patodia (upto 11 August 2021)	Non-executive and non-independent director
Mr. Piyush Goenka	Non-executive and non-independent director
Mr. Sumeet Nagar	Non-executive and non-independent director
Mr. Gaurav Sharma (appointed with effect from 13 May 2021)	Non-executive and non-independent director

Other related parties:

Name	Nature of Relationship
Ms. Shivani Jatia	Daughter of Mr. Sudhir Mohanlal Jatia, Chairman and Managing Director
Ms. Tanisha Jatia	Daughter of Mr. Sudhir Mohanlal Jatia, Chairman and Managing Director

Names above have been disclosed to the extent transactions have taken place.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(II) Transactions during the year (₹ in lakhs, unless otherwise stated)

Particulars	Subsidiary companies		KMP		Relatives of KMP	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
Sale of goods:						
Safari Lifestyles Limited	**76.20**	-	**-**	-	**-**	-
Sales promotion expenses:						
Safari Lifestyles Limited	**60.00**	30.00	**-**	-	**-**	-
Management services:						
Safari Manufacturing Limited	**157.23**	-	**-**	-	**-**	-
Investments in equity shares:						
Safari Manufacturing Limited	**-**	500.00	**-**	-	**-**	-
Investments in preference shares:						
Safari Lifestyles Limited	**-**	-	**-**	-	**-**	-
Safari Manufacturing Limited	**1,500.00**	1,500.00	**-**	-	**-**	-
Loans given :						
Safari Manufacturing Limited	**3,855.00**	1,183.37	**-**	-	**-**	-
Repayment of loans given:						
Safari Manufacturing Limited	**5,038.37**	-	**-**	-	**-**	-
Purhcases of goods:						
Safari Manufacturing Limited	**11,596.24**	-	**-**	-	-	-
Sale of machinery:						
Safari Manufacturing Limited	**213.27**	-	**-**	-	**-**	-
Corporate guarantee:						
Safari Manufacturing Limited	**22.06**	-	**-**	-	**-**	-
Reimbursement of expenses						
Safari Lifestyles Limited	**-**	5.73	**-**	-	**-**	-
Salaries, wages and bonus:						
Sudhir Mohanlal Jatia	**-**	-	**172.88**	104.45	**-**	-
Vineet Poddar	**-**	-	**120.57**	104.80	**-**	-
Rameez Shaikh	**-**	-	**32.30**	20.82		
Shivani Jatia	**-**	-	**-**	-	**12.85**	20.11
Tanisha Sudhir Jatia	**-**	-	**-**	-	**19.91**	13.46
Commission to non-executive and independent directors	**-**	-	**19.00**	19.75	**-**	-
Commission to non-executive and non-independent directors	**-**	-	**6.00**	4.75	**-**	-
Sitting fees	**-**	-	**19.39**	15.90	**-**	-
Interest income:						
Safari Manufacturing Limited	**158.88**	46.99	**-**	-	**-**	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(III) Balances outstanding at the year end: **(₹ in lakhs, unless otherwise stated)**

Particulars	Subsidiary companies		KMP		Relatives of KMP	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Investments in equity shares:						
Safari Lifestyles Limited	**5.00**	5.00	**-**	-	**-**	-
Safari Manufacturing Limited	**500.00**	500.00	-	-	**-**	-
Investments in 6.75% preference shares:						
Safari Manufacturing Limited	**1,500.00**	-	**-**	-	**-**	-
Investments in 6.5% preference shares:						
Safari Manufacturing Limited	**-**	1,500.00	**-**	-	**-**	-
Interest receivable						
Safari Manufacturing Limited	**158.88**	46.99	**-**	-	**-**	-
Loan						
Safari Manufacturing Limited	**-**	1,183.37	**-**	-	**-**	-
Trade Payables						
Safari Manufacturing Limited	**871.17**	-	**-**	-	**-**	-
Trade receivables						
Safari Lifestyles Limited	**43.11**	31.56	**-**	-	**-**	-
Commission payable to directors	**-**	-	**25.00**	24.50	**-**	-
Corporate guarantee						
Safari Manufacturing Limited	**2,833.33**	-		**-**	-	**-**

Notes:

i) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions.

ii) The remuneration to the KMP does not include the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Company as a whole.

iii) The Company had provided a bank guarantee for credit facilities for its wholly owned subsidiary in India - ₹5900 lakhs

Note 37 Financial instruments

i) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts and fair values of financial instruments by category are as follows:

Financial assets and liabilities measured at fair value - recurring fair value measurements

31st March, 2023

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	-	-	-	-
Financial liabilities				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	-	1.86	-	1.86

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

31st March, 2022 **(₹ in lakhs, unless otherwise stated)**

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	-	0.19	-	0.19
Financial liabilities				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	-	-	-	-

ii) Valuation techniques used to determine fair value

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values:

- Other non-current financial assets and liabilities : the carrying value is considered to be approximate to their fair value.

- Derivative financial assets and liabilities: The Company enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are determined using forward exchange rates at the reporting date.

- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

- Borrowings taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of its fair value.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value of assets and liabilities which are measured at amortised cost for which fair value are disclosed:

Particulars	**As at 31st March 2023**		As at 31st March 2022	
	Carrying value	**Fair value**	Carrying value	Fair value
Financial assets (other than investments in equity shares)				
Investments in preference shares	**3,000.00**	**3,000.00**	1,500	1,500
Trade receivables	**16,968.73**	**16,968.73**	11,488.37	11,488.37
Cash and cash equivalents	**240.47**	**240.47**	212.32	212.32
Bank balances other than cash and cash equivalents	**8,356.13**	**8,356.13**	5,705.28	5,705.28
Loan to subsidiary	**-**	**-**	1,183.37	1,183.37
Other financial assets	**1,319.37**	**1,319.37**	723.82	723.82
Financial liabilities				
Borrowings	**3,198.53**	**3,198.53**	1,102.40	1,102.40
Trade payables	**15,306.80**	**15,306.80**	10,005.17	10,005.17
Lease liabilities	**7,584.61**	**7,584.61**	4,252.28	4,252.28
Other financial liabilities	**636.93**	**636.93**	356.03	356.03

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 38 Financial risk management

I) Financial instruments by category

Financial assets (other than investments in equity shares) **(₹ in lakhs, unless otherwise stated)**

Particulars	FVTPL	FVOCI	Amortised cost
As at 31st March 2023			
Investments in preference shares	**-**	**-**	**3,000.00**
Loans	**-**	**-**	**-**
Trade receivables	**-**	**-**	**16,968.73**
Cash & cash equivalents	**-**	**-**	**240.47**
Bank balances other than cash and cash equivalents	**-**	**-**	**8,356.13**
Other financial assets	**-**	**-**	**1,319.37**
Total	**-**	**-**	**29,884.70**
As at 31st March 2022			
Investments in preference shares	-	-	1,500.00
Loans	-	-	1,183.37
Trade receivables	-	-	11,488.37
Cash & cash equivalents	-	-	212.32
Bank balances other than cash and cash equivalents	-	-	5,705.28
Other financial assets	-	-	723.82
Derivative financial asset (designated as derivative instrument)	0.19		-
Total	0.19	-	20,813.16

Financial liabilities

Particulars	FVTPL	FVOCI	Amortised cost
As at 31st March 2023			
Borrowings	**-**	**-**	**3,198.53**
Trade payables	**-**	**-**	**15,306.80**
Lease liabilities	**-**	**-**	**7,584.61**
Other financial liabilities	**-**	**-**	**636.93**
Derivative financial liabilities (designated as derivative instrument)	**1.86**	**-**	**-**
Total	**1.86**	**-**	**26,726.87**
As at 31st March 2022			
Borrowings	-	-	1,102.40
Trade payables	-	-	10,005.17
Lease liabilities	-	-	4,252.28
Other financial liabilities	-	-	356.03
Derivative financial liabilities (designated as derivative instrument)	-	-	-
Total	-	-	15,715.88

Notes:

i) The carrying value of trade receivables, cash and cash equivalents, loans, bank balances other than cash and cash equivalents and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.

ii) The carrying value of borrowings, trade payables, lease liabilities and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of their respective fair value.

iii) All financial assets and financial liabilities are categorised under level 3 of fair value hierarchy except derivative financial assets.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

II) Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Borrowings at variable rates and investment in mutual funds	Sensitivity analysis	Borrowings taken at floating rates and investments in mutual fund are quoted in market
Market risk - foreign exchange	Receivables and payables in other than functional currency	Sensitivity analysis	Hedging through forward contracts
Credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

A Market risk

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is mainly exposed to this risk due to borrowings having variable rate of interest.

Exposure to interest rate risk

Floating rate instruments: **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Borrowings	**2,384.84**	191.37

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit or loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Impact on profit before tax	
	Year ended 31st March 2023	Year ended 31st March 2022
Floating rate instruments:		
50 basis points increase	**(11.92)**	(0.96)
50 basis points decrease	**11.92**	0.96

Hence, the Company is not significantly exposed to interest rate risk as working capital facilities are as per contractual terms, primarily of short term in nature.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange risk arises from its trade payables and trade receivables denominated in foreign currencies. The results of the Company's operations can be affected as the Indian Rupees ('INR') is volatile against these currencies. The Company enters into derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures and also inherent hedging as it is engaged in the export of manufacturing products. The Company has a treasury team which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Foreign currency risk exposure from financial instruments are given below (net of hedging)

Foreign currency	As at 31st March 2023	
	₹ (in lakhs)	Foreign currency (in units lakhs)
Trade payables		
USD	(3,585.20)	(43.61)
Trade receivables		
USD	23.16	0.28
Cash		
USD	68.28	0.83

Foreign currency	As at 31st March 2022	
	₹ (in lakhs)	Foreign currency (in units lakhs)
Trade payables		
USD	(1,676.15)	(22.11)
Trade receivables		
USD	20.82	0.27
Cash		
USD	11.38	0.15

Foreign currency sensitivity analysis:

The following table demonstrates the sensitivity in the USD variables held constant. The below impact on the Company's profit or loss before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at standalone balance sheet date:

Particulars	Impact on profit or loss and total equity	
	31st March 2023	31st March 2022
5% Strengthening of foreign currency		
USD	**(174.69)**	(82.20)
5% Weakening of foreign currency		
USD	**174.69**	82.20

B. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of allowance for expected credit loss for trade receivables *(refer note 12)*.

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Company has very limited history of customer default, and considers the credit quality of trade receivables for evaluation of allowance for expected credit loss.

The credit risk on liquid funds such as balance in current and deposit accounts with banks and derivative financial instruments (included in other financial assets) is limited because the counterparties are banks with high credit-ratings.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Credit risk exposure

i) Expected credit loss for trade receivables under simplified approach i.e. provision matrix approach using historical trends *(refer note 12)*

ii) Expected credit losses for other financial assets (measured at an amount equal of 12 months expected credit losses).

As at 31st March 2023 **(₹ in lakhs, unless otherwise stated)**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provisions
Loan	**-**	**-**	**-**
Cash and cash equivalents	**240.47**	**-**	**240.47**
Bank balances other than ii) above mentioned	**8,356.13**	**-**	**8,356.13**
Other financial assets	432.76	-	432.76

As at 31st March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provisions
Loan	1,183.37	-	1,183.37
Cash and cash equivalents	212.32	-	212.32
Bank balances other than ii) above mentioned	5,705.28	-	5,705.28
Other financial assets	262.99	-	262.99

C. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The tables below provides details regarding the contractual maturities of financial liabilities into relevant maturity groupings (on undiscounted basis):

Maturity profile of financial liabilities

As at 31st March 2023	Repayable on demand	Less than one year	One to five years	More than five years	Total
Borrowings	**2,384.84**	**810.85**	**2.84**	**-**	**3,198.53**
Lease liabilities	**-**	**2,561.30**	**5,438.50**	**740.31**	**8,740.11**
Trade payables	**-**	**15,306.80**	**-**	**-**	**15,306.80**
Other financial liabilities	**-**	**638.79**	**-**	**-**	**638.79**
Total	**2,384.84**	**19,317.74**	**5,441.34**	**740.31**	**27,884.23**

As at 31st March 2022	Repayable on demand	Less than one year	One to five years	More than five years	Total
Borrowings	191.37	901.69	9.34	-	1,102.40
Lease liabilities	-	1,546.89	3,224.42	68.86	4,840.17
Trade payables	-	10,005.17	-	-	10,005.17
Other financial liabilities	-	356.03	-	-	356.03
Total	191.37	12,809.79	3,233.76	68.86	16,303.77

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(III) Derivative financial instruments (designated as derivative instrument):

The Company holds derivative financial instrument i.e., foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on inputs which are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Particulars	As at 31st March 2023	
	Foreign currency (in lakhs)	Fair value (₹ in lakhs)
Foreign currency forward contracts in USD	**28.96**	**2,380.14**

Particulars	As at 31st March 2022	
	Foreign currency (in lakhs)	Fair value (₹ in lakhs)
Foreign currency forward contracts in USD	21.90	1,663.20

Note 39 Capital risk management

(a) Risk management

The Company's objectives when managing capital are to

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

(ii) Maintain an optimal capital structure to reduce the cost of capital.

(iii) Support the corporate strategy and meet shareholder expectations.

The policy of the Company is to borrow through banks / financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The capital structure is governed by policies approved by the Board of Directors of holding company and is monitored by various metrics.

The following table summarises the capital of the Company: **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Net debt *(total borrowings including interest accrued on borrowings and lease liabilities net of cash and cash equivalents)*	**10,543.96**	5,142.48
Total equity	**41,963.22**	30,107.84
Gearing ratio (in %)	**25.13%**	17.08%

(b) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders of the Company and interim dividends are recorded as a liability on the date of declaration by the holding Company's Board of Directors.The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Equity shares		
Final dividend for the year ended 31st March 2022 of ₹ 0.80 (31st March 2021 – Nil) per fully paid share	179.15	-
Interim dividend for the year ended 31st March 2023 of ₹ 1.50 (31st March 2022 – Nil) per fully paid share	355.67	-

Proposed dividend on equity shares not recognised as liability

In addition to the above dividends, subsequent to the year end the board of directors of the Company have recommended the payment of a final dividend of ₹ 2 per fully paid equity share. This proposed dividend is subject to the approval of shareholders of the Company in the ensuing annual general meeting.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 40 Revenue from operations

(a) Performance obligation

The performance obligation of the Company is satisfied at a point in time.

Revenue from sale of products and stock-in-trade

Revenue from sale of products and stock-in-trade is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset which is generally on dispatch of products or on delivery of products.

The revenue is recognised net of estimated rebates / discounts pursuant to the schemes offered by the company, estimated additional discounts and expected sales returns. Accumulated experience is used to estimate and provide for the rebates/ discounts. The assumptions and estimated amount of rebates/discounts and returns are reassessed at each reporting period.

Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

The Company recognises provision for sales return, based on the historical results.

(b) Revenue from contract with customers **(₹ in lakhs, unless otherwise stated)**

Particulars	**Year ended 31st March 2023**	Year ended 31st March 2022
Sale of manufactured products	**48,251.37**	31,254.52
Sale of stock-in-trade	**79,711.81**	42,580.45
Contract price	**1,27,963.18**	73,834.97

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns (including expected returns), rebates and discounts and goods and service tax.

(c) Revenue from top customers

During the year ended 31st March 2023 revenue of ₹ 58,493.33 lakhs (31st March 2022 ₹ 22,314.60 lakhs) arising from customers contributing to more than 10% of the Company's revenue.

(d) Trade receivable

The outstanding balance of trade receivables after considering allowance for expected credit loss is presented in below table

Particulars	**As at 31st March 2023**	As at 31st March 2022
Trade recievables	**16,968.73**	11,488.37
Total	**16,968.73**	11,488.37

(e) Contract balances

The following table provides information about contract liabilities from contract with customers:

Particulars	**As at 31st March 2023**	As at 31st March 2022
Contract liabilities		
Advance from customers	**129.69**	56.30
Total contract liabilities	**129.69**	56.30

Significant changes in the contract liabilities balances during the year are as follows:

Contract liabilities - Advance from customers

Particulars	**As at 31st March 2023**	As at 31st March 2022
Balance at the begining of the year	**56.30**	3.49
Add: Addition during the year	**129.69**	56.30
Less: Amount of revenue recognised during the year	**(56.30)**	(3.49)
Balance at the end of the year	**129.69**	56.30

Note 41 Segment Reporting

Ind AS 108 'Operating Segments' ('Ind AS 108') establishes standards for the way that business enterprises report information about operating segments and related disclosures about revenue, geographic areas and major customers.The Company's Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as defined under Ind AS 108 "Operating Segments". As the Company business activity primarily falls within a single business and geographical segment and the Chief Operating Decision Maker monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements, thus there are no additional disclosures to be provided under Ind AS 108 –"Segment Reporting".

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 42 Contingent liabilities and capital commitments

(a) Contingent liabilities **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Sales tax matters	**2.80**	10.89
Central excise matters	**1.90**	-
Goods and service tax matters	**3.05**	-
Other claims against the Company not acknowledged as debts	**22.44**	25.09

Notes:

i) *It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.*

ii) *The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and does not include penalty, if any.*

iii) *The Company is contesting all of the above demands in respect of central excise, goods and service tax and sales tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the standalone financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Company's financial position and results of operations and hence no provision has been made in this regard.*

(b) Capital commitments

Particulars	As at 31st March 2023	As at 31st March 2022
Capital commitments	**298.39**	94.65

Note 43 Loan to specified persons repayable on demand

Unsecured loan

Type of borrower	Rate of interest (in %)	As at 31st March 2023	% of total loans and advances in nature of the loan	As at 31st March 2022	% of total loans and advances in nature of the loan
Related party					
Safari Manufacturing Limited	6.50 %	-	-	1,183.37	100%

Note 44 Disclosure pursuant to of Section of 186 of the Act and regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Unsecured loan **₹ in lakhs**

Type of borrower	Rate of interest (in %)	Due Date of repayment	Loan given during the year (maximum granted)	As at 31st March 2023	As at 31st March 2022
Safari Manufacturing Limited	6.50%	Repayable on demand	1,628.37	-	1,183.37

Corporate guarantee liability **₹ in lakhs**

Name of subsidiary company	Amount guaranteed during the year	As at 31st March 2023	31st March 2022
Safari Manufacturing Limited	**5,900.00**	**2,833.33**	-

Notes:

i) *The loans is granted for business purpose.*

ii) *The Company has recognised the financial guarantee contract (corporate guarantee) at its fair value as per Ind AS 109 "Financial Instruments". The non-current and current portion of financial liability is disclosed under "Other liabilities" (refer note 21).*

iii) *The Company had given corporate guarantee of ₹5,900 lakhs (31st March 2022: Nil) in respect of the loan availed by Safari Manufacturing Limited,wholly owned subsidiary and a guarantee commission @ 0.40% (31st March 2022: Nil) per annum is charged thereon.*

iv) *For investments refer note 6.*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 45 Payment to the auditor

(excluding goods and service tax, as applicable) **(₹ in lakhs, unless otherwise stated)**

Particulars	Year Ended 31st March 2023*	Year Ended 31st March 2022
As auditors:		
Audit fee and limited review fees (including consolidation)	**20.30**	11.00
Tax audit fees	**2.00**	1.50
In other capacity:		
Other services (certification fees)	**0.30**	1.10
Reimbursement of expenses	**1.30**	0.38
Total	**23.90**	13.98

* *includes payment to predecessor amount for the*
limited review fees and certificate fees of the predecessor auditor of ₹2.30 lakhs
reimbursement expense of predecessor auditor ₹0.54 lakhs

Note 46 Corporate social responsibility (CSR)

As per section 135 of the Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. The Company has formulated a CSR committee as per the Act.

The board of directors of the Company has approved the amount to be spent during the year. The funds are utilised on the activities which are specified in Schedule VII of the Act. Details of CSR expenditure are as follows:

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Gross amount required to be spent by the Company pursuant to section 135(5) of the Act	**28.50**	35.34
Amount of expenditure incurred :		
i) Construction/acquisition of any asset	**-**	-
ii) On purchase other than i) above	**30.75**	35.78
Shortfall at the end of the year	**-**	-

Nature of activities

For donation towards knowledge centre,Children medical camp,promotion of education & healthcare and eradication of hunger

Note 47 Debt reconciliation statement in accordance with Ind AS 7 - Statement of Cash Flows:

Particulars	As at 31st March 2023	As at 31st March 2022
Non current borrowings	**2.84**	9.34
Current borrowings	**3,195.69**	1,093.06
Lease liabilities	**7,584.61**	4,252.28
Interest accrued but not due on borrowings	**1.29**	0.12
Net debt/(cash)	**10,784.43**	5,354.80

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(₹ in lakhs, unless otherwise stated)

Particulars	Borrowings including current maturities)	Lease liabilities	Interest accrued but not due on borrowings	Total
Net debt as at 1st April 2021	968.59	3,116.17	8.86	4,093.62
Cash flows	133.29	-	-	133.29
Unrealised exchange loss	0.52	-	-	0.52
Finance costs	-	259.60	483.90	743.50
Interest paid	-	(259.60)	(492.64)	(752.24)
Additions (leases)	-	2,668.59	-	2,668.59
Deductions / reversal (leases)	-	(416.32)	-	(416.32)
Concession and termination	-	(105.52)	-	(105.52)
Payment of lease liabilities	-	(1,010.64)	-	(1,010.64)
Net debt as at 31st March 2022	**1,102.40**	**4,252.28**	**0.12**	**5,354.80**
Cash flows	2,096.13	-	-	2,096.13
Unrealised exchange loss	-	-	-	-
Finance costs	-	-	601.45	601.45
Interest paid	-	-	(599.90)	(599.90)
Other adjustment IndAS 32 (interest payable on CCDs)	-	-	(0.38)	(0.38)
Finance costs	-	371.18		371.18
Interest paid	-	(371.18)		(371.18)
Additions (leases)	-	5,567.94		5,567.94
Deductions / reversal (leases)	-	(556.86)		(556.86)
Concession and termination (Leases)	-	(82.54)		(82.54)
Payment of lease liabilities	-	(1,596.21)		(1,596.21)
Net debt as at 31st March 2023	**3,198.53**	**7,584.61**	**1.29**	**10,784.42**

48 Other statutory information

A The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B The Company has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Funding Party (Ultimate Beneficiaries).

C The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

D Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the act and rules mentioned above.

E The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

F The Company has complied with the number of layers prescribed under section 2(87) of the Act.

G The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31st March 2023 and 31st March 2022.

H No income has been surrendered or disclosed as income during the current and previous year.

I The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

J There are no charges which are yet to be registered with the Registrar of Companies beyond the statutory period as at 31st March 2023.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

49 Code of social security

The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post-employment, and the same has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.

50 Ratios

Ratio	Measure	Numerator	Denominator	31-03-2023	31-03-2022	Variance	Remarks
Current Ratio	Times	Current assets	Current liabilities	2.38	2.61	-9%	Refer note a below
Debt-Equity Ratio	Times	Total debt	Shareholder's Equity	0.26	0.18	44%	Refer note b below
Debt Service Coverage Ratio	Times	Earnings available for debt service	Debt service	6.45	3.31	95%	Refer note c below
Return on Equity Ratio	Percentage	Net profit after tax preference dividend	Average Share-holder's equity	33.01%	7.94%	316%	Refer note d below
Inventory turnover ratio	Times	Cost of goods sold	Average inventory	3.67	3.42	7%	Refer note e below
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables	8.51	6.86	24%	Refer note f below
Trade payables turnover ratio	Times	Total purchases & other expenses	Average trade payables	8.21	7.15	15%	Refer note g below
Net capital turnover ratio	Times	Revenue from operations	Working capital	3.98	3.30	21%	Refer note h below
Net profit ratio	Percentage	Net Profit after tax preference dividend	Revenue from operations	9.82%	3.26%	201%	Refer note i below
Return on Capital employed	Percentage	Earnings before interest and tax	Capital employed	30.97%	9.77%	217%	Refer note j below
Return on investment	Percentage	Profit after tax	Total equity	28.34%	7.64%	271%	Refer note k below

Disclosure for change in ratios by more than 25%:

Type of ratio	Variation in ratio between 31st March 2023 and 31st March 2022	Reasons for variance
(a) Current ratio	(9)%	Since the change in ratio is less than 25%, no explanation is required to be furnished.
(b) Debt-equity ratio	44%	Variance is owing to increase in debt during the financial year ended 31st March 2023 as compare to previous year
(c) Debt service coverage ratio	95%	Variance is owing to increase in net profit of the Company due to increase in operations
(d) Return on equity ratio	316%	Increase in revenue and profit of current year as compared to previous year
(e) Inventory turnover ratio	7%	Since the change in ratio is less than 25%, no explanation is required to be furnished.
(f) Trade receivable turnover ratio	24%	Since the change in ratio is less than 25%, no explanation is required to be furnished.
(g) Trade payable turnover ratio	15%	Since the change in ratio is less than 25%, no explanation is required to be furnished.
(h) Net capital turnover ratio	21%	Since the change in ratio is less than 25%, no explanation is required to be furnished.
(i) Net profit ratio	201%	Increase in revenue and profit of current year as compared to previous year
(j) Return on capital employed	217%	Increase in profit of current year as compared to previous year
(k) Return on investment	271%	Increase in profit of current year as compared to previous year

Definitions:

1 Total debt = Non-current borrowings + Current borrowings+lease liabilities

2 Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

3 Debt service = Interest and lease payments + principal repayments

4 Net worth = Paid-up share capital + Reserves created out of profit - Accumulated losses

5 EBIT = Profit before exceptional items and tax + Finance costs - Other Income

6 Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress

51 Restatement

The Company has reclassified the bank deposits in accordance with Ind AS 7, Statement of Cash Flow, and disclosure requirements specified under Schedule III Division II of the Act and has accordingly restated the comparative period as tabulated below. This restatement has no financial impact as the total of cash and cash equivalent and other bank balance remains unchanged.

Impact on standalone balance sheet : **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023		
	Before restatement	Adjustment	Restated figures
Current assets			
Financial assets			
Cash and cash equivalents	3,908.52	(3,696.20)	212.32
Other bank balances	2,009.08	3,696.20	5,705.28

Impact on standalone statement of cash flow :

Particulars	As at 31st March 2022		
	Before restatement	Adjustment	Restated figures
Cash flow from investing activities			
Proceeds from maturity / (investments) in term deposits (net)	7,000.00	(3,696.20)	3,303.80
Net cash used in investing activities	**7,000.00**	**(3,696.20)**	**3,303.80**
Net increase in cash and cash equivalents	3,485.73	(3,696.20)	(210.47)
Opening cash and cash equivalents	422.79	-	422.79
Closing cash and cash equivalents	**3,908.52**	**(3,696.20)**	**212.32**

52 Authorisation of standalone financial statements

The standalone financial statements as at and for the year ended 31st March 2023 were approved by the Board of Directors on 16th May 2023.

53 Previous year's figures have been regrouped or reclassified wherever necessary to correspond with the current year classification/ disclosure, which are not considered as material to these standalone financial statements.

Accompanying notes are an integral part of these standalone financial statements.

These notes to the standalone financial statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)

Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

INDEPENDENT AUDITORS' REPORT

To,
The Members,
SAFARI INDUSTRIES (INDIA) LIMITED.

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Safari Industries (India) Limited** (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), as listed in Annexure - I, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated profit (including other comprehensive income and total comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements 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 (the 'ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules made 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.

Emphasis of Matter - Restatement

4. We draw attention to note 48 to the accompanying consolidated financial statements, which describes the restatement made to the comparative financial statements by the management of the Company in accordance with Indian Accounting Standard 8 pertaining to reclassification of bank deposits as further described in the said note.
   Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
Refer note 2 - 'Income recognition' and note 24 and note 40 - 'Revenue from Operations' to the consolidated financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year. Revenue for the Holding Company consists primarily of sale of manufactured and traded goods. Owing to the multiplicity of the Holding Company's channels through which sale of products is made, and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 involves significant judgements / material estimates relating to identification of performance obligations, determination of transaction price, including impact of	Our audit included, but was not limited to, the following procedures performed in respect of revenue recognition: • Understood the process of revenue recognition and evaluated the appropriateness of the accounting policy adopted by the management on revenue recognition in accordance with Ind AS 115; • Evaluated the design and tested the operating effectiveness of the relevant manual and information technology internal financial controls, including controls over identification of the distinct performance obligations, determination of transaction price and satisfaction of performance obligations. Procedures performed included enquiry,

INDEPENDENT AUDITORS' REPORT

Key Audit Matters	How our audit addressed the key audit matter
variable consideration in the form of rebates and discounts, assessment of satisfaction of the identified performance obligations represented by the transfer of control of the products sold. Revenue is a key performance indicator and there is presumed fraud risk of revenue being overstated during the year on account of variation in the timing of transfer of control due pressure to achieve performance targets and meeting the external expectations. Owing to significance of amount, multiplicity of the Holding Company's channels through which sale of products is made, volume of transactions, nature of customer with varied terms of contracts, presumed fraud risk, audit of revenue recognized during the year requires significant auditor attention and accordingly, revenue recognition is considered to be a key audit matter for the current year audit.	observation and inspection of evidence in respect of operation of these controls. • Selected channel-wise (e-commerce , hyper , trade, Central Police Canteen , Canteen Stores Department and other small channels) samples of continuing and new customers, and performed the following procedures: 1. Read, analysed and identified the distinct performance obligations in these contracts; 2. Compared such performance obligations with those identified and recorded by the management; and 3. Reviewed contract terms to determine the transaction price including variable consideration, if any, to determine the appropriate transaction price for measuring revenue. • Tested, on a sample basis, revenue transactions recorded during the year, and in the period before and after year-end, relating to sale of products by inspecting supporting documents such as customer contracts, sales orders, proofs of dispatch, customer acceptance, invoices, etc., for accuracy and completeness of revenue recorded for such transactions. • Assessed the underlying assumptions used by the management for determination of variable consideration as at year end, as a result of rebates, discount rates, sales returns, etc., and traced inputs used to source data. • Tested a sample of credit notes issued during the year and subsequent to year end to confirm revenue recognised during the period was appropriate • Performed analytical procedures for reasonableness of revenue recorded such as trend analysis by channel, by customer, etc. • Assessed the appropriateness and adequacy of disclosures included in the consolidated financial statements, in accordance with the requirements of Ind AS 115.

Information Other than the Consolidated Financial Statements and Auditor's report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

INDEPENDENT AUDITORS' REPORT

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective 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 Group 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 financial statements 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 financial statements by the Board of Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities included in the Group 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 intend to liquidate the respective entities included in the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 Standards on Auditing 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 financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act 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 Act we are also responsible for expressing our opinion on whether the Holding Company has adequate Internal Financial Controls with reference to consolidated 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 made by management;
    - Conclude on the appropriateness of 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 ability of the Group to continue as a going concern. 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 financial statements 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 Group to cease to continue as a going concern;
    - Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

INDEPENDENT AUDITORS' REPORT

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors.

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

16. The consolidated financial statements of the Group for the year ended 31 March 2022 were audited by the predecessor auditor, Lodha & Co., who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 13 May 2022.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Holding Company, incorporated in India whose financial statements have been audited under the Act have paid remuneration to the director during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that subsidiary companies, incorporated in India whose financial statements have been audited under the Act has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies taken on record by the Board of Directors of the Holding Company and its subsidiary companies, respectively, covered under the Act, none of the directors of aforementioned companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure - II' wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITORS' REPORT

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in note 43 to the consolidated financial statements;

ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, covered under the Act, during the year ended 31 March 2023;

iv. (a) The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 46 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, incorporated in India to or in any person or entity, including foreign entities (the 'intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, incorporated in India (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 46 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, incorporated in India from any person or entity, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, incorporated in India shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Holding Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, as stated in note 39 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **WALKER CHANDIOK& CO LLP**
Chartered Accountants
(Firm Regn. No. 001076N/N500013)

Noida
Date : 16th May 2023

Ashish Gupta
Partner
(Membership No. 504662)
UDIN: 23504662BGWGEJ3284

INDEPENDENT AUDITORS' REPORT

ANNEXURE I

Annexure I to the Independent Auditor's Report of even date to the members of Safari Industries (India) Limited on the consolidated financial statements for the year ended 31st March 2023

List of subsidiaries included in the Statement

a) Safari Lifestyle Limited

b) Safari Manufacturing Limited

For **WALKER CHANDIOK& CO LLP**
Chartered Accountants
(Firm Regn. No. 001076N/N500013)

Noida
Date : 16th May 2023

Ashish Gupta
Partner
(Membership No. 504662)
UDIN: 23504662BGWGEJ3284

INDEPENDENT AUDITORS' REPORT

Annexure II

Independent Auditor's Report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the consolidated financial statements of **Safari Industries (India) Limited** (the 'Holding Company') and its subsidiary companies (the Holding Company and its subsidiaries together referred to as the 'Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibilities for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A group's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A group's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

INDEPENDENT AUDITORS' REPORT

assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **WALKER CHANDIOK& CO LLP**
Chartered Accountants
(Firm Regn. No. 001076N/N500013)

Noida
Date : 16th May 2023

Ashish Gupta
Partner
(Membership No. 504662)
UDIN: 23504662BGWGEJ3284

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

(₹ in lakhs, unless otherwise stated)

Particulars	Note no.	As at 31st March 2023	As at 31st March 2022 (Restated)
Assets			
Non-current assets			
a) Property, plant and equipment	3	**10,700.93**	5,335.47
b) Right of use asset	4	**7,660.16**	4,203.01
c) Capital work-in-progress	6	**-**	1,969.64
d) Other intangible assets	5	**43.53**	47.84
e) Financial assets			
i) Other financial assets	7	**968.99**	528.87
f) Deferred tax assets (net)	8	**372.86**	698.92
g) Income tax assets (net)	9	**308.42**	289.87
h) Other non-current assets	10	**283.47**	249.57
Total non-current assets		**20,338.36**	13,323.19
Current assets			
a) Inventories	11	**26,639.60**	14,611.32
b) Financial assets			
i) Trade receivables	12	**16,933.74**	11,457.64
ii) Cash and cash equivalents	13	**291.34**	218.35
iii) Bank balances other than (ii) above	14	**8,356.12**	5,706.39
iv) Other financial assets	7	**275.36**	216.00
c) Other current assets	10	**1,971.28**	1,318.85
Total current assets		**54,467.44**	33,528.55
Total assets		**74,805.80**	46,851.74
Equity and liabilities			
Equity			
a) Equity share capital	15	**474.23**	447.79
b) Other equity	16	**42,098.09**	29,650.73
Total equity		**42,572.32**	30,098.52
Liabilities			
Non - current liabilities			
a) Financial liabilities			
i) Borrowings	17	**2,147.39**	9.34
ii) Lease liabilities	4	**5,645.03**	3,071.84
iii) Deferred tax liabilities (net)	23	**60.27**	-
Total non-current liabilities		**7,852.69**	3,081.18
Current liabilities			
a) Financial liabilities			
i) Borrowings	17	**3,862.37**	1,093.06
ii) Lease liabilities	4	**2,287.37**	1,386.61
iii) Trade Payables	18		
Total outstanding dues of micro enterprises and small enterprises		**4,320.75**	2,523.25
Total outstanding dues of creditors other than micro enterprises and small enterprises		**12,329.24**	7,485.20
iv) Other financial liabilities	19	**788.44**	627.10
b) Other current liabilities	20	**646.65**	372.28
c) Provisions	21	**136.02**	184.54
d) Current tax liabilities (net)	22	**9.95**	-
Total current liabilities		**24,380.79**	13,672.04
Total equity and liabilities		**74,805.80**	46,851.74

Accompanying notes are an integral part of these consolidated financial statements

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs, unless otherwise stated)

Particulars	Note no.	Year ended 31st March 2023	Year ended 31st March 2022
Income			
a) Revenue from operations	24	1,21,198.25	70,517.28
b) Other income	25	945.80	798.43
Total income		**1,22,144.05**	**71,315.71**
Expenses			
a) Cost of materials consumed	26	34,844.23	17,914.92
b) Purchases of stock-in-trade		45,618.79	29,182.10
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(10,737.42)	(2,617.17)
d) Employee benefits expense	28	8,578.85	6,638.50
e) Finance costs	29	796.97	492.38
f) Depreciation and amortisation expense	30	3,330.51	1,989.07
g) Other expenses	31	23,207.59	13,876.60
Total expense		**1,05,639.52**	67,476.40
Profit before exceptional items and tax		**16,504.53**	3,839.31
Exceptional items	31(i)	**-**	928.02
Profit/(Loss) before tax		**16,504.53**	2,911.29
Tax expense			
a) Current tax	32	3,603.73	266.09
b) Deferred tax		386.33	405.26
c) Tax for earlier years		5.48	3.18
Total tax expense		**3,995.54**	674.53
Profit after tax		**12,508.99**	2,236.76
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit plan		(37.03)	(60.86)
b) Tax relating to these items		8.38	13.49
Total other comprehensive income/(loss)		**(28.65)**	(47.37)
Total comprehensive income		**12,480.34**	2,189.39
Earnings per equity share	33		
Basic earnings per equity share (in ₹)		**52.76**	9.99
Diluted earnings per equity share (in ₹)		**52.55**	9.54
(Face value of ₹ 2 each)			

Accompanying notes are an integral part of these consolidated financial statements

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs, unless otherwise stated)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022 (Restated)
A. Cash flow from operating activities		
Profit before exceptional items and tax	**16,504.53**	3,839.31
Adjustments for :		
Depreciation and amortisation expense	**3,330.51**	1,989.07
Finance costs	**796.97**	492.38
Interest income	**(549.22)**	(629.55)
Unwinding of interest on security deposits	**(79.29)**	-
Other income on concession or termination of leases	**(82.78)**	(105.52)
(Profit)/ loss on disposal of property, plant and equipment (net)	**(8.05)**	101.35
Sundry balances (written back)/written off (net)	**(35.96)**	(4.91)
Unrealised exchange fluctuation gain	**(21.98)**	(5.30)
Share based payments to employees	**466.95**	15.41
Bad debts written off / Allowance for expected credit loss / advances / deposits	**72.69**	651.19
Gain on sale of investments	**(12.62)**	-
Operating profit before change in working capital	**20,381.75**	6,343.43
Adjustments for :		
Change in working capital		
(Increase) in inventories	**(12,028.28)**	(3,213.50)
(Increase) in trade receivables	**(5,548.79)**	(4,001.89)
Decrease in other bank balances	**0.73**	10.10
(Increase) in other financial assets	**(571.52)**	(169.68)
(Increase) in other assets	**(656.31)**	(360.78)
Increase in trade payables	**6,699.48**	3,017.48
Increase in other financial liabilities	**208.20**	207.65
(Decrease) in provisions	**(85.55)**	(98.89)
Increase in other current liabilities	**274.37**	91.90
Cash generated from operations	**8,674.08**	1,825.82
Income taxes paid (net of refunds)	**(3,609.43)**	(261.51)
Net cash generated from operating activities	**5,064.65**	1,564.31

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd..)

(₹ in lakhs, unless otherwise stated)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022 (Restated)
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	**(5,030.54)**	(4,400.77)
Proceeds from disposal of property, plant and equipment	**246.27**	104.18
Proceeds from (investments)/maturity in term deposits (other than cash and cash equivalents) (net)	**(2,650.46)**	3,303.80
Proceeds from sale of current investments (net)	**12.62**	-
Interest received	**467.53**	626.58
Net cash used in investing activities	**(6,954.58)**	(366.21)
C. Cash flow from financing activities		
Proceeds from issue of shares (stock option exercised by employees)	**30.60**	13.20
Issue expenses on subsidiary's share capital	**-**	(20.42)
Proceeds from long term borrowings	**2,802.01**	-
Repayment of long term borrowings	**(183.97)**	(434.74)
Proceeds of short-term borrowings (net)	**2,317.01**	569.07
Repayment of leases liabilities	**(1,675.48)**	(1,036.82)
Finance costs	**(792.75)**	(500.12)
Dividend paid	**(534.50)**	-
Net cash generated (used in)/ from financing activities	**1,962.92**	(1,409.83)
Net increase/(decrease) in cash and cash equivalents	**72.99**	(211.73)
Opening cash and cash equivalents	**218.35**	430.08
Closing cash and cash equivalents *(refer note 13)*	**291.34**	218.35

The consolidated statement of cash flows has been prepared under indirect method as set out in Ind AS 7 'Statement of Cash Flows' specified under section 133 of the Companies Act, 2013 ('Act').

Accompanying notes are an integral part of these consolidated financial statements

This is the consolidated statement of cash flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. Equity share capital **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Balance as at beginning of the year	**447.79**	447.73
Change in equity share capital during the year	**26.44**	0.06
Balance as at end of the year	**474.23**	447.79

B. Other equity :

	Reserves and surplus							Equity Component of Compound Financial Intrument	
Particulars	**Capital reserve**	**Securities premium**	**General reserve**	**Equity-settled share-based payment reserve**	**Retained earnings**	**Unamortised Preference issue cost**	**Remeasurement of defined benefit plan**	**Compulsorily Convertible Debentures *(Refer Note 15)***	**Total**
Balance as at 1st April 2021	**11.18**	**12,308.77**	**618.80**	**13.17**	**7,977.11**	**-**	**(281.77)**	**6,804.06**	**27,451.32**
a) Profit for the year	-	-	-	-	2,236.76	-	-	-	2,236.76
b) Other comprehensive income/(loss) for the year Re-measurement loss on defined benefit plan	-	-	-	-	-	-	(47.37)	-	(47.37)
Total Comprehensive income for the year (a+b)	**-**	**-**	**-**	**-**	**2,236.76**	**-**	**(47.37)**	**-**	**2,189.39**
c) Issue of equity shares on exercise of employee stock options	-	13.14	-	-	-	-	-	-	13.14
d) Transferred to securities premium	-	8.91	-	(8.91)	-	-	-	-	-
e) Transaction cost on issue of share capital in subsidiary	-	-	-	-	(5.10)	(14.31)	-	-	(19.41)
f) Effect on account of deferred tax on issue expense of equity in subsidiary	-	-	-	-	0.88	-	-	-	0.88
g) Expenses on share based payments	-	-	-	15.41	-	-	-	-	15.41
Balance as at 31st March 2022	**11.18**	**12,330.82**	**618.80**	**19.67**	**10,209.65**	**(14.31)**	**(329.14)**	**6,804.06**	**29,650.73**
h) Profit for the year	-	-	-	-	12,508.99	-	-	-	12,508.99
i) Other comprehensive income/(loss) for the year Re-measurement loss on defined benefit plan	-	-	-	-	-	-	(28.65)	-	(28.65)
Total Comprehensive income for the year (h+i)	**-**	**-**	**-**	**-**	**12,508.99**	**-**	**(28.65)**	**-**	**12,480.34**
j) Issue of equity shares on exercise of employee stock options	-	30.48	-		-	-	-	-	30.48
k) Transferred to securities premium	-	12.74	-	(12.74)	-	-	-	-	-
l) Dividend paid *(refer note 39 (b))*	-	-	-	-	(534.82)	-	-	-	(534.82)
m) Transaction cost on issue of share capital in subsidiary	-	-	-	-	-	3.05	-	-	3.05
n) Conversion of 6% compulsorily convertible debentures into equity	-	6,805.43	-	-	-	-	-	(6,804.06)	1.37
o) Expenses on share based payments	-	-		466.95	-	-	-	-	466.95
Balance as at 31st March 2023	**11.18**	**19,179.47**	**618.80**	**473.88**	**22,183.82**	**(11.26)**	**(357.79)**	**-**	**42,098.09**

Accompanying notes are an integral part of these consolidated financial statements

This is the consolidated statement of changes in equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

1. Corporate information:

Safari Industries (India) Limited ("the Holding Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act as applicable in India. Its equity shares are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Holding Company is engaged in the manufacturing and marketing of luggage and luggage accessories.

The consolidated financial statement includes the financial statement of Holding Company and its wholly owned subsidiary, Safari Manufacturing Limited and Safari Lifestyle Limited together referred to as 'Group'.

Safari Manufacturing Limited is engaged in manufacturing and distribution of luggage and luggage accessories and Safari Lifestyles Limited is engaged in the Marketing and distribution of Luggage and luggage accessories. The Holding Company, along with the aforementioned two subsidiary companies is, hereinafter, collectively referred to as the 'Group'.

2. Basis of preparation and presentation

2.1 General information and statement of compliance:

The Consolidated Financial Statements comprise of the Consolidated Balance Sheet as at 31 March 2023, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows and Consolidated Changes in Equity for year ended 31 March 2023 and summary statement of significant accounting policies and other explanatory information (hereinafter collectively referred to as 'Consolidated Financial Statement').

These Consolidated Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards ('Ind AS'), prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

All amounts included in the Consolidated Financial Statements are reported in Indian Rupees ('INR') in lakhs unless otherwise stated and "0" denotes amounts less than fifty thousand rupees.

2.2 Basis of preparation:

The Consolidated Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the Consolidated Financial Statements have been prepared on historical cost basis except for the following material items that have been measured at fair value as required by relevant Ind AS:

1. Certain financial assets and liabilities (including derivative financial instruments) measured at fair value (refer accounting policy on financial instruments) ;
2. Defined benefit plan measured using actuarial valuation ; and
3. Share-based payments.

2.3 Current and Non- current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

2.4 Principles of consolidation:

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date when control ceases.

The Group combines the financial statements of the parent and its subsidiary line-by-line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Consolidated Financial Statements of the Group are combined on a line- by- line basis by adding together book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or loss in accordance with Ind AS 110.

The Consolidated Financial Statements are prepared using uniform accounting policy for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in the Consolidated Financial Statements.

List of subsidiary companies considered in the Consolidated Financial Statements:

Name of the subsidiary company*	Name of the parent company	County of incorporation	% Holding as at 31st March 2022 and 31st March 2023
Safari Manufacturing Limited	Safari Industries (India) Limited	India	100.00%
Safari Lifestyles Limited	Safari Industries (India) Limited	India	100.00%

** Principal business activity of both the subsidiary companies is "manufacturing or trading of luggage and luggage accessory"*

2.5 Use of estimates and judgements:

The preparation of the Consolidated Financial Statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the Consolidated Financial Statements made relying on these estimates.

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Estimation of rebates, discounts and sales

The revenue recognition policy requires estimation of rebates, discounts and sales returns. There are a varied number of rebates/ discount schemes offered which are primarily driven by the terms and conditions for each scheme including the working methodology to be followed and the eligibility criteria for each of the scheme. The estimates for rebates/ discounts need to be based on evaluation of eligibility criteria and the past trend analysis. The expected sales returns are estimated based on a detailed historical study of past trends.

Estimation of provision for inventory

The group writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

Estimation of defined benefit obligation.

The group provides defined benefit employee retirement plans. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate, salary escalation rate, attrition rate and mortality rate. Any changes in these assumptions will impact the carrying amount of such obligations.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

The appropriate discount rate, salary escalation rate are determined and attrition rate at the end of each year. In determining the appropriate discount rate, the interest rates of government bonds of maturity approximating the terms of the related plan liability are considered and attrition rate and salary escalation rate is determined based on the past trends adjusted for expected changes in rate in the future.

Impairment of trade receivables.

The impairment provisions for trade receivable are based on expected credit loss method. The judgement is used in making the assumptions in calculating the default rate required for identifying the provision as per the expected credit loss method at the end of each reporting period.

Useful life of property, plant and equipment and intangible assets.

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account amongst other things, the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income (supported by reliable evidence) against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Impairment of financial assets

At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

Government grant

Grants receivables are based on estimates for utilisation of the grant as per the regulations as well as analysing actual outcomes on a regular basis and compliance with stipulated conditions. Changes in estimates or non-compliance of stipulated conditions could lead to significant changes in grant income and are accounted for prospectively over the balance obligation period.

Fair value measurements

Management applies valuation techniques to determine fair value of equity shares (where active market quotes are not available). This involves developing estimate assumptions around volatility, dividend yield which may effect the value of equity shares.

2.6 Property, plant and equipment:

All the items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses, if any. Costs include purchase price, freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset. Cost also includes borrowing costs for long-term construction projects if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

of the item can be measured reliably. All other expenses of repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred.

Leasehold land and leasehold improvements are stated at historical cost less amounts amortised proportionate to expired lease periods.

Capital Work-in-progress and pre-operative expenses during construction period

Capital work-in-progress includes expenditure incurred during construction period on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion/ commencement of commercial production.

Depreciation method, estimated useful lives and residual value:

Depreciation is provided on the straight-line method applying the useful lives as prescribed in part C of Schedule II of the Act.

The range of estimated useful lives of Property, Plant and Equipments are as under:

Category	Estimated useful life
Buildings	
- Factory Buildings	30 years
- Roads	10 years
- Compound Wall	5 years
- Others	3 years
Plant and equipment*	
- Machinery equipment	2 to 15 years
- Electrical installation and equipment	2 to 10 years
Furniture and fixtures	
- Furniture and Fixtures at retail stores	2 years
- Others	2 to 10 years
Vehicles	5 years
Office equipment	
- Computer hardware	2 to 3 Years
- Others	2 to 5 years

** Useful life of plant and equipment is determined based on the internal assessment supported by independent technical evaluation*

The management believes that the useful lives, as given above, best represent the period over which the management expects to use these assets. The Group reviews the useful lives and residual value at each reporting date.

Leasehold land and leasehold improvements are amortised over the period of lease.

Depreciation on the property, plant and equipment added/ disposed off/ discarded during the year is provided on pro rata basis with reference to the month of addition/ disposal/ discarding. Gains and losses on disposals/ derecognizing the assets are determined by the difference between the net proceeds and the carrying amount of the asset and recognized in the statement of profit and loss when the asset is derecognized.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2.7 Intangible assets

Intangible assets are held on the consolidated balance sheet at cost less accumulated amortisation and impairment losses, if any. Intangible assets developed or acquired with finite useful life are amortised on straight-line basis over the useful life as specified below:

Category	Estimated useful life
Trademarks	5 Years
Brands	5 Years
Computer software	3 Years

2.8 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal / external factors, an asset is tested for impairment. When the carrying cost of the asset exceeds its recoverable value, an impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

2.9 Inventories:

Inventories include raw material, work-in-progress, finished goods, stock-in-trade, stores and spares, and packing materials. Inventories are valued at lower of cost and net realisable value. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw material, stores and spares and packing materials are not written down below cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Finished goods and work-in-progress include costs of direct materials, direct labour and an appropriate proportion of variable and fixed manufacturing overheads, the latter being allocated on the basis of normal operating capacity.

Obsolete, slow moving and defective inventory are duly provided on the basis of management estimates.

2.10 Revenue recognition:

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. Revenue is measured at transaction price net of rebates, discounts, sales return provision and taxes. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. No significant element of financing is deemed present as the sales are either made with a nil credit term or with a credit period of 0-90 days. The Group applies the revenue recognition criteria to each component of the revenue transaction as set out below.

Income from sale of goods: Revenue from products is recognized as and when the control of products is transferred to the customer. The Group considers its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for the products, excluding amounts collected on behalf of third parties (for example, indirect taxes).

Other Income: Dividend income on investments is recognised when the right to receive dividend is established. Interest income is recognised on a time proportionate basis taking into account the amounts invested and the rate of interest.

Trade receivables: A receivable represents the Group's right to an amount of consideration under the contract with a customer that is unconditional and realisable on the due date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2.11 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Non-derivative financial instruments:

(1) Financial assets

(i) Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. On initial recognition, financial assets, other than trade receivables, are measured at fair value. In case of financial assets which are recognised at fair value through profit or loss (FVTPL), their transaction costs are recognised in the consolidated statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

(ii) Subsequent measurement

Financial assets are classified as subsequently measured at:

(a) Amortised cost
(b) Fair value through profit and loss ("FVTPL") or
(c) Fair value through other comprehensive income ("FVOCI")

The above classification is being determined considering:

(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing the financial assets.

(a) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Measured at FVOCI:

Financial assets are subsequently measured at FVOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and selling financial assets. Fair value movements are recognised in the consolidated other comprehensive income ("OCI"). Interest income measured using the effective interest rate (EIR) method and impairment losses, if any are recognised in the consolidated statement of profit and loss. On derecognition, cumulative gain or loss previously recognised in the consolidated OCI is reclassified from equity to the consolidated statement of profit and loss under the head 'Other income'/ "Other expenses'.

(c) Measured at FVTPL:

Financial assets, other than investment in equity instruments, are subsequently measured at FVTPL unless they are measured at amortised cost or at FVOCI. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the consolidated statement of profit and loss.

Investment in equity instruments:

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to
On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to
present the subsequent changes in fair value in consolidated OCI that would otherwise be measured at FVTPL pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently,

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

they are measured at fair value with gains and losses arising from changes in fair value recognised in consolidated OCI and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the consolidated statement of profit and loss on disposal of the investments. However, the Group may transfer the cumulative gain or loss within equity.

Dividend on these investments in equity instruments is recognised in the consolidated statement of profit and loss under the head 'Other income' when the Group's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(iii) Impairment

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets that are measured at amortised cost or at FVOCI. The credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to lifetime ECL i.e. expected cash shortfalls, being simplified approach for recognition of impairment loss allowance. Under simplified approach, the Group does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Group recognises 12-month ECL for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The ECL are measured as lifetime ECL if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL. The impairment losses and reversals are recognised in the consolidated statement of profit and loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

(iv) Derecognition

The Group derecognises a financial asset when,

(a) the contractual rights to the cash flows from the financial asset expire, or

(b) it transfers the contractual rights to receive the cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset, or

(c) it retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a pass through arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset), or

(d) it has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

When the Group transfers a financial asset, it evaluates the extent to which it has retained the risks and rewards of ownership of the financial asset. If the Group has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset, but retains control of the financial asset, the

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Group continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(2) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value, net of directly attributable transaction costs for all financial liabilities not carried at FVTPL.

(ii) Subsequent measurement

The Group subsequently measures all non-derivative financial liabilities at amortised cost using EIR method. A gain or loss on a financial liability measured at amortised cost is recognised in the consolidated statement of profit and loss when the financial liability is derecognised and through EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(3) Equity instruments:

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Dividends paid on equity instruments are directly reduced from equity.

(4) Compound financial instruments:

The component parts of compound instruments (convertible debentures) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rates. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

B. Derivative financial instruments:

The Group uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in the consolidated statement of profit and loss.

2.12 Fair value measurement:

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1) In the principal market for the asset or liability, or
2) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.13 Foreign currency transactions:

The Group's Consolidated Financial Statements are presented in INR which is also its functional currency.

a) Initial recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the consolidated statement of profit and loss for the year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

b) Measurement of foreign currency items at the balance sheet date

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year are translated at the closing exchange rates prevailing on the balance sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in the consolidated OCI or the consolidated statement of profit and loss are also reclassified in the consolidated OCI or the consolidated statement of profit and loss, respectively)

2.14 Taxes on income :

Income tax comprises current and deferred tax. Income tax expense is recognised in the consolidated statement of profit and loss except to the extent it relates to items directly recognised in equity or in consolidated OCI.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary difference between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Group offsets, the current tax assets and liabilities (on a year-on-year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the respective components financial statements. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets are not recognised when it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

2.15 Employee benefits:

The Group has following post-employment plans:

(a) Defined contribution plan such as Provident Fund

(b) Defined benefit plan - Gratuity

(c) Compensated absences

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

a) Defined contribution plan

Under defined contribution plans, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans such as employees' state insurance and employees' pension scheme. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

b) Defined benefit plan

The liability or asset recognised in the consolidated balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuary through actuarial valuation using the projected unit credit method.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

(i) Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine settlements; and

(ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the consolidated statement of profit and loss.

Remeasurements of the net defined benefit liability/ (asset) comprising:

(i) actuarial (gains)/losses

(ii) return on plan assets, excluding amounts included in interest income and

(iii) any change in the effect of the asset ceiling, excluding amounts included in interest income

are recognised in the period in which they occur directly in the consolidated OCI. Remeasurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

Ind AS 19 "Employee benefits" requires the exercise of judgment in relation to various assumptions including future pay rises, inflation, discount rates and employee demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the consolidated statement of profit and loss, consolidated OCI and consolidated balance sheet. There may also be interdependency between some of the assumptions.

c) Compensated absences

The Group had a policy on compensated absences which were both accumulating and non accumulating in nature. In the previous years, the Company had revised it policy for compensated absences to allow leave entitlements which would be non-accumulating in nature except for a certain class of employees. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. Necessary impact of the same had been considered in the Consolidated Financial Statements.

The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

2.16 Share-based payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the consolidated statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payment reserve.

No expense is recognised for ESOPs that do not ultimately vest because non-market performance and/ or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per equity share.

2.17 Leases:

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract is, or contains, a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

the contract involves the use of an identified asset,

(i) the Group has the right to obtain substantially all of the economic benefits from use of the identified asset , throughout the period of use, and

(ii) the Group has the right to direct the use of the identified asset, throughout the period of use.

At the date of commencement of the lease, the Group recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term leases and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liabilities and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.18 Provisions and contingencies:

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.19 Cash and cash equivalents:

Cash and cash equivalents in the consolidated balance sheet and for the purpose of consolidated statement of cash flows include cash and cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

2.20 Earnings per equity share:

Basic earnings per equity share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per equity share is the net profit/ (loss) for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, share split, share-based payments, etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per equity share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.21 Borrowing cost :

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as a part of cost of those assets during the period till all the activities necessary to prepare the qualifying assets for their intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.22 Exceptional items:

When an item of income or expense within profit/ (loss) from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year, the nature and amount of such items is disclosed separately in the consolidated statement of profit and loss.

2.23 Segment reporting:

As the Holding Company business activity primarily falls within a single business of luggage and lugguage accessories and geographical segment (domestic) and the Chief Operating Decision Maker monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Consolidated Financial Statements, thus there are no additional disclosure to be provided under Ind As 108 - Segment Reporting.

2.24 Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 01 April 2023, as below:

(a) **Ind AS 1 | Presentation of Financial Statements –** The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its consolidated financial statements.

(b) **Ind AS 12 |Income Taxes –** The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its consolidated financial statements.

(c) **Ind AS 8 | Accounting Policies, Changes in Accounting Estimates and Errors –** The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new defini-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

tion, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its consolidated financial statements

(d) **Ind AS 109 | Financial instruments –** The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies the fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The Group is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

Note 3 Property, plant and equipment **(₹ in lakhs, unless otherwise stated)**

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & equipment	Furniture and Fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Balance as at 1st April 2021	**-**	**6.71**	**1,112.43**	**3,642.03**	**542.09**	**378.87**	**419.00**	**125.28**	**6,226.41**
Additions	1,170.31	-	-	1,189.05	76.83	142.44	15.41	14.32	2,608.36
Disposal/adjustment	-	-	-	310.83	87.29	83.17	11.11	4.90	497.30
Balance as at 31st March 2022	**1,170.31**	**6.71**	**1,112.43**	**4,520.25**	**531.63**	**438.14**	**423.30**	**134.70**	**8,337.47**
Accumulated depreciation									
Balance as at 1st April 2021	**-**	**0.63**	**201.03**	**1,504.98**	**318.88**	**156.11**	**258.96**	**64.48**	**2,505.07**
Additions	-	0.10	54.65	535.81	91.55	47.60	34.03	26.84	790.58
Disposal/adjustment	-	-	-	162.11	69.23	47.35	10.53	4.43	293.65
Balance as at 31st March 2022	**-**	**0.73**	**255.68**	**1,878.68**	**341.20**	**156.36**	**282.46**	**86.89**	**3,002.00**
Net block as at 31st March 2022	**1,170.31**	**5.98**	**856.75**	**2,641.57**	**190.43**	**281.78**	**140.84**	**47.81**	**5,335.47**
Balance as at 1st April 2022	**1,170.31**	**6.71**	**1,112.43**	**4,520.25**	**531.63**	**438.14**	**423.30**	**134.70**	**8,337.47**
Additions	11.00	-	2,270.46	3,778.06	382.41	120.27	293.12	66.49	6,921.81
Disposal/adjustment	-	-	-	258.82	81.78	15.98	33.97	-	390.55
Balance as at 31st March 2023	**1,181.31**	**6.71**	**3,382.89**	**8,039.49**	**832.26**	**542.43**	**682.45**	**201.19**	**14,868.73**
Accumulated depreciation									
Balance as at 1st April 2022	**-**	**0.73**	**255.68**	**1,878.68**	**341.20**	**156.36**	**282.46**	**86.89**	**3,002.00**
Additions	-	0.10	153.44	732.60	133.69	157.58	97.42	43.30	1,318.13
Disposal/adjustment	-	-	-	43.51	63.64	13.99	31.19	-	152.33
Balance as at 31st March 2023	**-**	**0.83**	**409.12**	**2,567.77**	**411.25**	**299.95**	**348.69**	**130.19**	**4,167.80**
Net block as at 31st March 2023	**1,181.31**	**5.88**	**2,973.76**	**5,471.72**	**421.01**	**242.48**	**333.77**	**71.00**	**10,700.93**

Note:

i) Leasehold land is under lease arrangement for a period of 99 years commencing from 1st April 1982.

ii) Refer note 17 for information on property, plant and equipment provided as collateral or security for borrowings or finance facilities availed by the Group.

iii) Refer note 44 for capital commitments.

iv) The title deeds of the freehold land are held by the Group

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 4 Right-of-use assets and lease liability:

Right of use assets **(₹ in lakhs, unless otherwise stated)**

Particulars	Buildings
Balance as at 1st April 2021	**4,337.36**
Additions	2,668.59
Disposals / adjustment	(974.26)
Balance as at 31st March 2022	**6,031.69**
Accumulated Depreciation	
Balance as at 1st April 2021	**1,258.12**
Additions	1,179.20
Disposals / adjustment	(608.64)
Balance as at 31st March 2022	**1,828.68**
Net block as at 31st March 2022	**4,203.01**
Balance as at 1st April 2022	**6,031.69**
Additions	6,023.98
Disposals / adjustment	(1,896.91)
Balance as at 31st March 2023	**10,158.76**
Accumulated Depreciation	
Balance as at 1st April 2022	**1,828.68**
Additions	2,008.07
Disposals / adjustment	(1,338.15)
Balance as at 31st March 2023	**2,498.60**
Net block as at 31st March 2023	**7,660.16**

Lease liabilities	**Non-current**		**Current**	
PARTICULARS	**As at 31st March 2023**	As at 31st March 2022	**As at 31st March 2023**	As at 31st March 2022
Lease liabilities	**5,645.03**	3,071.84	**2,287.37**	1,386.61

Following is the movement in lease liabilities:

Particulars	**As at 31st March 2023**	As at 31st March 2022
Balance as at beginning of the year	**4,458.45**	3,116.17
Additions	**5,788.83**	2,921.26
Accretion of interest	**390.67**	267.08
Deductions / reversal	**(556.86)**	(436.64)
Income on concession on lease liability	**-**	(43.96)
Income on termination of lease liability	**(82.54)**	(61.56)
Payment of lease liabilities	**(1,675.48)**	(1,036.82)
Payment of interest on lease liabilities	**(390.67)**	(267.08)
Balance as at the end of the year	**7,932.40**	4,458.45

Amount recognised in the consolidated statement of profit and loss:

Particulars	**Year Ended 31st March 2023**	Year Ended 31st March 2022
Depreciation charge of right of use assets	**2,008.07**	1,179.20
Interest expense on lease liabilities	**390.67**	267.08

Break-up of the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	**As at 31st March 2023**	As at 31st March 2022
Less than one year	**2,749.94**	1,546.89
One to five years	**5,626.54**	3,224.42
More than five years	**740.31**	68.86

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Short-term leases expenses: **(₹ in lakhs, unless otherwise stated)**

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Short and variable lease payments	**291.32**	103.36
Total	**291.32**	103.36

Extension and termination option

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are excersiable when mutually agreed between the lessor and the Group.

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Note 5 Other intangible assets

Particulars	Trademarks	Brands	Computer Software	Total
Balance as at 1st April 2021	**0.05**	**462.70**	**278.14**	**740.89**
Additions	-	-	14.15	14.15
Disposal	-	-	5.40	5.40
Balance as at 31st March 2022	**0.05**	**462.70**	**286.89**	**749.64**
Accumulated amortisation				
Balance as at 1st April 2021	**0.05**	**435.15**	**252.70**	**687.90**
Additions	-	2.25	17.05	19.30
Disposal	-	-	5.40	5.40
Balance as at 31st March 2022	**0.05**	**437.40**	**264.35**	**701.80**
Net block as at 31st March 2022	**-**	**25.30**	**22.54**	**47.84**
Balance as at 1st April 2022	**0.05**	**462.70**	**286.89**	**749.64**
Additions	-	-	-	-
Disposal	-	-	-	-
Balance as at 31st March 2023	**0.05**	**462.70**	**286.89**	**749.64**
Accumulated amortisation				
Balance as at 1st April 2022	**0.05**	**437.40**	**264.35**	**701.80**
Additions	-	-	4.31	4.31
Disposal	-	-	-	-
Balance as at 31st March 2023	**0.05**	**437.40**	**268.66**	**706.11**
Net block as at 31st March 2023	**-**	**25.30**	**18.23**	**43.53**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 6 Capital work-in-progress: **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Plant and equipment under installation	-	373.49
Building under construction	-	1,596.15
Total	-	1,969.64

Capital work-in-progress movement

Particulars	Amount
Balance as at 1st April 2021	**4,337.36**
Additions during the period	1,969.64
Capitalised during the period	(6.62)
Balance as at 31st March 2022	**1,969.64**
Balance as at 1st April 2022	**1,969.64**
Additions during the period	-
Capitalised during the period	(1,969.64)
Balance as at 31st March 2023	-

Capital Work-In-Progress Ageing Schedule

Particulars	Amount of capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2023					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31st March 2022					
Projects in progress	1,969.64	-	-	-	1,969.64
Projects temporarily suspended	-	-	-	-	-
Total	**1,969.64**	-	-	-	**1,969.64**

Note 7 Other financial assets

Particulars	Non-current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good				
Security deposits	**953.21**	518.14	**138.60**	175.01
Bank deposits with remaining maturity of more than twelve months(whole amount is held as lien against bank guarantees and letter of credit issued by bank)	**12.48**	10.73	-	-
Interest accrued on fixed deposits	-	-	**109.69**	28.00
Derivative financial assets (designated as derivative instrument)	-	-	-	0.19
Others	**3.30**	-	**27.07**	12.80
Total	**968.99**	528.87	**275.36**	216.00

Note

i) Refer note 38 (iii) for information on derivative financial instrument.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 8 Deferred tax assets (net) **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred tax assets arising on account of		
On temporary difference between depreciation as per books and as per the Income-tax Act, 1961	**245.57**	209.61
Provision for employee benefits	**5.78**	8.26
Allowance for expected credit loss	**19.51**	362.28
Lease liabilities	**1,945.27**	1,084.41
On interest of compulsorily convertible debentures	**-**	53.27
On preliminary expenditure	**-**	3.56
Total deferred tax assets (A)	**2,216.13**	1,721.39
(Deferred tax liabilities) arising on account of		
Right of use assets	**(1,843.27)**	(1,022.47)
Total deferred tax liabilities (B)	**(1,843.27)**	(1,022.47)
Total (A-B)	**372.86**	698.92

Particulars	As at 31st March 2023
Net deferred tax liability related to subsidiary company *(refer note 23)*	60.27
Net deffered tax assets related to Holding Company and other subsidiary company	372.86
Net movement	**312.59**

Particulars	Opening balance as on 1st April 2022	Recognised in profit or loss	As at 31st March 2023
Deferred tax assets arising on account of			
On temporary difference between depreciation as per books and as per the Income-tax Act, 1961	209.61	(30.83)	**178.78**
Provision for employee benefits	8.26	(2.48)	**5.78**
Allowance for expected credit loss	362.28	(342.77)	**19.51**
Lease liabilities	1,084.41	895.76	**1,980.17**
On interest of compulsorily convertible debentures	53.27	(53.27)	-
On preliminary expenditure	3.56	(0.62)	**2.94**
	1,721.39	465.79	**2,187.18**
(Deferred tax liabilities) arising on account of			
Right of use assets	(1,022.47)	(852.12)	**(1,874.59)**
	(1,022.47)	(852.12)	**(1,874.59)**
Total deferred tax liabilities (net)	**698.92**	**(386.33)**	**312.59**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Movement in deferred tax assets and deferred tax liabilities : **(₹ in lakhs, unless otherwise stated)**

Particulars	Opening balance as on 1st April 2021	Recognised in profit or loss	As at 31st March 2022
Deferred tax assets arising on account of			
On temporary difference between depreciation as per books and as per the Income-tax Act, 1961	194.03	15.58	209.61
Provision for employee benefits	9.17	(0.91)	8.26
Allowance for expected credit loss	228.57	133.71	362.28
Lease liabilities	784.36	300.05	1,084.41
On interest of compulsorily convertible debentures	158.25	(104.98)	53.27
On preliminary expenditure	-	3.56	3.56
Carried forward business loss	460.63	(460.63)	-
	1,835.01	(113.62)	1,721.39
(Deferred tax liabilities) arising on account of			
Right of use assets	(729.33)	(293.14)	(1,022.47)
	(729.33)	(293.14)	(1,022.47)
Total deferred tax assets (net)	**1,105.68**	**(406.76)**	**698.92**

The individual entities within the Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off the said balances.

Note 9 Income tax assets (net)

Particulars	As at 31st March 2023	As at 31st March 2022
Income tax assets (net)	**308.42**	289.87
Total	**308.42**	289.87

Note 10 Other assets

Particulars	Non-current As at 31st March 2023	Non-current As at 31st March 2022	Current As at 31st March 2023	Current As at 31st March 2022
Capital advances	**271.43**	241.41	-	-
Advances other than capital advances				
Advances to suppliers / others	**-**	-	**159.27**	312.75
Prepayments	**6.70**	5.37	**82.32**	79.46
Refunds due from / balances with government authorities	**5.34**	2.79	**1,727.08**	923.65
Other receivables	-	-	**2.61**	2.99
Total	**283.47**	249.57	**1,971.28**	1,318.85

Note 11 Inventories (Valued at cost or net realisable value, whichever is lower)

Particulars	As at 31st March 2023	As at 31st March 2022
Raw materials*	**3,020.44**	1,762.72
Work-in-progress	**447.21**	287.64
Finished goods	**5,405.05**	3,125.59
Stock-in-trade*	**17,658.41**	9,360.02
Stores and spares	**43.84**	23.25
Packing materials	**64.65**	52.11
Total	**26,639.60**	14,611.32

(Reversal of write down) / write down of inventories to net realisable value ₹85.08 lakhs (Previous year ₹234.57 lakhs)

** Including goods in transit :*

- Raw materials : ₹986.03 lakhs (as at 31st March 2022 - ₹477.28 lakhs)

- Stock-in-trade : ₹2,286.52 lakhs (as at 31st March 2022 - ₹705.66 lakhs)

Note:

Refer note 17 for information on assets provided as collateral or security for borrowings or finance facilities availed by the Group.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 12 Trade receivables **(₹ in lakhs, unless otherwise stated)**

Particulars	**As at 31st March 2023**	As at 31st March 2022
Unsecured		
Considered good	**17,011.26**	11,472.77
Less: Allowance for expected credit loss	**77.52**	15.13
	16,933.74	11,457.64
Credit impaired	-	1,424.97
Less: Allowance for expected credit loss	-	1,424.97
Total	**16,933.74**	11,457.64

Movement in the allowance for expected credit loss	**As at 31st March 2023**
Balance as at 1st April 2021	908.05
Bad debts write off	(1,047.16)
Created during the year (net)	1,579.21
Balance as at 31st March 2022	**1,440.10**
Bad debts write off against provision	(1,435.27)
Created during the year (net)	72.69
Balance as at 31st March 2023	**77.52**

Notes:

i) Trade receivables are non-interest bearing and are generally on credit terms in line with applicable industry norms.

ii) Refer note 36 for amount recoverable from related parties.

iii) Refer note 17 for information on assets provided as collateral or security for borrowings or finance facilities availed by the Group.

Trade receivables ageing schedule

As at 31st March 2023	**Outstanding for following periods from due date of payment**						
Particulars	**Not Due**	**Less Than 6 months**	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables-considered good	13,515.14	3,361.82	127.62	3.76	0.60	2.32	17,011.26
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Gross Trade receivables	**13,515.14**	**3,361.82**	**127.62**	**3.76**	**0.60**	**2.32**	**17,011.26**
Less: Allowance for expected credit loss	(10.89)	(39.54)	(20.41)	(3.76)	(0.60)	(2.32)	(77.52)
Net Trade receivables	**13,504.25**	**3,322.28**	**107.21**	**(0.00)**	**-**	**-**	**16,933.74**

As at 31st March 2022	**Outstanding for following periods from due date of payment**						
Particulars	**Not Due**	**Less Than 6 months**	**Less Than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables – considered good	9,951.62	1,427.74	45.82	31.98	13.29	2.32	11,472.77
(ii) Undisputed trade receivables – credit impaired	-	377.87	105.67	941.43	-	-	1,424.97
Gross Trade receivables	**9,951.62**	**1,805.61**	**151.49**	**973.41**	**13.29**	**2.32**	**12,897.74**
Less: Allowance for expected credit loss	-	(377.87)	(105.67)	(941.43)	(12.81)	(2.32)	(1,440.10)
Net Trade receivables	**9,951.62**	**1,427.74**	**45.82**	**31.98**	**0.48**	**-**	**11,457.64**

Note:

i) There are no unbilled receivables as at 31st March 2022 and 31st March 2023.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 13 Cash and cash equivalents **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Balance with banks in current accounts	**214.89**	206.09
Balance with banks in EEFC account	**64.26**	11.37
Cash on hand	**12.19**	0.90
Total	**291.34**	218.35

Note:
i) Refer note 48 for restatement of the comparative year.

Note 14 Other bank balances

Particulars	As at 31st March 2023	As at 31st March 2022
Bank deposits with original maturity of more than three months and less than twelve months (whole amount is held as lien against bank guarantees and letter of credit issued by bank)	**1.34**	2.39
Bank deposits with remaining maturity of less than twelve months	**8,346.66**	5,696.20
Earmarked balances with banks (unpaid dividend)	**8.12**	7.81
Total	**8,356.12**	5,706.39

Note:
i) Refer note 48 for restatement of the comparative year.

Note 15 Equity share capital

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised :		
2,50,00,000 (as at 31st March 2022 : 2,50,00,000) Equity shares of ₹ 2/- each	**500.00**	500.00
2,50,00,000 (as at 31st March 2022 : 2,50,00,000) Unclassified shares of ₹ 2/- each	**500.00**	500.00
Total	**1,000.00**	1,000.00
Issued, subscribed and paid-up share capital		
2,37,11,290 (as at 31st March 2021 : 2,23,89,500) Equity shares	**474.23**	447.79
of ₹ 2/- each fully paid-up	**474.23**	447.79

Notes:

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting of the Holding Company

Particulars	As at 31st March 2023		As at 31st March 2022	
	Numbers	Amount	Numbers	Amount
At the beginning of the year	**2,23,89,500**	**447.79**	2,23,86,500	447.73
Add :- Shares issued on Employees Stock Option Plan *(refer note 35)*	**6,000**	**0.12**	3,000	0.06
Add: Shares issued on conversion of convertible debentures into equity shares	**1,315,790**	**26.32**	-	-
Outstanding at the end of the year	**2,37,11,290**	**474.23**	2,23,89,500	447.79

Footnote:
Pursuant to shareholders' approval obtained in the General Meeting held on 25th March 2021, the Holding Company had allotted on preferential basis, 1,315,790 Compulsorily Convertible Debentures ("CCDs") having face value of ₹570 each to Investcorp Private Equity Fund II ("Investor"). Each warrant is convertible into 1 equity share of ₹ 2 per share on the earlier of occurrence of following events – a) Investor electing to convert the CCDs into equity shares and b) the date that is 18 months from the date of issue of CCDs. The CCD's have been converted into equity shares as the Investor elected to convert the CCD's into equity on 30th August 2022.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(b) Rights, preference and restriction on equity shares:

The Holding Company has only one class of issued equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held.The Holding Company declares and pays dividends in INR. The dividend, if any, proposed by the Board of Directors of the Holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive assets of the Group remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of fully paid-up equity shares held by the shareholders.

(c) The details of shareholders holding more than 5% equity shares of holding company:

Particulars Name of the Shareholders	**As at 31st March 2023** **Numbers (face value of ₹ 2 each)**	 **% of holding**	As at 31st March 2022 Numbers (face value of ₹ 2 each)	 % of holding
Safari Commercial LLP*	**22,00,000**	**9.28%**	22,00,000	9.83%
Sudhir Mohanlal Jatia	**90,00,000**	**37.96%**	90,00,000	40.20%
Malabar India Fund Limited	**20,08,617**	**8.47%**	21,64,332	9.67%

(d) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date by the Holding Company

The Holding Company has not issued any shares by way of bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding the reporting date.

(e) Shareholding of promoters:

As at 31st March 2023:

Name of the Promoters	**Shares held by promoters at the end of year** **Number of shares**	 **% of shares**	 **% change in shareholding**
Equity shares of ₹ 2 each, fully paid-up			
Sudhir Mohanlal Jatia	90,00,000	37.96%	0.00%
Safari Commercial LLP*	22,00,000	9.28%	0.00%

As at 31st March 2022:

Name of the Promoters	**Shares held by promoters at the end of year** **Number of shares**	 **% of shares**	 **% change in shareholding**
Equity shares of ₹ 2 each, fully paid-up			
Sudhir Mohanlal Jatia	90,00,000	40.20%	0.00%
Safari Commercial LLP*	22,00,000	9.83%	0.00%

**On 3rd September, 2021, Safari Commercial Private Limited (formerly known as Safari Investments Private Limited) was converted to Safari Commercial LLP*

(f) Shares reserved for issue under options

Information relating to the ESOP, including details of options issued, exercised and lapsed during the financial year and the options outstanding at the end of the reporting year, is as set out in note 35.

(g) Dividend paid and proposed: Refer note 39(b)

Note 16 Other equity

(₹ in lakhs, unless otherwise stated)

Particulars	**As at 31st March 2023**	As at 31st March 2022
Capital reserve	**11.18**	11.18
Securities premium	**19,179.47**	12,330.82
General reserve	**618.80**	618.80
Share based payment reserve	**473.88**	19.67
Retained earnings	**22,183.82**	10,209.65
Unamortised preference issue cost	**(11.26)**	(14.31)
Remeasurement of defined benefit plan	**(357.79)**	(329.14)
Compulsorily Convertible Debentures *(Refer Note 15)*	**-**	6,804.06
	42,098.09	29,650.72

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Nature and purpose of reserves:

i) Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Group's own equity instrument is transferred to capital reserve

ii) Securities premium

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Act.

iii) General reserve

This represents appropriation of profit by the Group.

iv) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

v) Share based payment reserve

The employee share-based compensation reserve is used to record the value of equity-settled share-based payment transactions with employees. The amounts recorded in this reserve will be transferred to equity share capital and securities premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance will be transferred to retained earnings.

Note 17 Borrowings **(₹ in lakhs, unless otherwise stated)**

Particulars	Non-current As at 31st March 2023	Non-current As at 31st March 2022	Current As at 31st March 2023	Current As at 31st March 2022
Secured - measured at amortised cost				
Term loans from banks				
Rupee loan *(refer note A(i) and B (i))*	**2,147.39**	9.34	**673.16**	9.20
	2,147.39	9.34	**673.16**	9.20
Secured				
Loans repayable on demand	**-**	-	**2,384.84**	191.37
from banks *(refer note A(ii))*	**-**	-		-
Others *(refer note A(iii))*	**-**	-	**804.37**	680.83
	-	-	**3,189.21**	872.20
Unsecured				
Liability component of compound financial instrument:				
6% Compulsorily convertible debentures *(refer note A(vi))*	**-**	-	**-**	211.66
	-	-	**-**	211.66
Total	**2,147.39**	9.34	**3,862.37**	1,093.06

Terms :

A) Details of interest rates,terms and securities

i) **Term loans - Rupee loans from banks in India**

For the year ended	Rate of interest
31st March 2023	6.15% p.a. to 9.30 % per annum
31st March 2022	7.90% p.a. to 9.30 % per annum

ii) **Loans repayable on demand from banks (includes working capital demand loan and cash credit facilities)**

For the year ended	Rate of interest
31st March 2023	5.00% per annum to 7.50% per annum
31st March 2022	5.00% per annum to 6.25% per annum

The loans repayable on demand are secured by :

Primary security:

First parri-passu charge on the entire current assets of the Company, both present and future.

Secondary security:

First parri-passu charge on entire moveable fixed assets of the Company both present and future, excluding vehicles charged to other banks and financial institutions.

Equitable mortgage on factory land and building situated at Halol (Gujarat)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

iii) **Others**

It pertains to letter of credit. The amount is payable withing 90 days.

iv) **Liability component of compound financial instrument**

The Holding Company had issued and allotted 13,15,790, 6% CCD's having face value of ₹ 570 each to Investor on preferential allotment basis on 25th March, 2021. The CCDs shall compulsorily be converted into equal number of equity shares at a face value of ₹ 2 per share on the earlier of occurrence of following events :

a) Investor electing to convert the CCDs into equity shares or

b) the date that is 18 months from the date of issue of CCDs.

The CCDs are presented in the Balance Sheet as follows: **(₹ in lakhs, unless otherwise stated)**

Particulars	31st March 2023	31st March 2022
Face value of the CCD's issued (₹)	-	570.00
Equity component of CCD's – value of conversion rights	-	6,799.64
Interest expense	**183.97**	417.07
Interest paid	**186.16**	450.00
Current borrowing	-	211.66

B) Details of repayment terms

i) Term loans

As at 31st March 2023

Vehicle loans are repayable in 11 to 14 monthly instalments from 31st March 2023.

Other term loan will be repayable in 17 quarterly instalments.

As at 31st March 2022

Vehicle loans are repayable in 4 to 26 monthly instalments from 31st March 2022.

Notes:

(a) There is no default in repayment of borrowings and interest during the year ended 31st March 2023 and 31st March 2022.

(b) Details related to borrowings secured against current assets

The Holding Company and its subsidiary has given current assets as security for borrowings obtained from banks. The Holding Company and its subsidiary has duly submitted the required information to the banks on regular basis and the required reconciliation is presented below:

For the year ended 31st March 2023

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material variance
31st Mar 2023	Current Assets	44,617.60	45,259.62	(642.02)	No material variance
31st Dec 2022	Current Assets	40,788.18	41,297.11	(508.93)	
30th Sept 2022	Current Assets	40,123.84	40,165.65	(41.81)	
30th June 2022	Current Assets	31,661.64	31,014.26	647.38	

For the year ended 31st March 2022

Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material variance
31st Mar 2022	Current Assets	26,095.53	26,691.66	(596.12)	No material variance
31st Dec 2021	Current Assets	24,080.02	23,278.51	801.51	
30th Sept 2021	Current Assets	29,998.93	29,511.34	487.59	
30th June 2021	Current Assets	24,030.94	24,037.36	(6.42)	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 18 Trade payables

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31st March 2023	As at 31st March 2022
Total outstanding dues of micro enterprises and small enterprises	**4,320.75**	2,523.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	**12,329.24**	7,485.20
Total	**16,649.99**	10,008.45

Note:

i) *Refer note 36 for related party balances.*

ii) *Refer note 38 for information on liquidity risk and market risk.*

iii) *Trade payables are generally non-interest bearing and are normally settled in line with applicable industry norms.*

Trade payable ageing:

Particulars	Outstanding for following periods from due date of payment*					
	Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2023						
Micro, Small and Medium Enterprises (MSME)	3,666.75	645.16	-	-	-	**4,311.91**
Others	6,953.31	5,371.24	2.43	2.22	0.04	**12,329.24**
Disputed dues- MSME	-	-	8.76	0.08	-	**8.84**
Disputed dues – Others	-	-	-	-	-	**-**
Total	**10,620.06**	**6,016.40**	**11.19**	**2.30**	**0.04**	**16,649.99**
As at 31st March 2022						
MSME	2,021.63	501.62	-	-	-	**2,523.25**
Others	3,265.56	4,203.15	14.84	1.65	-	**7,485.20**
Disputed dues – MSME	-	-	-	-	-	**-**
Disputed dues – Others	-	-	-	-	-	**-**
Total	**5,287.19**	**4,704.77**	**14.84**	**1.65**	**-**	**10,008.45**

**Ageing calculated from the date of transaction where the due date was not available.*

Note 19 Other Financial Liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Payable for capital goods	**259.25**	307.60
Interest accrued but not due on borrowings	**1.29**	0.12
Unpaid dividends *(refer note (i) below)*	**8.12**	7.80
Derivative financial liability (designated as derivative instrument)	**2.02**	-
Employee related payables	**473.13**	299.68
Other payables	**44.63**	11.90
Total	**788.44**	627.10

Note: There are no amounts due for payment to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31st March 2023 (31st March 2022 : Nil)

Note 20 Other current liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Advances received from customers	**129.69**	56.30
Statutory dues	**516.96**	315.98
Total	**646.65**	372.28

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 21 Provisions

(₹ in lakhs, unless otherwise stated)

Particulars	Non-current As at 31st March 2023	Non-current As at 31st March 2022	Current As at 31st March 2023	Current As at 31st March 2022
Provision for employee benefits *(refer note 34)*				
Gratuity	**-**	-	**129.94**	171.99
Compensated absences	**-**	-	**6.08**	12.55
Total	**-**	-	**136.02**	184.54

Note 22 Current tax liabilities (net)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for income tax (net of advance tax)	**9.95**	-
Total	**9.95**	-

Note 23 Deferred tax liabilities (net)

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred tax liabilities (net)	**60.27**	-
Total	**60.27**	-

Note 24 Revenue from operations

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Sale of products	**1,20,842.74**	**70,329.14**
Other operating revenues		
Sale of scrap	**355.51**	188.14
Total	**1,21,198.25**	70,517.28

Reconciliation of revenue from operations with contract price:

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Contract price	**1,28,050.99**	73,859.12
Less: Discounts, rebates, returns and others	**7,208.25**	3,529.98
Sale of products	**1,20,842.74**	70,329.14

Note 25 Other Income

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest income on financial assets at amortised cost		
Bank deposits	**628.50**	629.55
Security deposits	**79.29**	
Others	**2.72**	3.42
Other non operating income		
Electricity duty refund	**69.38**	33.12
Profit on disposal of property, plant and equipment	**8.05**	-
Gain on sale of investments	**12.62**	
Amounts written back (net)	**35.96**	4.91
On reversal of lease liability on concession *(refer note 4)*	-	43.96
On reversal of lease liability on termination *(refer note 4)*	**82.78**	61.56
Miscellaneous income	**26.50**	21.91
Total	**945.80**	798.43

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 26 Cost of materials consumed

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Raw materials		
Opening stock	**1,762.72**	1,192.46
Purchases	**33,739.49**	17,396.30
Closing stock	**(3,020.44)**	(1,762.72)
Raw materials consumed	**32,481.77**	16,826.04
Packing materials		
Opening stock	**52.11**	25.88
Purchases	**2,375.00**	1,115.11
Closing stock	**(64.65)**	(52.11)
Packing materials consumed	**2,362.46**	1,088.88
Total	**34,844.23**	17,914.92

Note 27 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Inventories at the beginning of the year		
Finished goods	**3,125.59**	1,758.02
Stock-in-trade	**9,360.02**	8,119.12
Work-in-progress	**287.64**	278.94
Sub-total	**12,773.25**	10,156.08
Inventories at the end of the year		
Finished goods	**5,405.05**	3,125.59
Stock-in-trade	**17,658.41**	9,360.02
Work-in-progress	**447.21**	287.64
Sub-total	**23,510.67**	12,773.25
Total change in inventories	**(10,737.42)**	(2,617.17)

Note 28 Employee benefits expense

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salaries and wages*	**7,260.38**	5,963.32
Contribution to provident and other funds*	**493.79**	436.49
Share based payments (refer note 35)	**466.95**	15.41
Staff welfare expense	**357.73**	223.28
Total	**8,578.85**	6,638.50

**Refer note 36 for related party transactions.*

Note 29 Finance costs

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest expense	**406.30**	225.30
Interest on lease liabilities	**390.67**	267.08
Total	**796.97**	492.38

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 30 Depreciation and amortisation expense

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation on property, plant and equipment *(refer note 3)*	**1,318.13**	790.56
Amortisation of other intangible assets *(refer note 5)*	**4.31**	19.31
Depreciation of right of use assets *(refer note 4)*	**2,008.07**	1,179.20
Total	**3,330.51**	1,989.07

Note 31 Other expenses

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Consumption of stores and spares	**65.18**	24.57
Consumption of packing materials (trading)	**672.46**	400.62
Power and fuel	**984.22**	529.10
Repairs and maintenance		
Building	**52.48**	28.03
Plant and equipment	**63.01**	48.08
Others	**232.19**	149.51
Rent	**291.32**	103.36
Rates and taxes	**52.43**	36.70
Insurance	**140.79**	68.65
Postage, telegram and telephone expenses	**128.59**	97.91
Legal and professional fees	**456.45**	317.07
Freight, handling and octroi	**6,873.34**	4,301.65
Contractual labour	**5,409.35**	2,988.54
Job work charges	**1,303.53**	1,219.20
Travelling and conveyance	**933.70**	524.93
Advertisement and sales promotion	**4,496.96**	1,822.79
Bad debts written off	**-**	139.10
Allowance for expected credit loss	**72.69**	512.09
Loss on disposal of property, plant and equipment (net)	**-**	101.35
Directors' sitting fees *(refer note 36)*	**19.39**	15.90
Commission to non-executive directors *(refer note 36)*	**24.50**	25.00
Contribution towards corporate social responsibility	**30.75**	35.78
Foreign exchange/Mark to Market loss (net)	**257.82**	47.79
Miscellaneous expenses	**646.44**	338.88
Total	**23,207.59**	13,876.60

i) Exceptional items

Exceptional items of ₹928.02 lakhs is on account of provision for doubtful debts created towards receivables from certain customers during the year ended 31st March 2022.

Note 32 Tax expense

a) Income tax expenses on profit or loss consist of:

Current tax

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Current year	**3,603.73**	266.09
Earlier years	**5.48**	3.18
Total	**3,609.21**	269.27
Deferred tax		
Increase in deferred tax assets	**386.33**	405.26
Total	**386.33**	405.26
Total income tax expense	**3,995.54**	674.53

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

b) Income tax on other comprehensive income

(₹ in lakhs, unless otherwise stated)

Particulars	**Year Ended 31st March 2023**	Year Ended 31st March 2022
Current tax on remeasurement of defined benefit plans	**(8.38)**	(13.49)
	(8.38)	(13.49)

c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year Ended 31st March 2023	Year Ended 31st March 2022
Enacted income tax rate in India	**25.17%**	25.17%
Profit/(loss) before tax	**16,504.53**	2,911.29
Income tax as per above rate	**4,153.86**	732.71
Adjustments for:		
Expenses not deductible for tax purposes	**990.88**	663.96
Expenses deductible separately for tax purposes	**(1,510.51)**	(671.46)
On interest of compulsorily convertible debentures	**53.27**	104.98
Items subject to temporary differences	**299.47**	(156.19)
On preliminary expenditure	**0.61**	(3.56)
Amount allowable on payment basis	**2.48**	0.91
Adjustment for tax of prior periods	**5.48**	3.18
Current tax as per consolidated statement of profit and loss	**3,995.54**	674.53

Note 33 Earnings per share ('EPS')

	Year Ended 31st March 2023	Year Ended 31st March 2022
The components of basic and diluted EPS are as follows:		
(a) Net profit attributable to equity shareholders		
Considered for basic EPS	**12,508.99**	2,236.76
Add : Effect of interest expense on CCD's (net of tax)	**-**	24.64
Considered for diluted EPS	**12,508.99**	2,261.40
(b) Weighted average number of outstanding equity shares (in absolute)		
Considered for basic EPS	**2,37,09,641**	2,23,87,758
Add : Effect of dilutive potential equity shares arising from outstanding stock options and CCD's	**93,870**	13,21,641
Considered for diluted EPS	**2,38,03,511**	2,37,09,399
(c) Earnings per equity share (face value of ₹ 2 each)		
Basic (in ₹)	**52.76**	9.99
Diluted (in ₹)	**52.55**	9.54

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 34 Disclosure pursuant to Ind AS - 19 "Employee benefits" **(₹ in lakhs, unless otherwise stated)**

A. Defined contribution plan:

The following amount is recognised in the consolidated statement of profit and loss for the year ended:

Particulars	31st March 2023	31st March 2022
Contribution to provident fund	**266.32**	214.20
Contribution to employees' state insurance	**132.06**	131.69
Contribution to labour welfare fund	**0.04**	0.08

Above amounts have been included in the line item "Contribution to provident fund and other funds" in note 28. Also, the contribution of the Group is limited to the amount contributed and it has no further contractual or constructive obligation.

B. Defined benefit plan - Gratuity: The Holding Company and its subsidiary company has a defined benefit gratuity plan (funded). The plan requires contributions to be made to a separately administered fund. The plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed continuous services of five years or more gets a gratuity on death, resignation, retirement or permanent disablement at 15 days salary (last drawn salary) for each completed year of service. Gratuity is funded through investment with Life Insurance Corporation under its respective Group Gratuity Scheme.

i. Amount recognised in the consolidated balance sheet in respect of gratuity provision (defined benefit plan) is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Present value of defined benefit obligation at the end of the year	**849.01**	743.56
Fair value of plan asset at the end of the year	**719.63**	571.81
Net liability recognised in the balance sheet	**(129.38)**	(171.75)

ii. Expense recognised through profit and loss:

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Expense recognised through profit and loss:		
Current service cost	**82.65**	76.25
Net interest cost	**12.42**	14.27
Total amount recognised in consolidated statement of profit and loss	**95.07**	90.52
Expense recognised in the other comprehensive income:		
Return on plan asset, excluding interest income	**0.41**	(0.04)
Actuarial (gain) / loss on obligations due to change in		
Demographic assumptions	**-**	0.14
Financial assumptions	**(20.28)**	(24.58)
Experience adjustments	**56.90**	85.34
Total amount recognised in other comprehensive income	**37.03**	60.86

iii. Change in the present value of the defined benefit obligation:

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening defined benefit obligation	**743.56**	661.47
Current service cost	**82.65**	76.25
Interest cost	**53.05**	45.31
Actuarial loss on obligation	**36.61**	60.90
Benefits paid from the fund	**(66.86)**	(100.37)
Closing present value of defined benefit obligation	**849.01**	743.56

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

iv. Change in the fair value of plan asset: **(₹ in lakhs, unless otherwise stated)**

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening fair value of plan assets	**571.81**	453.18
Interest income	**40.63**	31.04
Return on plan asset, excluding interest income	**(0.41)**	1.99
Employer's contribution	**174.46**	185.97
Benefits paid from the fund	**(66.86)**	(100.37)
Closing fair value of plan assets	**719.63**	571.81

v. Assumptions

The significant assumptions were as follows:

Actuarial assumptions

Particulars	As at 31st March 2023	As at 31st March 2022
Discount rate (% per annum)	**7.50%**	7.23%
Expected rate of return on plan assets (% per annum)	**8.00%**	7.23%
Salary growth rate (% per annum)	**8.00%**	8.00%

Demographic assumptions

Particulars	As at 31st March 2023	As at 31st March 2022
Mortality rate	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition rate (% per annum)	**For service of 4 years and below: 26.00% p.a and for service 5 years and above : 2.00% p.a.**	For service of 4 years and below: 26.00% p.a and for service 5 years and above : 2.00% p.a.
Average future service (in years)	**12**	12
Retirement age (in years)	**58**	58

These assumptions were developed by the management of the Holding Company with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimate of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vi. Category of funded asset

Fund asset comprises of the LIC insurance funds.

vii. Sensitivity analysis

The sensitivity of the present value of plan liabilities to 1.00% change in the key assumptions are:

Particulars	Increase by 1%		Decrease by 1%	
	As at 31st March 2023	As at 31st March 2022	**As at 31st March 2023**	As at 31st March 2022
Discount rate				
Change in the defined benefit obligation	**(68.31)**	(57.93)	**80.15**	68.07
Salary escalation rate				
Change in the defined benefit obligation	**72.47**	62.87	**(64.33)**	(55.10)
Attrition rate				
Change in the defined benefit obligation	**(3.48)**	(4.65)	**3.73**	5.06

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

viii. Risks associated with defined benefit plan:

Gratuity is a defined benefit plan and entity is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk. Mortality rate during employment is calculated considering Indian Assured Lives Mortality 2012-14 (Urban) (Previous year:Indian Assured Lives Mortality (2006-08) Ultimate)

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Group and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

ix. Other details **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2023	As at 31st March 2022
Expected contributions to the defined benefit plan for the next financial year	**218.92**	204.89
Weighted average duration of the defined benefit obligation (in years)	**11-22**	10

During the year, there were no plan amendments, curtailments and settlements.

x. Maturity analysis of the benefit payments

The defined benefit obligation shall mature as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
One year	**125.09**	115.27
Two to five years	**235.93**	206.02
Six to ten years	**253.57**	229.51
Eleven years and above	**1,389.34**	1,118.91
Total	**2,003.93**	1,669.71

Maturity analysis of benefit payments is undiscounted cashflows considering future salary, attrition and death estimate of members in respective years.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(₹ in lakhs, unless otherwise stated)

xi. **Amount recognised in the consolidated statement of profit and loss in respect of the gratuity costs and in consolidated balance sheet in respect of the gratuity liability for the subsidiary,which is not material to the Group. The amount are as follows:**

Particulars	**31st March 2023**		**31st March 2022**	
Name of the subsidiary	Impact on consolidated statement of Profit and loss	Impact on consolidated balance sheet	Impact on consolidated statement of Profit and loss	Impact on consolidated balance sheet
Safari Lifestyles Limited	**0.30**	**(0.53)**	0.23	(0.23)

C) **Compensated absences:**

The disclosure in respect of the Compensated absences are given below:

Particulars	**Year ended 31st March 2023**	Year ended 31st March 2022
Expenses recognised in statement of profit and loss	**(4.06)**	0.79
Balance sheet (liability)	**6.08**	12.55

Movement during the year:

Particulars	**31st March 2023**	31st March 2022
At the beginning of the year	**12.55**	14.27
Recognised during the year	**(5.05)**	-
Paid/ provision reversal during the year	**(1.42)**	1.72
At the end of the year	**6.08**	12.55

This space has been intentionally kept blank.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 35 Share based payments

(a) Employee options plan

The members of the Holding Company had approved the Safari Stock Option Scheme 2016 ('ESOP 2016') at the Annual General Meeting held on 12th August 2016. The plan envisaged the grant of options to eligible employees setting aside 41,500 options under this scheme. The shareholders of the Holding Company through special resolution dated 30th August 2017 approved the sub division in the face value of existing one share of ₹ 10 each into five shares of ₹ 2 each.Accordingly, post subdivision in the face value of share, the no. of options granted stands modified from 41,500 options to 2,07,500 options.The holder of each option is eligible for one fully paid up equity share of the Holding Company. According to the scheme, the employees selected by the Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions.

i) A summary of general terms of grants under ESOP 2016 are as follows:

Particulars	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII
Grant date	**Fri, 09 Feb 2018**	**Sat, 05 Dec, 2020**	**Wed, 11 Aug 2021**	**Thu, 09 Jun 2022**	**Thu, 11 Aug 2022**
No of options granted	10,000	10,000	5,000	10,000	7,000
Vesting period from date of grant Vesting 1	40 % of the options from the end of 1 year (i.e. 08 Feb 2019)	40 % of the options from the end of 1 year (i.e. 05 Dec 2021)	40 % of the options from the end of 1 year (i.e. 11 Aug 2022)	40 % of the options from the end of 1 year (i.e. 09 Jun 2023)	40 % of the options from the end of 1 year (i.e. 11 Aug 2023)
Vesting 2	30 % of the options will vest from the end of 2 years (i.e. 08 Feb 2020)	30 % of the options will vest from the end of 2 years (i.e. 05 Dec 2022)	30 % of the options will vest from the end of 2 years (i.e. 11 Aug 2023)	30 % of the options will vest from the end of 2 years (i.e. 08 Jun 2024)	30 % of the options will vest from the end of 2 years (i.e. 10 Aug 2024)
Vesting 3	30 % of the options will vest from the end of 3 years (i.e. 08 Feb 2021)	30 % of the options will vest from the end of 3 years (i.e. 05 Dec 2023)	30 % of the options will vest from the end of 3 years (i.e. 11 Aug 2024)	30 % of the options will vest from the end of 3 years (i.e. 08 Jun 2025)	30 % of the options will vest from the end of 3 years (i.e. 10 Aug 2025)
Exercise period (in years)	One year from the end of vesting period	One year from the end of vesting period	One year from the end of vesting period	One year from the end of vesting period	One year from the end of vesting period
Exercise price per option (₹)	440.00	440.00	650.00	700.00	830.00
Average fair value per option	296.98	205.44	226.15	402.96	540.36

The options are granted at an exercise price, which is in accordance with the relevant Securities and Exchange Board of India ('SEBI') guidelines in force, at the time of such grants.

ii) The details of activity under the ESOP 2016 plan is summarised below:

Particulars	**31st March 2023**		31st March 2022	
	No. of options	*** WAEP (₹)**	**No. of options**	*** WAEP (₹)**
Opening balance	**15,000**	**510.00**	13,000	440.00
Granted during the year	**17,000**	**753.53**	5,000	650.00
Exercised during the year	**6,000**	**510.00**	3,000	440.00
Closing balance	**26,000**	**669.23**	15,000	510.00
Exercisable options as at year end	**3,000**	**440.00**	-	-

** WAEP denotes weighted average exercise price of the option*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

iii) The following tables summarise the information about the outstanding options as at 31st March 2023 and 31st March 2022, respectively.

As at 31st March 2023

Grant	Grant date	No. of options outstanding	Weighted average remaining contractual life*
Tranche VIII	Thursday, Aug 11, 2022	7,000	2.26
Tranche VII	Thursday, June 9, 2022	10,000	2.09
Tranche VI	Wednesday, Aug 11, 2021	3,000	1.86
Tranche V	Saturday, Dec 5, 2020	6,000	1.18

As at 31st March 2022

Grant	Grant date	No. of options outstanding	Weighted average remaining contractual life*
Tranche VI	Wednesday, Aug 11, 2021	5,000	2.26
Tranche V	Saturday, Dec 5, 2020	10,000	1.58

** Weighted average of remaining contractual life of options outstanding at the end of respective year*

The weighted average fair value of the stock options outstanding as at 31st March 2023 is ₹373.97 (31st March 2022: ₹212.34).

iv) The key assumptions for calculating fair value of options as on the date of grant:

Particulars	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII
Grant date	**09 Feb 2018**	**05 Dec 2020**	**11 Aug 2021**	**09 June 2022**	**11 Aug 2022**
Fair Valuation Model	**Black-Scholes Merton Model**	**Binomial Model**	**Binomial Model**	**Binomial Model**	**Binomial Model**
Risk free rate (% per annum)					
Vesting 1	7.09%	4.19%	4.35%	6.49%	6.51%
Vesting 2	7.71%	4.61%	4.94%	6.93%	6.85%
Vesting 3	7.71%	4.89%	5.49%	7.10%	6.91%
Expected life of options (in years)					
Vesting 1	1.50 (Year 1)	2.00 (Year 1)	2.00 (Year 1)	2.00 (Year 1)	2.00 (Year 1)
Vesting 2	2.50 (Year 2)	3.00 (Year 2)	3.00 (Year 2)	3.00 (Year 2)	3.00 (Year 2)
Vesting 3	3.50 (Year 3)	4.00 (Year 3)	4.00 (Year 3)	4.00 (Year 3)	4.00 (Year 3)
Expected volatility (% per annum)	85%	38%	38%	38%	39%
Expected dividends yield (% per annum)	5.00%	-	0.07%	0.11%	0.10%
Weighted average market share price (₹)	539.86	531.05	691.80	910.60	1151.30

Volatility: Volatility of the Holding Company's stock price based on the price data commensurate with the expected life of options upto the date of grant.

Risk free rate: The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

Expected life of options: The period upto vesting date plus the exercise period corresponding to each vesting.

Dividend yield: Expected dividend yield has been calculated by dividing the last declared dividend per share by the market price per share as on the date of grant.

B) Share appreciation rights ('SAR')

The Board of Directors of the Holding Company in their meeting held on 8th February 2022 and Members of the Holding Company vide Postal Ballot, results of which were declared on 15th March 2022, approved implementation of Safari Employees Stock Appreciation Rights Scheme, 2022 ('SAR 2022') with an objective of rewarding the employees for association, dedication and contribution to the goals of the Group. The Holding Company intends to use this ESAR

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Scheme to attract and retain key talents working with the Group by way of rewarding their performance and to motivate them to contribute to the overall corporate growth and profitability. The ESAR Scheme covers eligible employees of the Holding Company and its wholly owned subsidiaries.The ESAR Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

i) A summary of general terms of grants under SAR 2022 are as follows:

Particulars	**Tranche I**	**Tranche II**
Grant date	**Thursday, June 9, 2022**	**Thursday, Aug 11, 2022**
No of options	1,80,500	28,000
Vesting period from date of grant Vesting 1	40 % of the options from the end of 1 year (i.e.09 June 2023)	40 % of the options from the end of 1 year (i.e.11 August 2023)
Vesting 2	30 % of the options will vest from the end of 2 years (i.e.08 June 2024)	30 % of the options will vest from the end of 2 years (i.e.10 August 2024)
Vesting 3	30 % of the options will vest from the end of 3 years (i.e.08 June 2025)	30 % of the options will vest from the end of 3 years (i.e.10 August 2025)
Exercise period	Within one year from the date of vesting	Within one year from the date of vesting
Exercise price per option (₹)	730.00	860.00
Average fair value per option (₹)	386.90	524.38

ii) The fair value of SAR's was determined using binomial model using the following inputs at the grant date and 31st March 2023:

Particulars	**Tranche I**	**Tranche II**
Grant date	**Thursday, June 9, 2022**	**Thursday, Aug 11, 2022**
Risk-free interest rate (% per annum) Vesting 1 Vesting 2 Vesting 3	 6.49% 6.93% 7.10%	 6.51% 6.85% 6.91%
Option life (no. of years) Vesting 1 Vesting 2 Vesting 3	 2.00 (Year 1) 3.00 (Year 2) 4.00 (Year 3)	 2.00 (Year 1) 3.00 (Year 2) 4.00 (Year 3)
Expected volatility (%)	38.48%	39.15%
Dividend yield / growth rate (%)	0.11%	0.10%
Weighted average market share price (₹)	904.5	1151.3

iii) The details of activity under the SAR 2022 plan is summarised below:

Particulars	**No. of options**	*** WAEP (₹)**
Opening balance	-	-
Granted during the year	2,08,500.00	747.46
Forfeited during the year	3,500.00	730.00
Closing balance	**2,05,000.00**	**747.76**

** WAEP denotes weighted average exercise price of the appreciation rights*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 36 Related party disclosures

In accordance with the requirement of Ind AS 24 "Related Party Disclosures", name of the related parties, their relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

(I) List of related parties and relationship

Key Management Personnel:

Name	Nature of Relationship
Mr. Sudhir Mohanlal Jatia	Chairman & Managing Director
Mr. Vineet Poddar	Chief Financial Officer
Mr. Rameez Shaikh	Company Secretary
Dr. Shailesh Jayantilal Mehta (upto 27th July 2022)	Non-executive and independent director
Mr. Punkajj Girdharilal Lath	Non-executive and independent director
Mr. Dalip Charanjit Sehgal	Non-executive and independent director
Mrs. Vijaya Sampath	Non-executive and independent director
Mr. Rahul Lalit Kanodia	Non-executive and independent director
Mr. Anuj Patodia (upto 11th August 2021	Non-executive and non-independent director
Mr. Piyush Goenka	Non-executive and non-independent director
Mr. Sumeet Nagar	Non-executive and non-independent director
Mr. Gaurav Sharma (appointed with effect from 13th May 2021)	Non-executive and non-independent director

Other related parties:

Name	Nature of Relationship
Ms. Shivani Jatia	Daughter of Mr. Sudhir Mohanlal Jatia, Chairman and Managing Director
Ms. Tanisha Jatia	Daughter of Mr. Sudhir Mohanlal Jatia, Chairman and Managing Director

Names above have been disclosed to the extent transactions have taken place.

(II) Transactions during the year: **(₹ in lakhs, unless otherwise stated)**

Particulars	KMP		Relatives of KMP	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus:				
Sudhir Mohanlal Jatia	**172.88**	104.45	**-**	-
Vineet Poddar	**120.57**	104.80	**-**	-
Rameez Shaikh	**32.30**	20.82		
Shivani Jatia	**-**	-	**12.85**	20.11
Tanisha Sudhir Jatia	**-**	-	**19.91**	13.46
Commission to non-executive and independent directors	**19.00**	19.75	**-**	-
Commission to non-executive and non-independent directors	**6.00**	4.75	**-**	-
Sitting fees	**19.39**	15.90	**-**	-

(III) Balances outstanding at the year end:

Particulars	KMP		Relatives of KMP	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
Commission payable to directors	**25.00**	24.50	**-**	-

Notes:

i) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions.

ii) The remuneration to the KMP does not include the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Group as a whole.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 37 Financial instruments

i) Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts and fair values of financial instruments by category are as follows:

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31st March, 2023 **(₹ in lakhs, unless otherwise stated)**

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	**-**	**-**	**-**	**-**
Financial liabilities				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	**-**	**2.02**	**-**	**2.02**

As at 31st March, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	-	0.19	-	0.19
Financial liabilities				
Measured at FVTPL				
Foreign exchange forward contracts (designated as derivative instruments)	-	-	-	-

ii) Valuation techniques used to determine fair value

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values:

- Other non-current financial assets and liabilities : the carrying value is considered to be approximate to their fair value.
- Derivative financial assets and liabilities: The Group enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are determined using forward exchange rates at the reporting date.
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Borrowings taken by the Group are as per the Group's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of its fair value.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Fair value of assets and liabilities which are measured at amortised cost for which fair value are disclosed:

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets (other than investments in equity shares)				
Trade receivables	**16,933.74**	**16,933.74**	11,457.64	11,457.64
Cash and cash equivalents	**291.34**	**291.34**	218.35	218.35
Bank balances other than cash and cash equivalents	**8,356.12**	**8,356.12**	5,706.39	5,706.39
Other financial assets	**1,244.35**	**1,244.35**	744.68	744.68
Financial liabilities				
Borrowings	**6,009.76**	**6,009.76**	1,102.40	1,102.40
Trade payables	**16,649.99**	**16,649.99**	10,008.45	10,008.45
Lease liabilities	**7,932.40**	**7,932.40**	4,458.45	4,458.45
Other financial liabilities	**786.42**	**786.42**	627.10	627.10

Note 38 Financial risk management

I) Financial instruments by category

Financial assets (other than investments in equity shares)

Particulars	FVTPL	FVOCI	Amortised cost
As at 31st March 2023			
Trade receivables	**-**	**-**	**16,933.74**
Cash & cash equivalents	**-**	**-**	**291.34**
Bank balances other than cash and cash equivalents	**-**	**-**	**8,356.12**
Other financial assets	**-**	**-**	**1,244.35**
Total	**-**	**-**	**26,825.55**
As at 31st March 2022			
Trade receivables	-	-	11,457.64
Cash and cash equivalents	-	-	218.35
Bank balances other than cash and cash equivalents	-	-	5,706.39
Other financial assets	-	-	744.68
Derivative financial asset (designated as derivative instrument)	0.19	-	-
Total	0.19	-	18,127.06

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Financial liabilities (₹ in lakhs, unless otherwise stated)

Particulars	FVTPL	FVOCI	Amortised cost
As at 31st March 2023			
Borrowings	**-**	**-**	**6,009.76**
Trade payables	**-**	**-**	**16,649.99**
Lease liabilities	**-**	**-**	**7,932.40**
Other financial liabilities	**-**	**-**	**786.42**
Derivative financial liabilities (designated as derivative instrument)	**2.02**	**-**	**-**
Total	**2.02**	**-**	**31,378.57**
As at 31st March 2022			
Borrowings	-	-	1,102.40
Trade payables	-	-	10,008.45
Lease liabilities	-	-	4,458.45
Other financial liabilities	-	-	627.10
Total	-	-	16,196.40

Notes:

i) The carrying value of trade receivables, cash and cash equivalents, loans, bank balances other than cash and cash equivalents and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.

ii) The carrying value of borrowings, trade payables, lease liabilities and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of their respective fair value.

iii) All financial assets and financial liabilities are categorised under level 3 of fair value hierarchy except derivative financial assets.

II) Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Board of Directors of the Holding Company reviews and agrees policies for managing each of these risks, which are summarised below:

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Borrowings at variable rates and investment in mutual funds	Sensitivity analysis	Borrowings taken at floating rates and investments are quoted in market
Market risk - foreign exchange	Receivables and payables in other than functional currency	Sensitivity analysis	Hedging through forward contracts
Credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

A Market risk

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group is mainly exposed to this risk due to borrowings having variable rate of interest.

Exposure to interest rate risk

Floating rate instruments:

Particulars	As at 31st March 2023	As at 31st March 2022
Borrowings	**5,196.05**	191.37

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(₹ in lakhs, unless otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit or loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Impact on profit before tax	
	Year ended 31st March 2023	Year ended 31st March 2022
Floating rate instruments:		
50 basis points increase	**(25.98)**	(0.96)
50 basis points decrease	**25.98**	0.96

Hence, the Group is not significantly exposed to the interest rate risk as working capital facilities are, as per contractual terms, primarily of short term in nature.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's foreign exchange risk arises from its trade payables and trade receivables denominated in foreign currencies. The results of the Group's operations can be affected as the Indian Rupees ('INR') is volatile against these currencies. The Group enters into derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures and also inherent hedging as it is engaged in the export of manufacturing products. The Group has a treasury team which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Group.

Foreign currency risk exposure from financial instruments are given below (net of hedging)

Foreign currency	As at 31st March 2023	
	Rupees (in lakhs)	**Foreign currency (in units lakhs)**
Trade payables USD	**(3,967.82)**	**(48.26)**
Trade receivables USD	**23.16**	**0.28**
Cash USD	**68.28**	**0.83**

Foreign currency	As at 31st March 2022	
	Rupees (in lakhs)	**Foreign currency (in units lakhs)**
Trade payables USD	(1,676.15)	(22.11)
Trade receivables USD	20.82	0.27
Cash USD	11.38	0.15

Foreign currency sensitivity analysis:

The following table demonstrates the sensitivity in the US$ variables held constant. The below impact on the Group's profit or loss before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at consolidated balance sheet date:

Particulars	Impact on profit or loss and total equity	
	As at 31st March 2023	As at 31st March 2022
5% Strengthening of foreign currency USD	**(193.82)**	(82.20)
5% Weakening of foreign currency USD	**193.82**	82.20

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

B. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of allowance for expected credit loss for trade receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers.

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Group has very limited history of customer default, and considers the credit quality of trade receivables for evaluation of allowance for expected credit loss.

The credit risk on liquid funds such as balance in current and deposit accounts with banks and derivative financial instruments (included in other financial assets) is limited because the counterparties are banks with high credit-ratings.

Credit risk exposure

i) Expected credit loss for trade receivables under simplified approach i.e. provision matrix approach using historical trends. *(refer note 12)*

ii) Expected credit losses for other financial assets (measured at an amount equal to 12 months expected credit losses)

As at 31st March 2023

Particulars	Estimated gross carrying amount as default	Expected credit losses	Carrying amount net of impairment provisions
Cash and cash equivalents	**291.34**	**-**	**291.34**
Bank balances other than ii) above mentioned	**8,356.12**	**-**	**8,356.12**
Other financial assets	**275.36**	**-**	**275.36**

As at 31st March 2022

Particulars	Estimated gross carrying amount as default	Expected credit losses	Carrying amount net of impairment provisions
Cash and cash equivalents	218.35	-	218.35
Bank balances other than ii) above mentioned	5,706.39	-	5,706.39
Other financial assets	216.00	-	216.00

C. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors of the respective entities, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

The tables below provides details regarding the contractual maturities of financial liabilities into relevant maturity groupings (on undiscounted basis):

(I) Maturity profile of financial liabilities **(₹ in lakhs, unless otherwise stated)**

Particulars	Repayable on demand	Less than one year	One to five years	More than five years	Total
As at 31st March 2023					
Borrowings	**2,384.84**	**1,477.53**	**2,147.39**	**-**	**6,009.76**
Lease liabilities	**-**	**2,749.94**	**5,626.54**	**740.31**	**9,116.79**
Trade payables	**-**	**16,649.99**	**-**	**-**	**16,649.99**
Other financial liabilities	**-**	**788.44**	**-**	**-**	**788.44**
Total	**2,384.84**	**21,665.90**	**7,773.93**	**740.31**	**32,564.98**
As at 31st March 2022					
Borrowings	191.37	901.69	9.34	-	1,102.40
Lease liabilities	-	1,652.09	3,340.46	68.86	5,061.41
Trade payables	-	10,008.45	-	-	10,008.45
Other financial liabilities	-	627.10	-	-	627.10
Total	191.37	13,189.33	3,349.80	68.86	16,799.35

(II) Derivative financial instruments (designated as derivative instrument):

The Group holds derivative financial instrument i.e., foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on inputs which are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Foreign currency forward contracts in USD

Particulars	As at 31st March 2023	As at 31st March 2022
Foreign currency (in lakhs)	**30.96**	21.90
Fair value (₹ in lakhs)	**2,544.48**	1,663.20

Note 39 Capital risk management

(a) Risk management

The Group's objectives when managing capital are to

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

(ii) Maintain an optimal capital structure to reduce the cost of capital.

(iii) Support the corporate strategy and meet shareholder expectations.

The policy of the Group is to borrow through banks / financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The capital structure is governed by policies approved by the Board of Directors of the Holding Company and is monitored by various metrics.

The following table summarises the capital of the Company:

Particulars	31st March 2023	31st March 2022
Net debt *(including interest accrued on borrowings and lease liabilites net of cash and cash equivalents)*	**13,652.11**	5,342.62
Total equity	**42,572.32**	30,098.52
Capital gearing ratio (in %)	**32.07%**	17.75%

(b) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders of the Holding Company and interim dividends are recorded as a liability on the date of declaration by the Holding Company's Board of Directors.The Holding Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(₹ in lakhs, unless otherwise stated)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Equity shares		
Final dividend for the year ended 31st March 2022 of ₹ 0.80 (31st March 2021 – Nil) per fully paid share	**179.15**	-
Interim dividend for the year ended 31st March 2023 of ₹ 1.50 (31st March 2022 – Nil) per fully paid share	**355.67**	-

Proposed dividend on equity shares not recognised as liability.

In addition to the above dividends, subsequent to the year end the board of directors of the Holding Company have recommended the payment of a final dividend of ₹ 2 per fully paid equity share (31st March 2022 – ₹ 0.80). This proposed dividend is subject to the approval of shareholders of the Holding Company in the ensuing annual general meeting.

Note 40 Revenue from operations

(a) Performance obligation

The performance obligation of the Group is satisfied at a point in time.

Revenue from sale of products and stock-in-trade

Revenue from sale of products and stock-in-trade is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset which is generally on dispatch of products or on delivery of products.

The revenue is recognised net of estimated rebates / discounts pursuant to the schemes offered by the Group, estimated additional discounts and expected sales returns. Accumulated experience is used to estimate and provide for the rebates/discounts. The assumptions and estimated amount of rebates/discounts and returns are reassessed at each reporting period.

Our customers have the contractual right to return goods only when authorised by the Group. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

The Group recognises provision for sales return, based on the historical results.

(b) Revenue from contract with customers

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Sale of manufactured products	**67,578.47**	31,254.52
Sale of stock-in-trade	**60,472.52**	42,604.60
Contract price	**1,28,050.99**	73,859.12

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns (including expected returns), rebates and discounts and goods and service tax.

(c) Revenue from top customers

During the year ended 31st March 2023 revenue of ₹ 58,493.33 lakhs (31st March 2022 is ₹ 22,314.60 lakhs) arising from customers contributing to more than 10% of the Company's revenue.

(d) Trade receivables

The outstanding balance of trade receivables after considering allowance for expected credit loss is presented in below table:

Particulars	31st March 2023	31st March 2022
Trade receivables	**16,933.74**	11,457.64
	16,933.74	11,457.64

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(e) **Contract balances** **(₹ in lakhs, unless otherwise stated)**

The following table provides information about contract liabilities from contract with customers:

Particulars	As at 31st March 2023	As at 31st March 2022
Contract liabilities Advance from customers	**129.69**	56.30
Total contract liabilities	**129.69**	56.30

Significant changes in the contract liabilities balances during the year are as follows:

Contract liabilities - Advance from customers

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the begining of the year	**56.30**	3.49
Add: Addition during the year	**129.69**	56.30
Less: Amount of revenue recognised during the year	**(56.30)**	(3.49)
Balance at the end of the year	**129.69**	56.30

Note 41 Additional information required by Schedule III of the Companies Act 2013.

Particulars	Net assets (total assets minus total liabilities)		Share in profit or loss (after tax)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
Parent:								
Safari Industries (India) Limited								
31st March 2023	**98.57**	**41,963.22**	**95.09**	**11,894.19**	**102.03**	**(29.23)**	**95.07**	**11,864.96**
31st March 2022	100.03	30,107.84	102.85	2,300.52	100.00	(47.37)	102.91	2,253.15
Subsidiaries								
Safari Manufacturing Limited								
31st March 2023	**2.96**	**1,259.76**	**6.01**	**751.28**	**(2.08)**	**0.60**	**6.02**	**751.88**
31st March 2022	1.49	449.87	(2.05)	(45.90)	-	-	(2.10)	(45.90)
Safari Lifestyles Limited								
31st March 2023	**0.14**	**60.97**	**0.07**	**9.17**	**0.05**	**(0.01)**	**0.07**	**9.16**
31st March 2022	0.20	61.30	(0.75)	(16.67)	-	-	(0.76)	(16.67)
Effect of Inter-Group eliminations/ adjustments								
31st March 2023	**(1.67)**	**(711.63)**	**(1.16)**	**(145.65)**	**-**	**-**	**(1.17)**	**(145.65)**
31st March 2022	(1.73)	(520.49)	(0.05)	(1.19)	-	-	(0.05)	(1.19)
Total								
31st March 2023	**100.00**	**42,572.32**	**100.00**	**12,508.99**	**100.00**	**(28.65)**	**100.00**	**12,480.34**
31st March 2022	100.00	30,098.52	100.00	2,236.76	100.00	(47.37)	100.00	2,189.39

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

Note 42 Segment Reporting

Ind AS 108 'Operating Segments' ('Ind AS 108') establishes standards for the way that business enterprises report information about operating segments and related disclosures about revenue, geographic areas and major customers.The Holding Company's Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as defined under Ind AS 108 "Operating Segments". As the Group business activity primarily falls within a single business and geographical segment and the Chief Operating Decision Maker monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements, thus there are no additional disclosures to be provided under Ind AS 108 –"Segment Reporting".

Note 43 Contingent liabilities

(₹ in lakhs, unless otherwise stated)

Particulars	**As at 31st March 2023**	As at 31st March 2022
Sales tax matters	**2.80**	10.89
Central excise matters	**1.90**	-
Goods and service tax matters	**3.05**	-
Other claims against the Group not acknowledged as debts	**22.44**	25.09

Notes:

i) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

ii) The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and does not include penalty, if any.

iii) The Group is contesting all of the above demands in respect of central excise, goods and service tax and sales tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the special purpose in the consolidated financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Group's financial position and results of operations and hence no provision has been made in this regard.

Note 44 Capital commitments

Particulars	**As at 31st March 2023**	As at 31st March 2022
Capital commitments	**330.32**	888.94

Note 45 Debt reconciliation statement in accordance with Ind AS 7 - Statement of Cash Flows:

Particulars	**As at 31st March 2023**	As at 31st March 2022
Non current borrowings (includes current maturities of long term debt)	**2,147.39**	9.34
Current borrowings	**3,862.37**	1,093.06
Lease liabilities	**7,932.40**	4,458.45
Interest accrued but not due on borrowings	**1.29**	0.12
Net debt	**13,943.45**	5,560.97

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

(₹ in lakhs, unless otherwise stated)

Particulars	Borrowings including current maturities)	Lease liabilities	Interest accrued but not due on borrowings	Total
Net debt as at 1st April 2021	968.59	3,116.17	8.86	4,093.62
Cash flows	133.29	-	-	133.29
Unrealised exchange loss	0.52	-	-	0.52
Finance costs	-	267.08	483.90	750.98
Interest paid	-	(267.08)	(492.64)	(759.72)
Additions (leases)	-	2,921.26	-	2,921.26
Deductions / reversal (leases)	-	(436.64)	-	(436.64)
Concession and termination (leases)	-	(105.52)	-	(105.52)
Payment of lease liabilities	-	(1,036.82)	-	(1,036.82)
Net debt as at 31st March 2022	**1,102.40**	**4,458.45**	**0.12**	**5,560.97**
Cash flows	4,907.57	-	-	4,907.57
Unrealised exchange (gain) / loss	(0.21)	-	-	(0.21)
Finance costs	-	390.67	796.97	1,187.64
Interest paid	-	(390.67)	(792.75)	(1,183.42)
Additions (leases)	-	5,788.83	-	5,788.83
Deductions / reversal (leases)	-	(556.86)	-	(556.86)
Concession and termination (leases)	-	(82.54)	-	(82.54)
Payment of lease liabilities	-	(1,675.48)	-	(1,675.48)
Other adjustment IndAS 32 (interest payable on CCDs)	-	-	(3.05)	(3.05)
Net debt as at 31st March 2023	**6,009.76**	**7,932.40**	**1.29**	**13,943.45**

46 Other statutory information

A The Group has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B The Group has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C The Holding Company and its subsidiary companies does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

D Neither the Holding Company nor any of its subsidiary companies is holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Further, no proceedings have been initiated or pending against the Group for holding any benami property under the act and rules mentioned above.

E The Group has not been declared wilful defaulter by any bank or financial institution or any other lender.

F The Holding Company and its subsidiary companies has complied with the number of layers prescribed under section 2(87) of the Act.

G The Group has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31st March 2023 and 31st March 2022.

H No income has been surrendered or disclosed as income during the current and previous year.

I The Group has not traded or invested in crypto currency or virtual currency during the current and previous year.

J There are no charges which are yet to be registered with the ROC beyond the statutory period as at 31st March 2023.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (contd..)

47 Code of social security

The Indian Parliament has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post-employment, and the same has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code and recognise the same when the Code becomes effective.

48 Restatement

The Holding Company has reclassified the bank deposits in accordance with Ind AS 7, Statement of Cash Flow, and disclosure requirements specified under Schedule III Division II of the Act and has accordingly restated the comparative period as tabulated below. This restatement has no financial impact as the total of cash and cash equivalent and other bank balance remains unchanged.

Impact on consolidated balance sheet : **(₹ in lakhs, unless otherwise stated)**

Particulars	As at 31st March 2022		
	Before restatement	Adjustment	Restated figures
Current assets			
Financial assets			
Cash and cash equivalents	**3,914.55**	**(3,696.20)**	**218.35**
Other bank balances	**2,010.19**	**3,696.20**	**5,706.39**

Impact on consolidated statement of cash flows :

Particulars	As at 31st March 2022		
	Before restatement	Adjustment	Restated figures
Cash flow from investing activities			
Proceeds from maturity / (investments) in term deposits (net)	7,000.00	(3,696.20)	3,303.80
Net cash used in investing activities	**7,000.00**	**(3,696.20)**	**3,303.80**
Net increase in cash and cash equivalents	3,484.47	(3,696.20)	(211.73)
Opening cash and cash equivalents	430.08	-	430.08
Closing cash and cash equivalents	**3,914.55**	**(3,696.20)**	**218.35**

49 Authorisation of consolidated financial statements

The consolidated financial statements as at and for the year ended 31st March 2023 were approved by the Board of Directors of the Holding Company on 16th May 2023.

50 Previous year's figures have been regrouped or reclassified wherever necessary to correspond with the current year classification/ disclosure, which are not considered as material to these standalone financial statements.

Accompanying notes are an integral part of these consolidated financial statements.

This is the notes to the consolidated financial statements referred to in our report of even date.

For **Walker Chandiok & Co LLP**, *Chartered Accountants*
(Firm Regn. No. 001076N/N500013)

Ashish Gupta, *Partner*
(Membership No. 504662)
Noida, Date: 16th May 2023

For and on behalf of the Board of Directors

Sudhir Mohanlal Jatia (DIN : 00031969)
Chairman & Managing Director

Punkajj Lath (DIN : 00172371)
Director

Vineet Poddar
Chief Financial Officer

Rameez Shaikh
Company Secretary

Mumbai, Date: 16th May 2023

SAFARI INDUSTRIES (INDIA) LTD.
302-303, A Wing, The Qube, CTS No.1498, A/2, MV Road, Marol,
Andheri (E), Mumbai – 400059, Maharashtra, India
Email id: investor@safari.in | www.safaribags.com