

SAFARI INDUSTRIES (INDIA) LIMITED

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

Email id: investor@safari.in, Website: www.safaribags.com, CIN: L25200MH1980PLC022812

Statement of Unaudited Financial Results for the quarter and half year ended 30th September, 2020

(Rs. in lakhs)

Sr. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Half year ended			Quarter ended			Half year ended		
		30th Sept, 2020 Unaudited	30th June, 2020 Unaudited	30th Sept, 2019 Unaudited	30th Sept, 2020 Unaudited	30th Sept, 2019 Unaudited	31st March, 2020 Audited	30th Sept, 2020 Unaudited	30th June, 2020 Unaudited	30th Sept, 2019 Unaudited	30th Sept, 2020 Unaudited	30th Sept, 2019 Unaudited	31st March, 2020 Audited
1	Revenue from operations	6,294.37	2,011.83	16,975.73	8,306.20	37,281.50	68,134.44	6,294.37	2,011.83	17,131.93	8,306.20	37,535.66	68,586.54
2	Other income	71.18	117.70	1.65	188.88	7.72	76.55	71.34	118.06	1.66	189.40	7.76	95.47
3	Total income (1+2)	6,365.55	2,129.53	16,977.38	8,495.08	37,289.22	68,210.99	6,365.71	2,129.89	17,133.59	8,495.60	37,543.42	68,682.01
4	Expenses												
a)	Cost of materials consumed	833.39	84.35	2,574.97	917.74	5,027.59	10,285.08	833.39	84.35	2,574.97	917.74	5,027.59	10,285.08
b)	Purchases of stock-in-trade	928.51	366.52	5,622.80	1,295.03	12,275.17	26,603.14	928.51	366.52	5,622.80	1,295.03	12,275.17	26,603.14
c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	2,131.26	671.83	1,327.70	2,803.09	4,445.86	1,782.22	2,131.26	671.83	1,361.26	2,803.09	4,465.85	1,857.87
d)	Employee benefits expense	1,513.58	1,662.63	2,036.24	3,176.21	3,977.99	7,670.57	1,513.58	1,662.63	2,040.80	3,176.21	3,987.11	7,679.68
e)	Finance costs	186.07	202.74	305.22	388.81	583.52	1,002.07	186.07	202.74	305.22	388.81	602.70	1,021.25
f)	Depreciation and amortisation expense	558.29	532.11	504.32	1,090.40	988.75	2,149.50	558.29	532.11	512.12	1,090.40	1,047.25	2,247.39
g)	Other expenses	1,421.87	1,133.72	3,717.88	2,555.59	7,746.11	14,702.26	1,422.63	1,134.41	3,808.38	2,557.04	7,908.99	14,965.65
	Total expenses	7,572.97	4,653.90	16,089.13	12,226.87	35,044.99	64,194.84	7,573.73	4,654.59	16,225.55	12,228.32	35,314.66	64,660.06
5	Profit / (loss) before tax (3-4)	(1,207.42)	(2,524.37)	888.25	(3,731.79)	2,244.23	4,016.15	(1,208.02)	(2,524.70)	908.04	(3,732.72)	2,228.76	4,021.95
6	Tax expense												
a)	Current tax	-	-	119.59	-	634.67	1,130.85	-	-	119.59	-	634.67	1,131.34
b)	Deferred tax	(311.00)	(591.71)	(32.53)	(902.71)	(53.41)	(139.13)	(311.00)	(591.71)	(32.53)	(902.71)	(53.41)	(148.89)
c)	Tax for earlier periods	-	-	-	-	-	(26.65)	-	-	-	-	-	(26.85)
	Total tax expense	(311.00)	(591.71)	87.06	(902.71)	581.26	965.07	(311.00)	(591.71)	87.06	(902.71)	581.26	955.60
7	Profit / (loss) for the period (5-6)	(896.42)	(1,932.66)	801.19	(2,829.08)	1,662.97	3,051.08	(897.02)	(1,932.99)	820.98	(2,830.01)	1,647.50	3,066.35
8	Other comprehensive income (OCI)												
	<i>Items that will not be reclassified to profit or loss</i>												
	Remeasurement of defined benefit plan	(16.25)	(16.25)	(37.09)	(32.50)	(74.18)	(65.02)	(16.25)	(16.25)	(37.09)	(32.50)	(74.18)	(65.02)
	Tax relating to these items	4.05	3.81	8.02	7.86	20.97	18.02	4.05	3.81	8.02	7.86	20.97	18.02
	Total other comprehensive income	(12.20)	(12.44)	(29.07)	(24.64)	(53.21)	(47.00)	(12.20)	(12.44)	(29.07)	(24.64)	(53.21)	(47.00)
9	Total comprehensive income for the period (7+8)	(908.62)	(1,945.10)	772.12	(2,853.72)	1,609.76	3,004.08	(909.22)	(1,945.43)	791.91	(2,854.65)	1,594.29	3,019.35
10	Paid-up equity share capital (Face value of Rs. 2 each)	447.28	447.28	446.86	447.28	446.86	447.28	447.28	447.28	446.86	447.28	446.86	447.28
11	Other equity						22,537.55						22,614.58
12	Basic earnings per equity share (Face value of Rs. 2 each) (Rs.)	(4.01)	(8.64)	3.59	(12.65)	7.45	13.66	(4.01)	(8.64)	3.68	(12.65)	7.38	13.72
13	Diluted earnings per equity share (Face value of Rs. 2 each) (Rs.)	(4.01)	(8.64)	3.58	(12.65)	7.43	13.64	(4.01)	(8.64)	3.67	(12.65)	7.37	13.71



Notes:

- 1) The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10th November, 2020.
- 2) The Company is engaged in luggage business and therefore there is only one reportable segment in accordance with Indian Accounting Standards (Ind AS) 108 "Operating Segments".
- 3) Due to the global outbreak of COVID-19, a pandemic and following the nation-wide lockdown by the Government of India, the Company's manufacturing facility at Halol, retail stores and warehouses have been closed which since then, the Company has gradually resumed its operations in compliance with the guidelines issued by respective authorities. This has impacted the Company's operations adversely in the quarter and half year ended 30th September, 2020. The Company has taken adequate precautions for safety and wellbeing of the employees while resumption of its operations. The Company has considered the possible effects, that may impact the carrying amounts of inventories, trade receivables and deferred tax assets. In making the assumptions and estimates relating to the uncertainties as at the reporting date in relation to the recoverable amounts, the Company has interalia considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The Company expects no significant impairment to the carrying amounts of these assets other than those accounted for. The Company will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.
- 4) The Company has chosen to apply the practical expedient as per paragraph 46A of the Indian Accounting standard on Leases 'Ind AS 116', for accounting changes in leases, in the form of Lease concessions that meet the conditions prescribed in paragraph 46B of Ind AS 116. The Company has consequently recognised an income of Rs 51.74 lakhs and 131.70 lakhs for the quarter ended and half year ended 30th September, 2020 respectively under the head Other Income. For changes in leases in the form of terminations, the Company has accounted for such terminations in accordance with Ind AS 116 and has consequently recognised a net gain of Rs 17.98 Lakhs and Rs.50.70 Lakhs for the quarter ended and half year ended 30th September, 2020 respectively under the head Other Income.
- 5) The consolidated results for the quarter and half year ended 30th September, 2020 include the results of its wholly owned subsidiary company - Safari Lifestyles Limited.
- 6) The previous periods' figures have been regrouped / rearranged wherever necessary.
- 7) The above unaudited financial results are available on the Company's website www.safaribags.com and on the website of BSE Ltd.-www.bseindia.com and National Stock Exchange of India Ltd.- www.nseindia.com

Date: 10th November, 2020

Place: Mumbai

For SAFARI INDUSTRIES (INDIA) LIMITED



Sudhir Jatia
Chairman & Managing Director
DIN :- 00031969



Safari Industries (India) Limited
Statement of Assets and Liabilities

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	As at 30th Sept, 2020 Unaudited	As at 31st March, 2020 Audited	As at 30th Sept, 2020 Unaudited	As at 31st March, 2020 Audited
Assets				
Non-current assets				
Property, plant and equipment	3,680.42	4,095.73	3,680.42	4,095.73
Right-of-use assets	2,447.23	3,695.77	2,447.23	3,695.77
Capital work-in-progress	1.01	23.47	1.01	23.47
Intangible assets	59.81	152.16	59.81	152.16
Financial assets				
Investments	5.00	5.00	-	-
Other financial assets	307.81	399.34	307.81	399.34
Deferred tax assets (net)	1,096.85	186.27	1,112.76	202.18
Income tax assets (net)	307.69	307.31	310.70	310.32
Other non-current assets	122.84	132.76	123.34	133.26
Total	8,028.66	8,997.81	8,043.08	9,012.23
Current assets				
Inventories	13,208.72	16,003.38	13,208.72	16,003.38
Financial assets				
Trade receivables	11,360.99	14,766.93	11,360.99	14,746.49
Cash and cash equivalents	28.60	41.49	37.28	115.73
Other bank balances	23.97	39.07	24.98	40.04
Other financial assets	162.76	211.06	162.76	211.06
Other current assets	1,068.74	1,434.43	1,091.38	1,469.72
Total	25,853.78	32,496.36	25,886.11	32,586.42
Total assets	33,882.44	41,494.17	33,929.19	41,598.65
Equity and liabilities				
Equity				
Equity share capital	447.28	447.28	447.28	447.28
Other equity	19,715.26	22,537.55	19,791.38	22,614.58
Total	20,162.54	22,984.83	20,238.66	23,061.86
Liabilities				
Non - current liabilities				
Financial liabilities				
Borrowings	59.39	83.66	59.39	83.66
Lease liabilities	1,822.20	2,556.70	1,822.20	2,556.70
Total	1,881.59	2,640.36	1,881.59	2,640.36
Current liabilities				
Financial liabilities				
Borrowings	6,139.48	7,373.72	6,139.48	7,373.72
Trade payables				
Total outstanding dues of micro, small and medium enterprises	897.46	834.84	897.46	834.84
Total outstanding dues of creditors other than micro, small and medium enterprises	3,212.76	5,274.15	3,183.39	5,301.31
Lease liabilities	837.11	1,340.45	837.11	1,340.45
Other financial liabilities	392.14	583.62	392.14	583.62
Other current liabilities	282.13	339.52	282.13	339.81
Provisions	77.23	122.68	77.23	122.68
Total	11,838.31	15,868.98	11,808.94	15,896.43
Total equity and liabilities	33,882.44	41,494.17	33,929.19	41,598.65



For SAFARI INDUSTRIES (INDIA) LIMITED

Sudhir Patil

Sudhir Jatia
Chairman & Managing Director
DIN :- 00031969

Date: 10th November, 2020

Place: Mumbai

Safari Industries (India) Limited
Statement of Unaudited Cash Flows

(Rs. in lakhs)

Sr No.	Particulars	Standalone		Consolidated	
		Half year ended 30th Sept, 2020	Half year ended 30th Sept, 2019	Half year ended 30th Sept, 2020	Half year ended 30th Sept, 2019
A	Cash flow from operating activities				
	Profit/(loss) before tax	(3,731.79)	2,244.23	(3,732.72)	2,228.76
	Adjustments for :				
	Depreciation and amortisation expense	1,090.40	988.75	1,090.40	1,047.25
	Finance costs	388.81	583.52	388.81	602.70
	Interest income	(4.52)	(5.06)	(4.75)	(5.09)
	Loss/(Gain) on disposal of property, plant and equipment (net)	6.03	(11.03)	5.75	(11.03)
	Deposits / other amounts (written back) / written off (net)	0.05	(0.45)	0.05	(0.45)
	Unrealised exchange fluctuation gain	(133.24)	(79.67)	(133.24)	(79.67)
	Share based payments to employees	5.78	19.42	5.78	19.42
	Bad debts written off / provision for doubtful debts	253.95	8.09	253.95	11.41
	Operating profit before working capital changes	(2,124.53)	3,747.80	(2,125.97)	3,813.30
	Adjustments for :				
	Change in working capital				
	Decrease in inventories	2,794.66	4,969.01	2,794.66	4,989.00
	Decrease/(Increase) in trade receivables	3,151.99	(2,615.74)	3,131.56	(2,618.26)
	Decrease/(Increase) in other bank balances	15.10	(22.88)	15.06	(22.91)
	Increase in other financial assets	140.50	3.62	140.56	5.57
	Decrease in other assets	371.31	617.51	383.96	613.86
	Decrease in trade payables	(1,859.89)	(1,467.86)	(1,916.45)	(1,471.39)
	Decrease/(Increase) in other financial liabilities	(130.46)	0.16	(130.46)	(21.18)
	Increase in provisions	(77.96)	(55.10)	(77.96)	(55.10)
	Decrease/(Increase) in other current liabilities	(57.39)	26.76	(57.69)	38.96
	Cash generated from operations	2,223.33	5,203.28	2,157.27	5,271.85
	Direct taxes paid	-	(770.00)	-	(780.80)
	Net cash from operating activities	2,223.33	4,433.28	2,157.27	4,491.05
B	Cash flow from investing activities				
	Purchase of property, plant and equipment (including capital advances)	(121.23)	(1,184.90)	(121.23)	(1,198.86)
	Disposal of property, plant and equipment	33.62	18.30	33.88	18.30
	Interest received	3.79	4.94	4.03	4.97
	Net cash used in investing activities	(83.82)	(1,161.66)	(83.32)	(1,175.59)
C	Cash flow from financing activities				
	Proceeds from shares issued on ESOP	25.65	43.25	25.65	43.25
	Repayment of long term borrowings	(34.18)	(33.15)	(34.18)	(33.15)
	Proceeds/(Repayment) from short-term borrowings (net)	(1,239.87)	(2,153.78)	(1,239.87)	(2,153.78)
	Repayment of leases liabilities	(522.77)	(406.99)	(522.77)	(434.62)
	Finance costs	(381.23)	(578.71)	(381.23)	(597.89)
	Dividend paid (including dividend distribution tax)	-	(133.49)	-	(133.49)
	Net cash used in financing activities	(2,152.40)	(3,262.87)	(2,152.40)	(3,309.68)
	Net increase/(decrease) in cash and cash equivalents	(12.89)	8.75	(78.45)	5.78
	Opening cash and cash equivalents	41.49	37.22	115.73	42.33
	Closing cash and cash equivalents	28.60	45.97	37.28	48.11



For SAFARI INDUSTRIES (INDIA) LIMITED

Sudhir Jatia
Sudhir Jatia
Chairman & Managing Director
DIN :- 00031969

Date: 10th November, 2020
Place: Mumbai

LIMITED REVIEW REPORT**To The Board of Directors of
Safari Industries (India) Limited**

- 1) We have reviewed the accompanying statement of unaudited standalone financial results of **Safari Industries (India) Limited** ('the Company') for the quarter and half year ended September 30, 2020 attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these results based on our review.
- 2) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3) We draw your attention to the Note 3 to the financial results regarding the assessment made by Management of, inter-alia, realisability of inventories of Rs. 13,208.72 lakhs and recoverability of trade receivables of Rs. 11,360.99 lakhs and reversal of deferred tax assets of Rs. 1,096.85 lakhs due to COVID 19 pandemic outbreak. The Management apart from considering the internal and external information up to the date of approval of these standalone financial results, has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes to future economic conditions and does not anticipate any material financial or operational issues in the short term as well as on a long term basis.

Our report is not modified in respect of this matter

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- 4) Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (IND AS) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular issued from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Lodha & Co.
Chartered Accountants
ICAI Firm Reg.No. 301051E**

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Date: November 10, 2020**

**R. P. Baradiya
Partner
Membership No. 44101
UDIN: 20044101AAABQV6353**

LIMITED REVIEW REPORT

**To The Board of Directors
Safari Industries (India) Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Safari Industries (India) Limited** ("the Holding Company"), and its subsidiary (together referred to as "the Group") for the quarter and half year ended **September 30, 2020** attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations'). This statement is the responsibility of the Holding Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Statement includes the results of Safari Lifestyles Limited, wholly owned subsidiary.
4. We draw your attention to the Note 3 to the financial results regarding the assessment made by Management of, inter-alia, realisability of inventories of Rs.13,208.72 lakhs, recoverability of trade receivables of Rs. 11,360.99 lakhs and reversal of deferred tax assets of Rs. 1,112.76 lakhs due to COVID 19 pandemic outbreak. The Management apart from considering the internal and external information up to the date of approval of these consolidated financial results, has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes to future economic conditions and does not anticipate any material financial or operational issues in the short term as well as on a long term basis. .

Our conclusion is not modified in respect of this matter.

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5. Based on our review, conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (IND AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circulars issued from time to time including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Lodha & Co.
Chartered Accountants
ICAI Firm Registration No. 301051E**

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**R. P. Baradiya
Partner
Membership No. 44101
UDIN: 20044101AAABQW4663**

**Place: Mumbai
Date: November 10, 2020**