

Price: 2,071

Recommendation: Buy

Industry: Plastic Products

Sector: Consumer Discretionary

Report Date: 22-Apr-2025

Safari Industries is a leading name in the luggage and travel accessories market, renowned for its innovative, lightweight, and durable products. With a focus on quality and technology, the company is expanding its portfolio and global presence. By embracing sustainability, e-commerce, and diversification into lifestyle segments, Safari aims to meet evolving consumer needs and drive long-term growth.

Sales		Profit & Loss		Profitability Matrix	
Current Year	1714 Cr	Operating Profit(Year)	176 Cr	Operating Profit Margin	10.3 %
Previous Year	1211 Cr	Operating Profit(Quarter)	36.0 Cr	EBITDA Margin	14.76 %
Current Quarter	442 Cr	PAT (Year)	153 Cr	Net Profit Margin	9.90 %
Previous Quarter	457 Cr	PAT (Quarter)	25.5 Cr	EPS	25.2
Revenue (QYoY)	388 Cr				
Valuation Matrix		Growth(YoY)		Growth(QoQ)	
Trailing P/E	82.4	Sales Growth	15.4 %	Sales Growth	-3.28 %
PEG Ratio	2.00	PAT Growth	28.57 %	Sales Growth QYoY	13.92 %
EV/EBITDA	47.0	EPS Growth	-20.5 %	PAT Growth	16.97 %
P/B	11.9	Dividend Yield	0.13	PAT Growth QYoY	-28.37 %
Capital Allocation		Holdings		Leverage	
RoE	25.2 %	Promoter	45.4 %	Debt/Equity	0.16
RoA	17.3 %	FII	13.2 %	Debt	135 Cr
RoCE	29.0 %	DII	23.7 %	Market Cap	10124 Cr
RoIC	25.6 %	Public	17.6 %	Enterprise value	9985 Cr
		No of Shares	4.89 Cr	Cash Equivalents	274 Cr

source : Company filings

Company's Overview Based on Recent Concall and Performance:

Safari Industries, a prominent player in the luggage and travel accessories market, has recently been focusing on expanding its product portfolio and enhancing its market presence. The company has introduced a range of innovative products designed to cater to the evolving needs of modern travelers. This includes lightweight and durable luggage options, as well as smart travel accessories that integrate technology for added convenience. Safari's commitment to quality and innovation is evident in its continuous investment in research and development, aiming to set new standards in the industry. This strategic focus on product innovation is expected to strengthen its competitive edge and attract a broader customer base.

In terms of business strategies, Safari has been actively pursuing diversification to mitigate risks and tap into new revenue streams. The company is exploring opportunities in adjacent markets, such as lifestyle and fashion accessories, which complement its core offerings. By leveraging its strong brand reputation and distribution network, Safari aims to capture a significant share of these markets. Additionally, the company is enhancing its online presence through strategic partnerships with e-commerce platforms, ensuring wider reach and accessibility for its products. This omni-channel approach is designed to boost sales and improve customer engagement, aligning with the growing trend of digital shopping.

Safari's future growth prospects are bolstered by its strategic initiatives aimed at scaling operations and expanding its geographical footprint. The company is eyeing international markets, particularly in regions with high travel demand, to drive growth. By establishing local partnerships and optimizing supply chain efficiencies, Safari plans to enhance its global competitiveness. Furthermore, the company is investing in sustainable practices, such as using eco-friendly materials and reducing carbon emissions, to align with global environmental standards. These efforts not only enhance brand value but also appeal to environmentally conscious consumers, potentially increasing market share.

To capitalize on these opportunities, Safari could consider further strengthening its brand positioning through targeted marketing campaigns that highlight its unique value propositions. Collaborations with travel influencers and participation in international trade shows could enhance brand visibility and credibility. Additionally, investing in customer feedback mechanisms can provide valuable insights for product development and service improvements. By maintaining a customer-centric approach and continuously adapting to market trends, Safari is well-positioned to achieve sustainable growth and long-term success in the competitive travel accessories market.