

Price: 2071

Recommendation: Buy

Industry: Plastic Products

Sector: Consumer Discretionary

Report Date: 21-Apr-2025

Safari Industries is a leading name in the luggage and travel accessories market, renowned for its innovative and stylish products. The company is expanding its portfolio with backpacks, school bags, and eco-friendly options to meet evolving consumer needs. Leveraging strategic partnerships, digital marketing, and international growth, Safari aims to strengthen its market presence and drive sustainable success.

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	9.9 %
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	82.2	Sales Growth	15.4 %	Sales Growth	-3.28 % %
PEG Ratio	1.99	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	10108 Cr
RoIC	25.6 %	Public	17.6 %	Enterprise value	9969 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 announced several initiatives aimed at diversifying its offerings beyond traditional luggage. This includes the introduction of new product lines such as backpacks, school bags, and travel accessories, which cater to a broader audience and tap into the growing demand for versatile travel solutions. By leveraging its strong brand reputation and extensive distribution network, Safari aims to capture a larger share of the market and meet the evolving needs of consumers who are increasingly seeking stylish and functional travel products.

In terms of business strategy, Safari has been actively pursuing collaborations and partnerships to strengthen its market position. The company has entered into strategic alliances with leading retailers and e-commerce platforms to enhance its distribution capabilities and reach a wider customer base. This approach not only increases brand visibility but also provides Safari with valuable insights into consumer preferences and trends. Additionally, Safari is investing in digital marketing and social media campaigns to engage with younger consumers and build a strong online presence. These efforts are expected to drive brand loyalty and boost sales in the competitive travel accessories market.

Safari's future growth prospects are bolstered by its commitment to innovation and sustainability. The company is investing in research and development to create eco-friendly products that align with the growing consumer demand for sustainable options. By incorporating recycled materials and adopting environmentally friendly manufacturing processes, Safari aims to reduce its carbon footprint and appeal to environmentally conscious consumers. Furthermore, the company is exploring opportunities to expand its presence in international markets, particularly in regions with high growth potential such as Southeast Asia and the Middle East. This strategic expansion is expected to contribute significantly to Safari's revenue growth in the coming years.

To capitalize on these opportunities, Safari could consider enhancing its customer experience by offering personalized products and services. Implementing a customer feedback system could provide valuable insights into consumer preferences and help the company tailor its offerings to meet specific needs. Additionally, investing in technology to streamline operations and improve supply chain efficiency could lead to cost savings and increased profitability. By focusing on these areas, Safari can strengthen its competitive edge and position itself as a leader in the global travel accessories market. Overall, Safari's proactive approach to diversification and innovation, coupled with its strategic partnerships, positions the company well for sustained growth and success.