

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 innovation and sustainability. The company offers eco-friendly luggage and smart travel solutions, aligning with modern consumer trends. With strategic product diversification, geographical expansion, and robust financial performance, Safari is positioned as a forward-thinking leader in the global industry.

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	82.2	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 introduced a range of new products aimed at catering to diverse consumer needs, including eco-friendly luggage options and smart travel accessories. These initiatives are part of Safari's strategy to tap into the growing demand for sustainable and technologically advanced products. By aligning its offerings with current consumer trends, Safari aims to strengthen its brand image and capture a larger market share. This strategic move not only broadens Safari's product range but also positions the company as a forward-thinking leader in the industry.

In addition to product diversification, Safari has been actively pursuing geographical expansion to boost its growth prospects. The company has been exploring opportunities in untapped markets, both domestically and internationally, to increase its footprint. This expansion strategy is supported by strategic partnerships and collaborations with local distributors and retailers, which help Safari penetrate new regions more effectively. By leveraging these partnerships, Safari can enhance its distribution network and improve its supply chain efficiency, ultimately leading to increased sales and revenue growth. This approach reflects Safari's commitment to scaling its operations and achieving long-term sustainability.

Safari's recent financial performance has been bolstered by its strategic initiatives, with the company reporting robust revenue growth in its latest financial results. The focus on innovation and market expansion has contributed to improved profitability and operational efficiency. Key financial metrics, such as revenue growth rate and profit margins, have shown positive trends, indicating the effectiveness of Safari's business strategies. The company's ability to adapt to changing market dynamics and consumer preferences has been a critical factor in its recent success. This adaptability, combined with a strong brand reputation, positions Safari well for future growth and competitiveness in the global market.

To further enhance its growth trajectory, Safari could consider investing in digital transformation initiatives, such as e-commerce platforms and data analytics capabilities. By embracing digital technologies, Safari can improve customer engagement, streamline operations, and gain valuable insights into consumer behavior. Additionally, focusing on sustainability initiatives, such as reducing carbon footprint and promoting circular economy practices, could enhance Safari's brand value and appeal to environmentally conscious consumers. These constructive suggestions, along with continued innovation and market expansion efforts, can help Safari maintain its competitive edge and achieve sustained growth in the evolving travel accessories market.