

# safari

## A bag full of growth!!



# safari

**Buy Range** ₹2020 – 2060

**Target** ₹2480 – 2520

**Recommendation** Buy

**Highlights**

- The luggage industry in India is witnessing remarkable growth and holds a promising future. Currently the branded players account for 56% of market increasing from pre-COVID share of 45%. Recent industry developments, including the implementation of GST and supply chain disruptions during the pandemic, have played a key role in transforming this sector.
- With a powerful brand, diverse product portfolio, and an unwavering commitment to innovation, the company is well-poised to maintain a market leading position in the luggage industry.
- The consumer shift away from soft-luggage accelerated during the year with a sharp drop in demand for this category, driven by increasing preference for more premium looking and durable hard-luggage products. On the back of this structural shift in consumer preferences, this industry witnessed robust hard luggage manufacturing capacity addition.
- Given the execution strength, strong brand recall, investment in capacities, and increasing distribution reach, safari has put up a strong show in the last few years and is likely to continue this momentum with a focus on the value segment while expanding into the premium and backpack segments.
- The company introduced a new brand, “Urban Jungle”, in the casual premium segment. This brand was initially focused on the zippered hard luggage category however, the company has also launched backpacks and duffle bags under the Urban Jungle brand with focused on young customer segment, the company is undertaking brand building efforts primarily via strong advertising and content presence on digital platforms.
- In order to meet the rising demand for hard luggage, the company has set up a new manufacturing plant through Safari Manufacturing Ltd, wholly owned subsidiary in Halol, Gujarat for the 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 has delivered robust performance since the change in management in 2012 and posted strong revenue and EBITDA growth of 29% & 45% over FY13-2024.

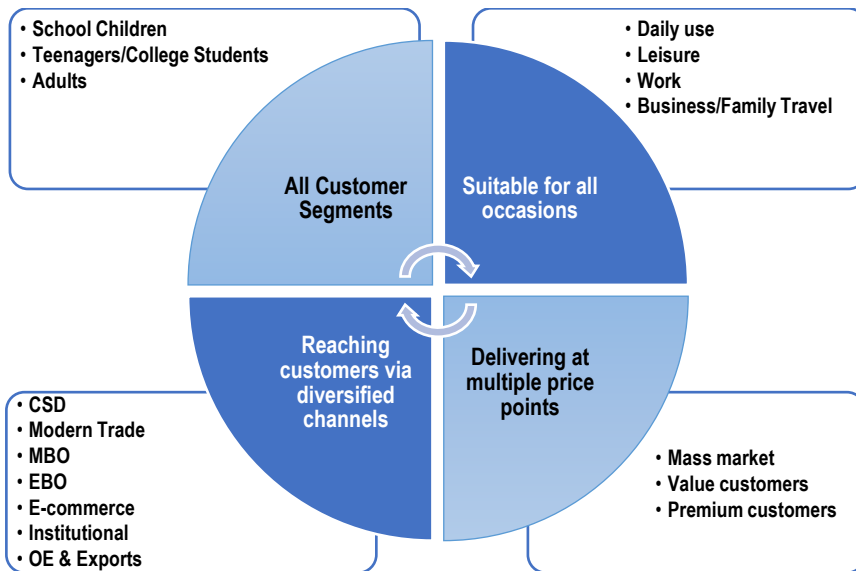
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**Safari Industries (India) Ltd.**
**Company Background**

Safari Industries (India) Ltd. is India's third largest luggage brand and one of the fastest growing luggage company in India. In FY19-24 revenue and EBITDA grew at CAGR 22% and 39%. It started its operations in 1974 with limited SKUs primarily catering to adult customers and family travel needs.

Mr. Sudhir Jatia (CMD) acquired a majority stake (77%) in Safari Industries (India) Ltd in May 2012. Product rationalisation and strategy realignment helped Safari improve its market share from ~8% in FY14 to ~23% in FY23. During FY14-17, the company acquired brands like Genius, Magnum, Activa, Genie, etc., and launched backpacks under the SAFARI brand and school bags under the Genius and Genie brand.

The Company is engaged in segments namely - Hard Luggage (55%) and Soft Luggage (45%). Hard luggage is mainly made of Polypropylene (PP) and Polycarbonate (PC). Soft luggage is made of fabrics of various kinds and is mainly imported by Safari. To tap into the rising premium tier opportunity in the market, the company has launched a new brand, Urban Jungle in the casual premium segment.

**Comprehensive Luggage Offerings**

**Key Management Team**

|  |   |
|--|---|
| <b>Mr. Sudhir Jatia</b><br>(Chairman and Managing Director)          | Over 28 years' experience in the luggage industry in India. Acquired Safari Industries (India) Limited in the year 2011 and was appointed as its Managing Director from 18th April 2012                                     |
| <b>Mr. Vineet Poddar</b><br>(CFO)                                    | CA, CS, Commerce graduate - Calcutta University<br>25+ years' experience with a wide range of companies- Nshama Development LLC, Bombay Dyeing & Manufacturing Co., KPH Dream Cricket, Marsh India, Birla Corporation, etc. |
| <b>Mr. Satyabrata Mitra</b><br>Sr. VP-CSD Sales                      | M.Com from Calcutta University<br>45+ years' experience with companies like VIP Industries Ltd., Universal Luggage, Universal Mineral Industries etc.   |
| <b>Mr. Parmod Aggarwal</b><br>VP-Hyper Sales                         | Arts graduate<br>40+ years' experience with companies like VIP Industries Ltd etc.  |
| <b>Mr. Piyush Goenka</b><br>(Non-Executive Non-Independent Director) | Over 20 years of experience in PE investing and other financial services<br>Made investments across various sectors and has led most investments in consumer, pharmaceuticals and financial services                        |

Source: Company, Way2Wealth

**Important Data**

|        |        |
|--------|--------|
| Nifty  | 24,857 |
| Sensex | 81,455 |

**Key Stock Data**

|                          |             |
|--------------------------|-------------|
| CMP                      | ₹2059       |
| Market Cap (₹ cr)        | ₹10,048     |
| 52W High/Low             | ₹2340 /1384 |
| Shares o/s (crs)         | 4.88        |
| Daily Vol. (3M NSE Avg.) | 57740       |
| BSE Code                 | 523025      |
| NSE Code                 | SAFARI      |
| Bloomberg Code           | SAFARI:IN   |

**Shareholding Pattern (%) – Jun'24**

|          |       |
|----------|-------|
| Promoter | 45.73 |
| DII's    | 21.83 |
| FII's    | 12.69 |
| Public   | 19.75 |

**Financials**

| Particulars         | FY22  | FY23  | FY24  |
|---------------------|-------|-------|-------|
| Revenue             | 705   | 1,212 | 1,550 |
| EBITDA              | 56    | 197   | 278   |
| EBITDA Margin (%)   | 8     | 16    | 18    |
| Net Profit          | 22    | 125   | 176   |
| PAT Margin          | 3     | 10    | 11    |
| EPS (₹)             | 4.9   | 26.4  | 36.1  |
| Dividend Payout (%) | 8     | 7     | 11    |
| RoE (%)             | 10    | 29    | 21    |
| RoCE (%)            | 14    | 34    | 26    |
| P/E (x)             | 420.2 | 77.8  | 57.0  |
| EV/EBITDA (x)       | 33.5  | 23.4  | 28.3  |
| P/BV (x)            | 9.3   | 11.4  | 10.2  |

Source: Company Data, Way2Wealth

**Relative Performance**

| Absolute Return (%) | 1Yr | 3Yr | 5Yr |
|---------------------|-----|-----|-----|
| SAFARI              | 40  | 464 | 633 |
| Nifty50             | 26  | 54  | 127 |
| Sensex              | 23  | 52  | 124 |

Source: Company, Way2Wealth

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**Investment Arguments**
**1. Demand shifting from the unorganised to the organised sector**

- (i) The luggage industry in India is witnessing remarkable growth and holds a promising future. Currently the branded players account for 56% of market increasing from pre-COVID share of 45%. Recent industry developments, including the implementation of GST and supply chain disruptions during the pandemic, have played a key role in transforming this sector.
- (ii) Increasing disposable incomes and rising urbanisation have led to a shift in customer preferences towards high-quality branded products. As a result, the organised segment is experiencing impressive 15% growth, surpassing the industry's average growth rate of 8-10%. This indicates the strong growth momentum and lucrative opportunities within the organised segment.
- (iii) The aviation industry's strong demand in FY23 and FY4 was also supported by widening middle-class demography, millennial and Gen Z population, increasing disposable income, improving consumer sentiment, low-cost airfares and diverse travel packages. Further, the tourism sector showing signs of revival in FY23 with the resumption of scheduled international flights and the easing of COVID-19 regulations.

(₹ mn)

| Year | Domestic Passenger traffic in India | YoY Change | International Passenger traffic in India | YoY Change |
|------|-------------------------------------|------------|--|------------|
| FY19 | 137.6                               |            | 69.5                                     |            |
| FY20 | 137.3                               | -0.2%      | 66.5                                     | -4.3%      |
| FY21 | 52.6                                | -61.7%     | 10.1                                     | -84.8%     |
| FY22 | 83.4                                | 58.6%      | 22.1                                     | 118.8%     |
| FY23 | 135.3                               | 62.2%      | 56.9                                     | 157.5%     |
| FY24 | 153.4                               | 13.4%      | 69.7                                     | 22.5%      |

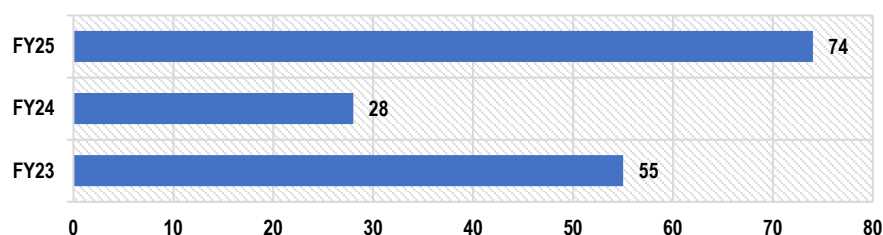
Source: CAPA India

**Core long term drivers of market growth remain in place:**

1. Consumers upgrading to branded luggage
2. Replacement cycle
3. Individual & multiple ownership of bags
4. Increasing penetration in the hinterland due to high growth in E-com

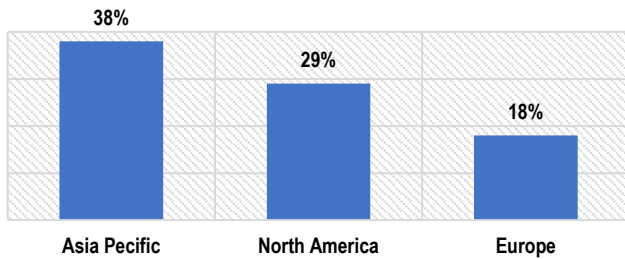
**2. Underpinned by strong macro drivers**

- (i) In India, where wedding expenses have been increasing, luggage has become an integral part of the wedding trousseau. Post- pandemic, wedding expenditures have further increased.
- (ii) Additionally, luggage gained popularity as a preferred personal gifting item. Major retail chains also now operating regular promotional gifting of luggage, reflecting its growing appeal among customers.

**Auspicious Indian Wedding Dates**

 Source: <https://symphonyevents.com>

### 3. Global Luggage market is expected to grow ~8% over 2024-2031

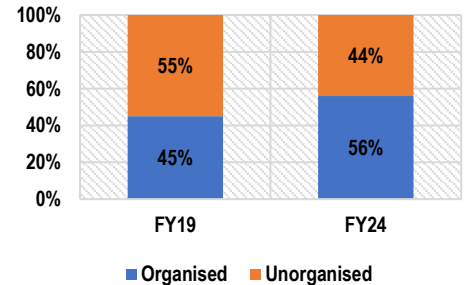
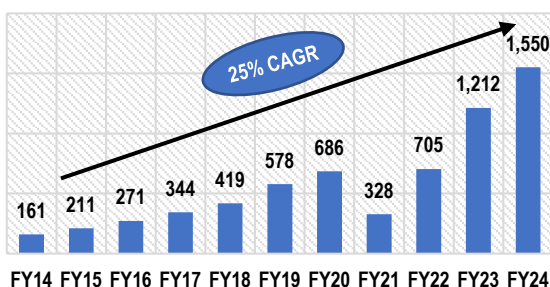
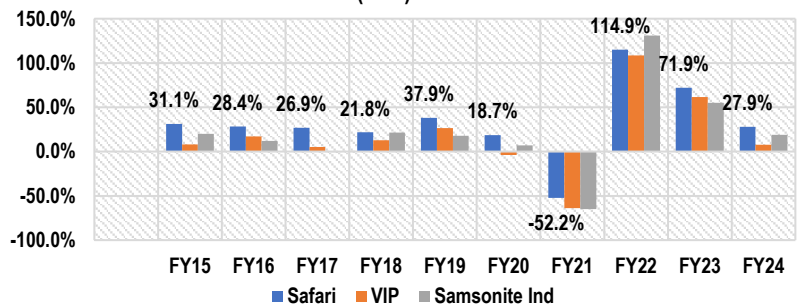
- (i) The consumer shift away from soft-luggage accelerated during the year with a sharp drop in demand for this category, driven by increasing preference for more premium looking and durable hard-luggage products. On the back of this structural shift in consumer preferences, this industry witnessed robust hard luggage manufacturing capacity addition.
- (ii) Asia Pacific is expected to be the largest market for luggage to grow at a CAGR of over 38% during the same period. The growth of the luggage market in Asia Pacific is attributed to increasing demand for luggage in countries like India and China.

**Regional Insights  
CAGR (2024-2031)**

**Global Luggage Market**


Source: Coherent Market Insights

### 4. Consistently growing luggage brand

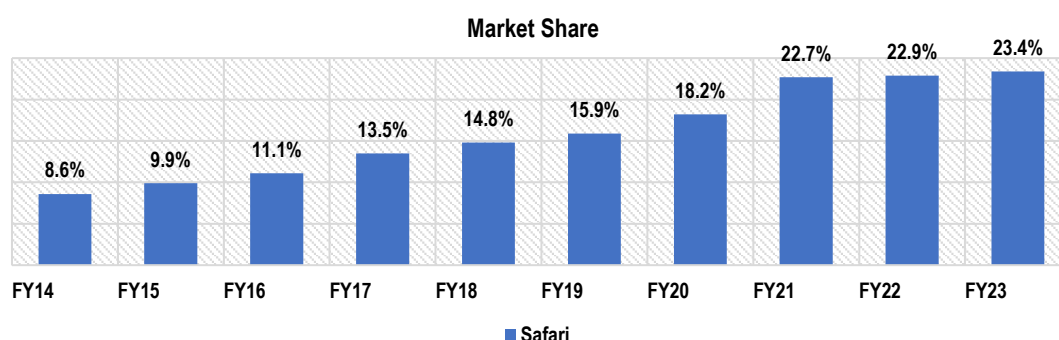
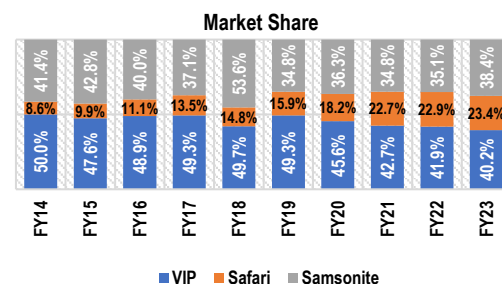
- (i) Given the execution strength, strong brand recall, investment in capacities, and increasing distribution reach, safari has put up a strong show in the last few years and is likely to continue this momentum with a focus on the value segment while expanding into the premium and backpack segments.
- (ii) Its diversified distribution and single brand focus on sales through right price and product placement and store economics registered strong market share gains over the past decade. The company has recorded revenue/EBITDA CAGR of 25%/45% over FY14-24. In the process, its market share improved from 9% in FY14 to 23% in FY23
- (i) The luggage & backpacks market in India is estimated to be around ~₹10,000crs with branded players constituting ~56% of the market, while the remaining portion is dominated by the unorganised segment. In recent years, factors such as the implementation of GST, supply chain disruptions caused by the pandemic, and a shifting consumer preference towards branded products are reshaping the industry landscape.
- (ii) Overall the industry is growing at an average rate of 8-10%, the organised segment, synonymous with branded offerings, is outpacing this growth with an impressive rate of 15%. This highlights the strong momentum and promising expansion opportunities within the organised segment with a strong foothold in the value segment.

**Luggage Sector Market Split**

**Safari consistently outpaced its peers**
**Revenue (cr)**

**Revenue (YoY) Growth Trend**


Source: Company, Way2Wealth

## 5. Consistently gaining market share

- (i) Focusing largely on the mass/value segment, implementation of GST and pandemic related disruption has helped Safari to grab market share from the unorganised sector. Apart from this focus, Safari was pioneer in entering into e-commerce. This gave it an edge over its peers.
- (ii) The brand strength and wide presence is also substantiated from Euromonitor International Limited's report which has adjudged Safari brand as the 'No 1 luggage Brand in India in revenue terms.
- (iii) The company has built a strong position in e-commerce marketplace platforms and is now investing in scaling up its brand websites. It is also investing in building a strong digital content strategy to engage consumers on its brands. A timely entry into the backpacks segment also led to a significant increase in the market share of Safari Industries.



Source: Company, Way2Wealth

## 6. Foray into Premium Segment

- (i) In the last one year the premium segment has bounced back strongly, driven by increasing affluence and consumer preference for better featured products. This trend is expected to continue over the foreseeable future.
- (ii) The company introduced a new brand, "**Urban Jungle**", in the casual premium segment and **Safari Select** in the business collection. This brand was initially focused on the zippered hard luggage category however, the company has also launched backpacks and duffle bags under the Urban Jungle brand with focused on young customer segment, the company is undertaking brand building efforts primarily via strong advertising and content presence on digital platforms.
- (iii) 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 brand websites i.e. [www.safaribags.com](http://www.safaribags.com), [www.genietravel.com](http://www.genietravel.com) and [www.urbanjungle.shop](http://www.urbanjungle.shop). The company will continue its efforts to build its brands via a strong advertising presence on digital platforms.

**“Urban Jungle” Product Portfolio**

**The Large - Hard Luggage**

★★★★★ 21 reviews

From ₹ 6,999.00 MRP ₹19,999.00


**Perfect Pair - Cabin, Medium - Hard Luggage Combo**

★★★★★ 9 reviews

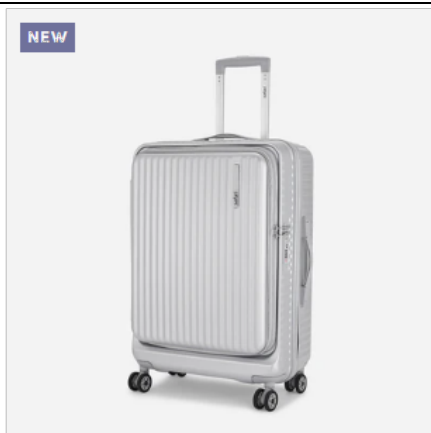
₹ 11,499.00 MRP ₹30,998.00


**Commute Workpack - Navy**

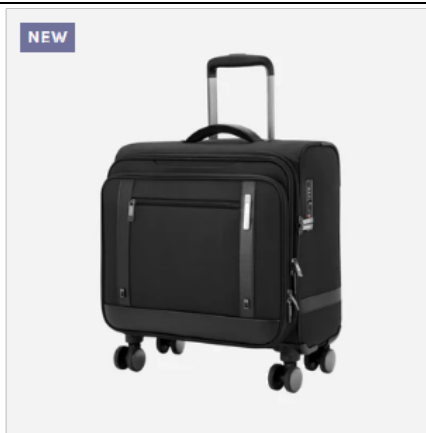
₹ 5,299.00 MRP ₹8,799.00


**Metro Roll-Top Backpack - Black**

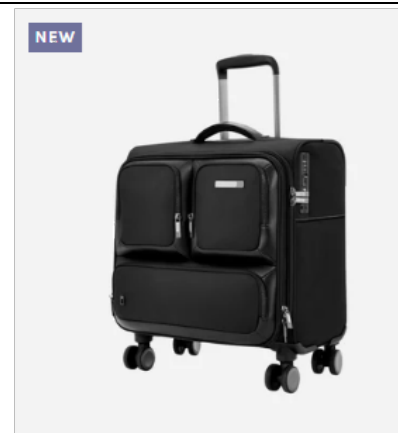
₹ 3,399.00 MRP ₹5,799.00

**Safari's “Select Product” Portfolio**

**Safari Select Recoil Silver Medium Front opening Trolley Bag with Expander, TSA Lock, Dual wheels and Anti-Theft Zipper**

₹ 7,498.00 ₹10,711.00


**Safari Falcon Black Overnighter Laptop Trolley Bag with TSA Lock and Detailed Interior.**

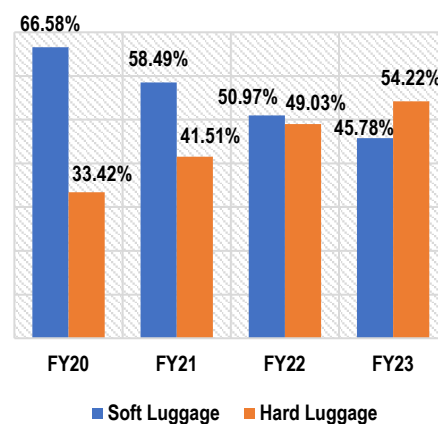
₹ 8,998.00 ₹10,998.00


**Safari Phoenix Black Overnighter Laptop Trolley Bag with TSA Lock and Detailed Interior.**

₹ 9,999.00 ₹11,110.00

**7. Capacity Expansion**

- (i) The consumer shift away from soft luggage accelerated in the recent few years with a sharp drop in demand for this category, driven by an increasing preference for more premium looking and durable hard-luggage products. Given this sharp shift in consumer preference, hard luggage manufacturing capacity across the industry remained tight.
- (ii) In order to meet the rising demand for hard luggage, the company has set up a new manufacturing plant through Safari Manufacturing Ltd, a 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.
- (iii) The share of hard luggage, which is sourced in-house, has already reached 65% of revenue and the company has now embarked on capacity expansion. Currently, the company has a total capacity of 0.65mn pieces/month. Further, the company has announced 0.1mn pieces per month incremental brownfield expansion, which will take Safari's hard luggage capacity in India to 1.35mn pieces per month.
- (i) The estimated capex for the Jaipur facility is ₹215crs and in Jan'24, the company raised ₹229crs of preferential equity from Light House India Fund IV. The expanded capacity, along with the focus on distribution, and steady market share gains are worth tracking.

**Contribution of Soft and Hard Luggage (India Market)**


Source: Crisil

**8. Diversified product portfolio**

- (i) The company continues to grow ahead of the market led by a well-defined portfolio catering well to diverse consumer needs and a strong go-to-market strategy.
- (ii) Its product portfolio span across all luggage categories with mass segment and now premium segment as well with 800+ SKUs across Hard Luggage, Soft Luggage, Backpacks, laptop bags, and School Bag.
- (iii) The company has a multi-channel distribution network with ~9300+ customer touch points covering CSD, Modern Trade, MBO, EBO, E-Commerce, Institutional, Original Equipment (OE) and Exports.

| Group        | Revenue Contribution                          | Key Points   |
|--------------|---|--|
| Soft Luggage | ~45% in FY23<br>(decreased from ~60% in FY20) | Branded offering in a largely unorganized market<br>Innovating in Backpack by adding thoughtful features |
| Hard Luggage | ~55%  | Focus on innovative designs to suit new-age customers  |



Source: Instagram, Way2Wealth



Source: Instagram, Way2Wealth



Source: Instagram, Way2Wealth

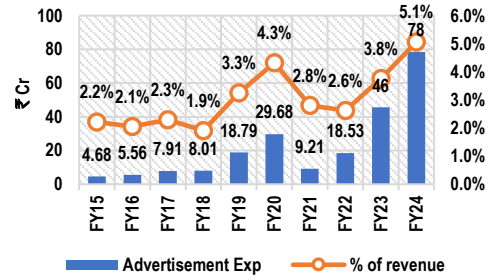


Source: Instagram, Way2Wealth

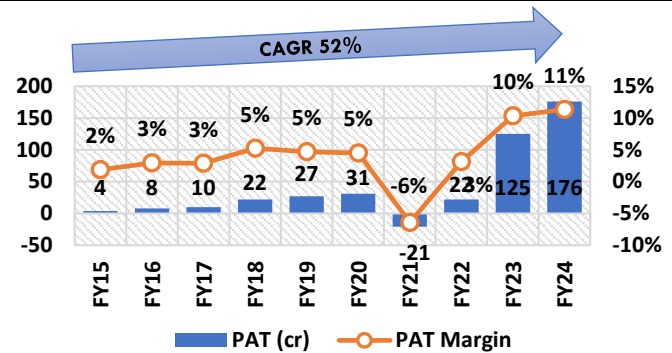
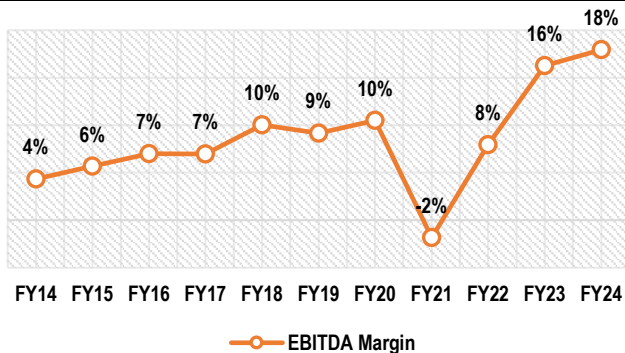
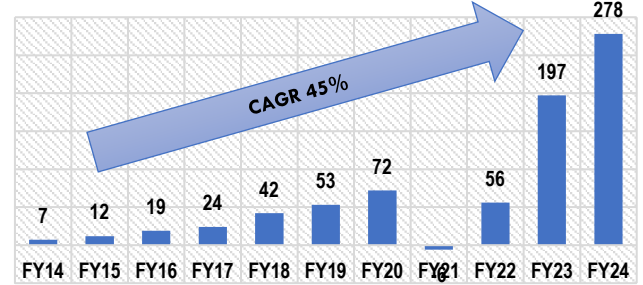
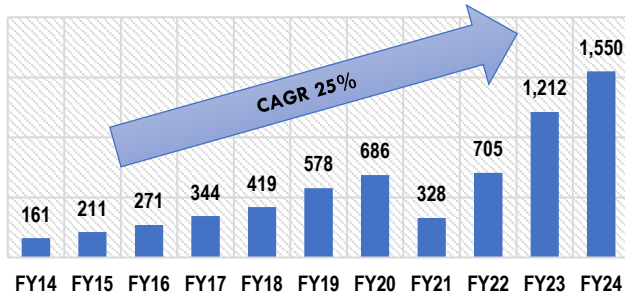
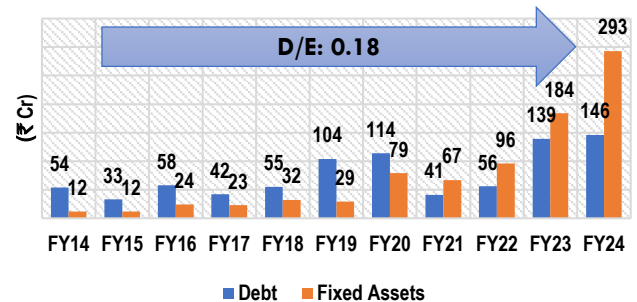
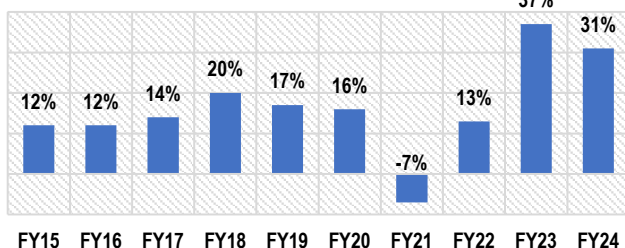


**9. Delivered robust performance post management change**
**Focus on A&P Sponds to increase brand visibility**

- (i) The management of Safari Industries changed in April 2012 when Mr Sudhir Jatia purchased a majority stake in the company from its founding promoters, the Mehta family. This change in the management of the company has been the biggest driver, which led to sharp improvements in the revenue and profits of the company.
- (ii) He focused on expanding the sales channels, and product strategies and increasing advertising spending to increase brand visibility which resulted in higher revenue growth. Immediately after the management change, in FY13, Safari Industries started focusing on alternate channels like hypermarkets such as D'mart, Reliance Retail etc.
- (iii) In FY15, the company also began its e-commerce play by listing & selling the products on marketplace websites such as amazon.in, snapdeal.com, myntra.com, jabong.com & flipkart.com etc.


*Source: Crisil*

| Particulars         | Pre-management change                      | Post-management change   |
|---------------------|--|--|
| Revenue CAGR        | 2.4% (FY07-12)                             | 29% (FY13-24)  |
| EBITDA CAGR         | -5.3% (FY07-12)                            | 45% (FY13-24)  |
| Channel             | Focus on luggage bags, Majorly CSD Channel | Introduced backpacks, laptop, school bag EBOs, hypermarkets, E-commerce      |
| Advertisement Spend | 1% of revenue                              | ~5% of revenue   |
| Brands              | Safari Brand only                          | Acquired Genius, Genie, Magnum. Launched Urban Jungle-mid in premium segment |

**Financials in Chart**
**Revenue (cr)**
**EBITDA (cr)**

**ROCE**

*Source: Company, Way2Wealth*

**Peers**
**Marketing Spend:**

Safari's marketing efforts is significantly better vs peers. Increasing utilization of the internet and smartphones, marking a significant shift towards digital platforms for advertising efforts. Safari's marketing strategy, which focuses on the product as the brand without a brand ambassador, and emphasis on social media led to gained market share.

**For every rupee spent by Safari in marketing, it secured ₹5.6 of incremental sale vs. ₹1.4 for VIP and ₹1.8 for Samsonite India over FY17-24**

|  | FY17  | FY18  | FY19  | FY20  | FY21  | FY22  | FY23  | FY24  | CAGR (FY17-24) | Incremental Ad vs incremental revenue |
|--|-------|-------|-------|-------|-------|-------|-------|-------|----------------|---------------------------------------|
| <b>Advertisement Exp (cr)</b>            |       |       |       |       |       |       |       |       |                |                                       |
| Safari Industries                        | 7.91  | 8.01  | 18.79 | 29.68 | 9.21  | 18.53 | 46    | 78    | 39%            | 216                                   |
| VIP Industries                           | 76.78 | 89.5  | 99.36 | 91.6  | 20.84 | 35.52 | 112.5 | 184.8 | 13%            | 711                                   |
| Samsonite India                          | 54.67 | 68.15 | 78.65 | 75.76 | 24.53 | 48.05 | 98.55 | 184.8 | 19%            | 633                                   |
| <b>Revenue (cr)</b>                      |       |       |       |       |       |       |       |       |                |                                       |
| Safari Industries                        | 344   | 419   | 578   | 686   | 328   | 705   | 1,212 | 1,550 | 24%            | 1,206                                 |
| VIP Industries                           | 1,252 | 1,410 | 1,785 | 1,714 | 619   | 1,290 | 2,082 | 2,245 | 9%             | 993                                   |
| Samsonite India                          | 1,072 | 1,155 | 1,356 | 1,457 | 511   | 1,172 | 1,825 | 2,179 | 11%            | 1,107                                 |
| <b>Advertisement Exp as % of Revenue</b> |       |       |       |       |       |       |       |       |                |                                       |
| Safari Industries                        | 2.3%  | 1.9%  | 3.3%  | 4.3%  | 2.8%  | 2.6%  | 3.8%  | 5.1%  |                | 5.58                                  |
| VIP Industries                           | 6.1%  | 6.3%  | 5.6%  | 5.3%  | 3.4%  | 2.8%  | 5.4%  | 8.2%  |                | 1.40                                  |
| Samsonite India                          | 5.1%  | 5.9%  | 5.8%  | 5.2%  | 4.8%  | 4.1%  | 5.4%  | 6.6%  |                | 1.75                                  |

|                               | M-Cap (cr) | CMP  | PE Ratio (TTM) | Median PE | EV/EBITDA |
|-------------------------------|------------|------|----------------|-----------|-----------|
| Safari Industries (India) Ltd | 10048      | 2059 | 57.9           | 57.4      | 28.3      |
| VIP Industries Ltd            | 6660       | 469  | 192            | 64.5      | 38.7      |

|                               | Sales (cr) FY24 | EBITDA (cr) FY24 | 5 Year CAGR |        | EBITDA Margin | D/E  | ROCE | Inventory Days | Inventory Turnover |
|-------------------------------|-----------------|------------------|-------------|--------|---------------|------|------|----------------|--------------------|
|                               |                 |                  | Sales       | EBITDA |               |      |      |                |                    |
| Safari Industries (India) Ltd | 1550            | 278              | 22%         | 45%    | 18%           | 0.18 | 31%  | 120            | 1.72               |
| VIP Industries Ltd            | 2245            | 219              | 5.0%        | -18%   | 10%           | 1.29 | 10%  | 314            | 1.1                |

Source: Company, Way2Wealth

**Risks**

- Any slowdown in demand and failure to adapt changes in consumer trends would affect revenue and profitability growth
- The company remains exposed to the high competitive pressures in the domestic market
- Increase in raw material prices and inability to pass on the cost to customers

## View

Safari Industries (India) Ltd. is one of India's largest luggage companies. Product rationalisation and strategy realignment helped Safari to improve its market share from ~8% in FY14 to ~23% in FY23. The company's healthy prospects are supported by its strong execution track record of business growth post-change in management structure, effective marketing strategies, and foray into the premium segment.

The core long term drivers of market growth remain in place driven by the replacement cycle, consumers upgrading to branded luggage, individual & multiple ownership of bags, and increasing penetration due to high growth in E-Commerce. The overall long-term outlook for the organised sector remains very robust with continued growth in travel, increasing preference for branded luggage, growth in school and office going population.

We expect the company's operational and financial performance to improve significantly over the medium term as the company is proactively expanding its capacity and distribution network to enhance its presence.

We estimate revenue CAGR at ~23% over the period FY24-26E. EBITDA and PAT are expected to increase by ~28% and ~30% CAGR over the same period. Strong earnings growth would also translate into an improvement in return ratios for the company during the period. **At CMP ₹2059 the stock is currently trading at 44.5x FY26 P/E offering an attractive opportunity keeping in view positive near term outlook. Thus we recommend BUY on SAFARI and expect a gradual re-rating towards ₹2480.**

**Quarterly Performance**

(₹ Crs)

| Particulars       | Mar-23 | Jun-23 | Sep-23 | Dec-23 | Mar-24 | YoY | QoQ |
|-------------------|--------|--------|--------|--------|--------|-----|-----|
| Sales             | 302.71 | 426.68 | 370.02 | 388.3  | 365.42 | 21% | -6% |
| Expenses          | 244.44 | 347.67 | 306.55 | 320.1  | 298.57 |     |     |
| Operating Profit  | 58.27  | 79.01  | 63.47  | 68.2   | 66.85  | 15% | -2% |
| Other Income      | 2.67   | 2.28   | 2.88   | 3.66   | 5.06   |     |     |
| Depreciation      | 9.16   | 12.93  | 12.25  | 12.91  | 13.7   |     |     |
| Interest          | 2.2    | 2.61   | 2.21   | 2.39   | 2.29   |     |     |
| Profit before tax | 49.58  | 65.75  | 51.89  | 56.56  | 55.92  | 13% | -1% |
| Tax               | 11.5   | 15.81  | 12.13  | 13.64  | 12.73  |     |     |
| Net profit        | 38.08  | 49.94  | 39.76  | 42.92  | 43.19  | 13% | 1%  |
| OPM               | 19%    | 19%    | 17%    | 18%    | 18%    |     |     |
| NPM               | 12.60% | 11.70% | 10.70% | 11.10% | 11.80% |     |     |

Source: Company, Way2Wealth

**FINANCIALS & VALUATION**

(₹ Crs)

| Narration         | FY21     | FY22   | FY23     | FY24     | FY25E    | FY26E    | CAGR<br>(FY24-26) |
|-------------------|----------|--------|----------|----------|----------|----------|-------------------|
| Sales             | 327.98   | 705.17 | 1,211.98 | 1,550.42 | 1,829.50 | 2,250.28 | 23%               |
| Expenses          | 333.5    | 648.94 | 1,015.12 | 1,272.65 | 1,500.19 | 1,836.23 |                   |
| Operating Profit  | -5.52    | 56.23  | 196.86   | 277.77   | 329.31   | 414.05   | 28%               |
| Other Income      | 2.9      | -2.31  | 9.46     | 13.64    | 23.78    | 29.25    |                   |
| Depreciation      | 20.42    | 19.89  | 33.31    | 51.79    | 54.88    | 67.51    | 27%               |
| Interest          | 5.79     | 4.92   | 7.97     | 9.5      | 18.29    | 18       |                   |
| Profit before tax | -28.83   | 29.11  | 165.04   | 230.12   | 279.91   | 357.79   | 29%               |
| Tax               | -7.94    | 6.74   | 39.95    | 54.31    | 67.18    | 85.87    |                   |
| Net profit        | -20.9    | 22.37  | 125.09   | 175.81   | 212.73   | 271.92   | 30%               |
| EPS               | -4.28    | 4.58   | 25.63    | 36.03    | 43.59    | 55.72    |                   |
| Price to earning  | -490.57  | 458.33 | 81.96    | 58.32    | 48.2     | 37.7     |                   |
| <b>RATIOS:</b>    |          |        |          |          |          |          |                   |
| OPM               | -0.00017 | 7.97%  | 16.24%   | 17.92%   | 18.00%   | 18.40%   |                   |
| NPM               | -6.37%   | 3.17%  | 10.32%   | 11.34%   | 11.63%   | 12.08%   |                   |

Source: Company, Way2Wealth

**TECHNICAL VIEW**
**Weekly Chart**


After testing an all-time high of 2350 on 16th July 2024, SAFARI swept its previous historic high in the event of profit bookings at higher levels resulting in a market structure shift. From a broader perspective, SAFARI has rebounded from its key demand levels with the formation of an inverse head and shoulders chart pattern on the weekly chart, which is typically considered a bearish-to-bullish trend reversal pattern and breakout of 2270-2350 would invite fresh buying momentum. However, in the short term, the stock's price action shows consolidation at higher levels. An adjacent upward sloping trendline around the 2000 level is acting as strong support for the stock and if SAFARI breaks below 2000 level, then further downside movement can be expected, potentially dragging the stock towards 1850/1720 levels. Conversely, if the stock retraces from its key psychological level and breaks above 2270-350 then fresh buyer interest may push the stock towards the 2440/2700 levels. Based on these observations, one could consider accumulating SAFARI on dips for medium to long-term gains, as the near-term scenario is likely to remain in a consolidation phase.

**Technical Indicators/Overlays**

|                                 |             |
|---------------------------------|-------------|
| Bollinger Bands (Upper - Lower) | 2529 - 1686 |
| Short Term - 20 & 50 Days EMA   | 1679 & 1152 |
| Long Term - 100 & 200 Days EMA  | 805 & 574   |
| Volatility                      | 42.99       |
| ADX                             | 62.34       |
| MACD                            | 350.19      |
| RSI                             | 67.38       |
| Average True Range(ATR)         | 369.19      |
| AD Line                         | 107.89 Lk   |
| Standard Deviation              | 449.79      |
| Pivot Levels - R1, R2           | 2305 & 2502 |
| Pivot Point                     | 2152        |
| Pivot Levels - S1, S2           | 1955 & 1802 |
| ROC (%)                         | 6.69        |

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**Disclosure of Interest Statement SAFARI INDUSTRIES (INDIA) LTD. (SAFARI) as on 31<sup>st</sup> July 2024**

|  |   |
|--|---|
| Name of the Security   | SAFARI INDUSTRIES (INDIA) LTD. (SAFARI) |
| Name of the analyst  | Ashwini Sonawane                        |
| Analysts' ownership of any stock related to the information contained  | NIL                                     |
| Financial Interest   |   |
| Analyst :  | No                                      |
| Analyst's Relative : Yes / No  | No                                      |
| Analyst's Associate/Firm : Yes/No                                      | No                                      |
| Conflict of Interest   | No                                      |
| Receipt of Compensation  | No                                      |
| Way2Wealth ownership of any stock related to the information contained | NIL                                     |
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| Investment Banking relationship with company covered                   | NIL                                     |

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