

FINANCIAL MODEL

PLANT VISIT

Rising Stars 2025

IMPORT
SUBSTITUTION

ORGANISED
V/S
UNORGANISED

MANAGEMENT MEET

EXPORT
OPPORTUNITY

FAST GROWING
BUSINESSES

INDUSTRY
POTENTIAL

CAPACITY
EXPANSION

PEER ANALYSIS

VALUATION MODEL



Current Price (Rs)*	360.9
Target Price (Rs)	431.0
Upside (%)	19.4

*closing price of 14th August, 2025**STOCK DATA**

Industry Segment	Retail
BSE Code	543936
NSE Code	SENCO
Bloomberg Code	SENCO IN
52 Week High / Low (Rs.)	772.0/227.4
Face Value (Rs.)	5.0
Diluted Number of Shares (Crore.)	16.4
Market Cap. (Rs Crore.)	5,907.2

SHAREHOLDING PATTERN (%)

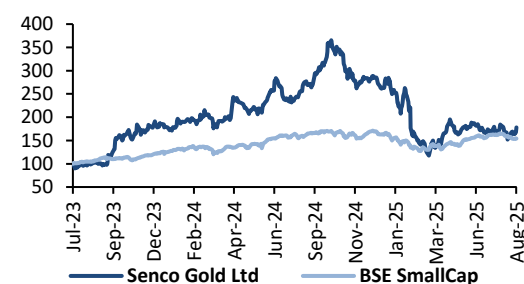
Particulars	Sep-24	Dec-24	Mar-25	Jun-25
Promoters	67.5	64.1	64.3	64.4
FII	8.6	8.9	7.2	6.8
Other Institution	9.6	13.3	12.6	12.8
Public & Others	14.4	13.7	15.9	16.1
Total	100.0	100.0	100.0	100.0

RETURNS STATISTICS (%)

Particulars	1M	3M	6M	12M
Senco Gold	5.1	0.5	0.9	-34.4
BSE SmallCap	-5.5	3.6	14.0	-2.2

VALUATION & RETURN RATIOS

Particulars	FY23A	FY24A	FY25A	FY26E	FY27E
PE (x)	37.3	32.6	37.1	27.7	24.3
P/BV (x)	6.2	4.3	3.0	2.7	2.4
EV/EBITDA (x)	21.0	18.3	19.3	14.9	13.4
EV/Net Sales (x)	1.6	1.3	1.1	0.9	0.8
Mcap/Sales (x)	1.4	1.1	0.9	0.8	0.7
RoE (%)	19.0	15.7	9.6	10.3	10.6
ROCE (%)	16.3	14.3	10.7	11.5	11.8

STOCK PERFORMANCE (since listing)

Source: BSE/SSL Research

Key highlights of 1QFY26 result**Another quarter of strong performance led by strong diamond jewellery sales:**

Senco Gold posted another quarter of robust growth across Revenue/EBITDA/PAT of 30.1%/68.8%/104.1% YoY respectively. Profitability growth was primarily led by strong growth in diamond jewellery sales of 50% YoY in value terms. This also led to an increase in stud ratio from 9-9.5% in 1QFY25 to 11% in 1QFY26. Gross and EBITDA margins expanded 181 bps/231 bps YoY to 19.1%/10.1% respectively. In order to cope up with the high gold prices, the company increased making charges in certain categories. The company also maintained a lower hedging ratio of 55-60% during the quarter from 75-80% earlier which helped maintain profitability and contributed ~100-200 bps to gross margin. The SSSG (Same-Store-Sales-Growth) stood at 19.6% in 1QFY26. Old gold exchange now accounts for 40% of total transactions, up from 25% two to three years ago. The LGD (Lab Grown Diamond) revenue is still in low single to double digits (management highlights consumer preference for natural diamonds for weddings and significant occasions). The company does not expect LGD revenue to cross Rs 50 cr in FY26.

Store expansion: The company opened 10 new stores in 1QFY26 (5 COCO, 1 FOCO, 4 FOFO) including one Sennes store taking the total store count to 185 as of Jun'26. Senco also expanded its franchise model to Nagpur, Maharashtra during the quarter. Target for FY26 is to open 20 stores with more focus on opening franchise stores.

FY26 Guidance: Management continued to guide topline growth of 18-20% for FY26. EBITDA margin guidance also remains at 6.8-7.2% as the management acknowledges that 1QFY26 margins are not fully sustainable due to dynamic hedging policies. 2QFY26 growth is expected to be in the range of 16-18% YoY due to the high base effect on account of duty cut on gold in 2QFY25.

Maintain BUY – Target Price unchanged at Rs 431: Senco has started FY26 on a strong footing. Despite high gold prices, Senco delivered retail revenue growth of 25% while franchise business revenues grew 34% YoY. At CMP of ~Rs 361, the stock trades at FY26E/FY27E PE of 27.7x/24.3x respectively. We value the company at 31.4x of its rolling 1-Yr forward EPS and keep our target price unchanged at Rs 431 which implies an upside potential of 19.4% for 12-18 months.

Financial Summary

Particulars (Rs cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Net sales	4,077.4	5,241.4	6,328.1	7,561.5	8,620.0
growth (%)	15.4	28.5	20.7	19.5	14.0
EBITDA	316.6	375.5	367.6	475.9	542.5
growth (%)	14.2	18.6	-2.1	29.5	14.0
EBITDA margin (%)	7.8	7.2	5.8	6.3	6.3
Adj. Net Profit	158.5	181.0	159.3	213.6	243.1
growth (%)	22.7	14.2	-12.0	34.1	13.8
EPS (Rs)	9.7	11.1	9.7	13.0	14.9
P/E (x)	37.3	32.6	37.1	27.7	24.3
P/BV (x)	6.2	4.3	3.0	2.7	2.4
D/E (x)	1.2	1.1	0.9	0.9	0.9
RoE (%)	19.0	15.7	9.6	10.3	10.6
RoCE (%)	16.3	14.3	10.7	11.5	11.8
Dividend yield (%)	0.3	0.2	0.1	0.2	0.2

1QFY26 Result

Particulars	1QFY26	1QFY25	Y-o-Y % Change	4QFY25	Q-o-Q % Change	Comments
Net Sales	1,826.3	1,403.9	30.1	1,377.7	32.6	Robust revenue growth supported by Akshay Tritiya and Poila Baishakh during the quarter
COGS	1,477.4	1,161.1	27.2	1,146.5		
Employee Cost	41.8	34.0	23.1	35.7		
Other Expense	123.5	100.1	23.4	68.6		
Total Operating Expenditure	1,642.7	1,295.2	26.8	1,250.7		
EBITDA	183.6	108.7	68.8	127.0	44.5	Strong traction in diamond sales, increase in stud ratio and selective increase in making charges contributed to strong EBITDA growth
EBITDA Margin (%)	10.1	7.7		9.2		
Depreciation	18.7	18.1		19.1		
EBIT	164.9	90.7	81.9	107.9	52.9	
EBIT Margin (%)	9.0	6.5		7.8		
Interest	43.0	32.2		37.5		
Other Income	18.6	12.3		14.7		
Extraordinary item	-	-		-		
PBT	140.6	70.8	98.6	85.1	65.3	
PBT Margin (%)	7.7	5.0		6.2		
Tax	35.9	19.5	84.0	22.6	58.7	
Effective Tax Rate (%)	25.6	27.6		26.6		
PAT	104.7	51.3	104.1	62.4	67.6	Healthy sales growth and supportive operating margins led to robust growth in PAT
PAT Margin (%)	5.7	3.7		4.5		
EPS (Rs per share)	6.4	3.1	104.1	3.8	67.6	

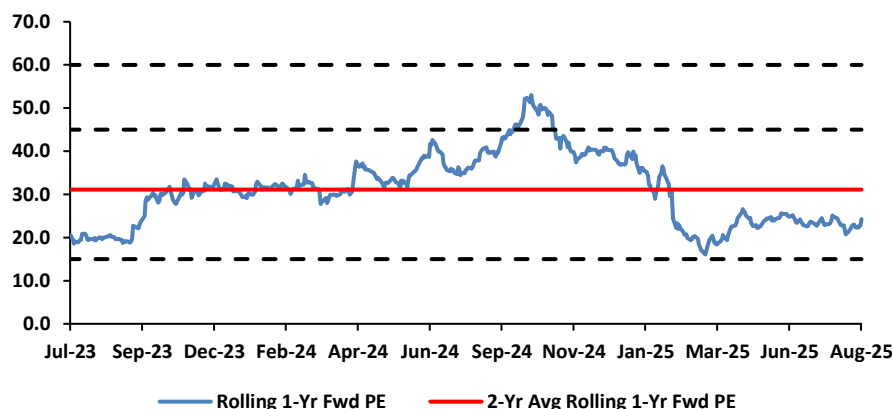
Source: Company/SSL Research

Estimates

Particulars (Rs cr)	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	7,561.5	8,620.0	7,561.5	8,620.0	-	-
EBITDA	475.9	542.5	475.9	542.5	-	-
EBITDA Margin (%)	6.3	6.3	6.3	6.3	-	-
PAT	213.6	243.1	213.6	243.1	-	-
EPS (Rs per share)	13.0	14.9	13.0	14.9	-	-

Source: SSL Research

Valuation – Rolling 1-Yr Forward PE



Source: SSL Research

Financial Statements

Income Statement

Figures in Rs cr

Particulars	FY23	FY24	FY25	FY26E	FY27E
Net sales	4,077.4	5,241.4	6,328.1	7,561.5	8,620.0
<i>growth (%)</i>	<i>15.4</i>	<i>28.5</i>	<i>20.7</i>	<i>19.5</i>	<i>14.0</i>
COGS (inc. Stock Adj.)	3,421.9	4,440.1	5,476.6	6,502.9	7,413.2
Gross Profit	655.5	801.4	851.5	1,058.6	1,206.8
Gross Margin (%)	16.1	15.3	13.5	14.0	14.0
Employee Expense	93.4	111.2	139.1	166.8	190.2
Other Operating expenses	3,760.8	4,865.9	5,960.4	7,085.6	8,077.4
EBIDTA	316.6	375.5	367.6	475.9	542.5
<i>growth (%)</i>	<i>14.2</i>	<i>18.6</i>	<i>-2.1</i>	<i>29.5</i>	<i>14.0</i>
EBIDTA Margin (%)	7.8	7.2	5.8	6.3	6.3
Other Income	31.1	42.2	54.6	56.2	57.9
Depreciation	45.6	60.1	68.1	81.2	92.9
EBIT	271.1	315.4	299.5	394.7	449.6
Interest Expense	86.1	108.1	136.2	158.8	175.0
Exceptional items	-	-	-	-	-
Share of net profit/(loss) from JV/Associate	-	-	-	-	-
PBT	216.2	249.5	217.9	292.0	332.4
Tax	57.7	68.5	58.6	78.5	89.3
<i>Effective tax rate (%)</i>	<i>26.7</i>	<i>27.5</i>	<i>26.9</i>	<i>26.9</i>	<i>26.9</i>
Reported Net profit	158.5	181.0	159.3	213.6	243.1
<i>growth (%)</i>	<i>22.7</i>	<i>14.2</i>	<i>-12.0</i>	<i>34.1</i>	<i>13.8</i>
PAT Margin %	3.9	3.4	2.5	2.8	2.8
Minority interest	-	-	-	-	-
Reported PAT after Minority Interest	158.5	181.0	159.3	213.6	243.1
<i>growth (%)</i>	<i>22.7</i>	<i>14.2</i>	<i>-12.0</i>	<i>34.1</i>	<i>13.8</i>
Adj. PAT after Minority Interest & Exceptional items	158.5	181.0	159.3	213.6	243.1
<i>growth (%)</i>	<i>22.7</i>	<i>14.2</i>	<i>-12.0</i>	<i>34.1</i>	<i>13.8</i>
Adj. PAT Margin (%)	3.9	3.5	2.5	2.8	2.8
EPS (Rs)	9.7	11.1	9.7	13.0	14.9
<i>growth (%)</i>	<i>22.7</i>	<i>14.2</i>	<i>-12.0</i>	<i>34.1</i>	<i>13.8</i>
Adj. EPS (Rs)	9.7	11.1	9.7	13.0	14.9
<i>growth (%)</i>	<i>22.7</i>	<i>14.2</i>	<i>-12.0</i>	<i>34.1</i>	<i>13.8</i>

Balance Sheet

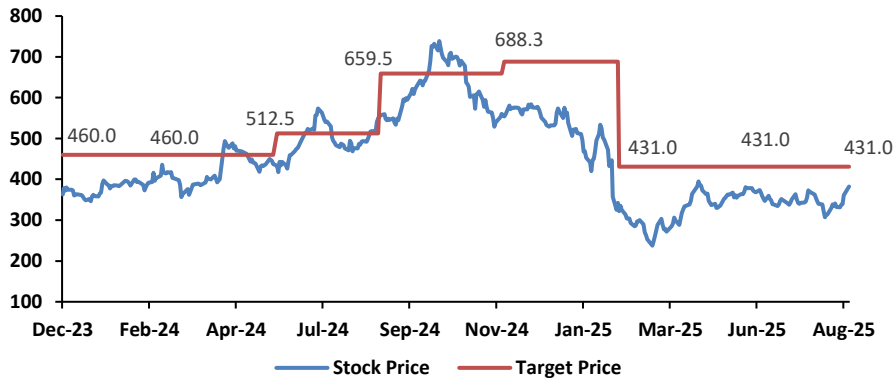
Figures in Rs cr

Particulars	FY23	FY24	FY25	FY26E	FY27E
Net Block	279.6	362.0	404.7	414.8	434.8
Capital WIP	13.1	1.5	2.0	2.1	2.4
Other Non-Current Assets	111.6	75.8	90.6	120.3	137.1
Total Non-Current Assets	404.2	439.3	497.2	537.1	574.3
Inventories	1,885.5	2,457.0	3,299.3	3,420.7	3,858.9
Receivables	45.4	52.9	81.0	80.0	91.2
Cash & Bank balances	437.6	551.4	590.9	724.8	743.1
Current Investments	-	-	-	-	-
Other Current Assets	132.6	222.1	278.0	310.2	330.0
Total Current Assets	2,501.0	3,283.4	4,249.2	4,535.7	5,023.1
Total Assets	2,905.2	3,722.7	4,746.4	5,072.8	5,597.4
Payables	144.5	206.9	151.6	212.9	242.7
Current Provisions	2.0	3.8	4.9	6.2	7.1
Current Borrowings	1,175.7	1,497.3	1,767.9	1,918.0	2,081.2
Current Lease Liabilities	21.4	27.3	35.6	35.9	39.0
Other Current Liabilities	400.6	376.3	550.9	444.6	506.8
Total Current Liabilities	1,744.2	2,111.5	2,511.0	2,617.6	2,876.6
Non-Current Borrowings	1.4	1.1	1.1	1.4	1.4
Non-Current Lease Liabilities	188.4	235.5	254.9	257.6	279.3
Non-Current Provisions	0.6	2.8	3.0	1.1	1.2
Other Non-Current Liabilities	25.1	6.2	6.2	20.7	21.4
Total Non-Current Liabilities	215.5	245.6	265.1	280.7	303.2
Share capital	55.9	77.7	81.8	81.8	81.8
Reserves & surplus	876.4	1,287.8	1,888.5	2,092.6	2,335.7
Shareholders' funds	945.5	1,365.5	1,970.3	2,174.5	2,417.6
Minority interest	-	-	-	-	-
Total equity & liabilities	2,905.2	3,722.7	4,746.4	5,072.8	5,597.4

Cash Flow				Figures in Rs cr	
Particulars	FY23	FY24	FY25	FY26E	FY27E
Pre-tax profit	216.2	249.5	217.9	292.0	332.4
Depreciation	45.6	60.1	68.1	81.2	92.9
Other operating activities	68.5	75.3	92.0	118.3	130.7
Change in Working Capital	-349.2	-608.1	-524.6	-196.5	-376.3
Taxes paid	-59.2	-70.8	-74.5	-78.5	-89.3
Operating Cash Flow	-78.2	-293.8	-221.2	216.7	90.4
Capital expenditure	-31.1	-38.2	-36.8	-34.5	-35.3
Other investing activities	-166.9	-80.2	4.6	2.6	19.1
Investing Cash Flow	-198.0	-118.5	-32.2	-31.9	-16.2
Free Cash Flow	-109.3	-332.1	-258.0	182.2	55.1
Equity raised/(Buyback)	75.0	248.2	448.3	0.0	0.0
Debt raised/(repaid)	314.2	321.2	-2.9	150.4	163.1
Payment of lease liabilities	-20.4	-59.7	-67.7	-71.2	-77.5
Dividend (incl. tax)	-11.4	-9.3	-7.0	-9.4	-10.7
Interest paid	-81.2	-79.1	-102.6	-120.6	-130.9
Other financing activities	-	-	-	-	-
Financing Cash Flow	276.2	421.3	268.2	-50.8	-55.9
Net change in Cash & Bank bal.	-0.1	9.0	14.7	133.9	18.3
Opening cash & cash equivalents	9.6	9.5	18.5	33.3	167.2
Bank balance other than cash & cash equivalents	428.1	532.8	557.6	557.6	557.6
Closing cash & cash equivalents	9.5	18.5	33.3	167.2	185.4
Closing cash & bank bal.	437.6	551.4	590.9	724.8	743.1

Key Ratios					
Particulars	FY23	FY24	FY25	FY26E	FY27E
Profitability Ratios (%)					
Gross Margin	16.1	15.3	13.5	14.0	14.0
EBIDTA Margin	7.8	7.2	5.8	6.3	6.3
EBIT Margin	6.6	6.0	4.7	5.2	5.2
PAT Margin	3.9	3.4	2.5	2.8	2.8
Return Ratios (%)					
RoE	19.0	15.7	9.6	10.3	10.6
RoCE	16.3	14.3	10.7	11.5	11.8
Per share data (Rs)					
O/s shares (Cr.)	16.4	16.4	16.4	16.4	16.4
EPS	9.7	11.1	9.7	13.0	14.9
Diluted EPS	9.7	11.1	9.7	13.0	14.9
Cash EPS	12.5	14.7	13.9	18.0	20.5
DPS	1.0	0.6	0.4	0.6	0.7
BVPS	57.8	83.4	120.4	132.8	147.7
Leverage Ratios (x)					
Gross Debt/Equity	1.2	1.1	0.9	0.9	0.9
Net Debt/Equity	0.8	0.7	0.6	0.5	0.6
Net Debt/EBITDA	2.3	2.5	3.2	2.5	2.5
Liquidity Ratios					
Current Ratio (x)	4.4	5.3	5.7	6.5	6.3
Quick Ratio (x)	1.1	1.3	1.3	1.6	1.5
Receivable Days	3.8	3.4	3.9	3.9	3.6
Inventory Days	174.8	178.5	191.8	188.6	179.2
Payable Days	12.7	13.2	11.0	9.4	10.3
Net Working Capital Days	165.8	168.7	184.7	183.1	172.5
Turnover Ratio (x)					
Fixed Asset Turnover	16.2	16.3	16.5	18.5	20.3
Valuation ratios (x)					
PE	37.3	32.6	37.1	27.7	24.3
P/CEPS	29.0	24.5	26.0	20.0	17.6
PEG	1.6	2.3	-3.1	0.8	1.8
P/BV	6.2	4.3	3.0	2.7	2.4
EV/EBIDTA	21.0	18.3	19.3	14.9	13.4
EV/ Net sales	1.6	1.3	1.1	0.9	0.8
Op. Cash Flow/EBITDA	-0.2	-0.8	-0.6	0.5	0.2
Dividend Payout (%)	7.2	5.1	4.4	4.4	4.4
Dividend Yield (%)	0.3	0.2	0.1	0.2	0.2
FCF Yield (%)	-1.9	-5.6	-4.4	3.1	0.9

Recommendation History



Our recent rising star recommendations and price performance

Sr. No.	Company Name	NSE Symbol	Initiated Date	Initiated Price (Rs)	CMP* (Rs)	Return (%) since initiated date	High Price Since Initiation (Rs)	Return (%) based on High price since initiation	Latest reco. date	Latest Target
1	APL Apollo Tubes Ltd.	APLAPOLLO	25-Apr-23	1,219.0	1,608.5	32.0	1,935.0	58.7	12-May-25	1,946.0
2	Stylam Industries Ltd.	STYLAMIND	27-Apr-23	1,150.0	1,660.9	44.4	2,735.0	137.8	11-Feb-25	2,224.0
3	Star Cement Ltd.	STARCEMENT	05-May-23	123.2	288.7	134.3	300.0	143.5	14-Aug-25	320.0
4	JK Lakshmi Cement Ltd.	JKLAKSHMI	24-May-23	705.0	896.9	27.2	1,021.2	44.9	08-Aug-25	1,040.0
5	Dhanuka Agritech Ltd.	DHANUKA	29-May-23	711.0	1,596.3	124.5	1,975.0	177.8	14-Aug-25	1,973.0
6	SJS Enterprises Ltd.	SJS	05-Oct-23	680.0	1,176.4	73.0	1,347.0	98.1	14-May-25	1,307.0
7	KPI Green Energy Ltd.	KPIGREEN	17-Nov-23	259.6	508.7	95.9	745.3	187.1	20-May-25	624.0
8	Syrma SGS Technology Ltd.	SYRMA	06-Dec-23	590.0	692.7	17.4	781.0	32.4	04-Aug-25	880.0
9	Senco Gold Ltd.	SENCO	11-Dec-23	360.8	360.9	0.0	772.0	114.0	18-Aug-25	431.0
10	Hi-Tech Pipes Ltd.	HITECH	31-Jul-24	149.0	87.3	-41.4	210.9	41.5	05-Jun-25	138.0
11	Aditya Birla Capital Ltd.	ABCAPITAL	22-Aug-24	222.2	273.0	22.9	282.7	27.2	05-Aug-25	322.0
12	Lumax Auto Technologies Ltd.	LUMAXTECH	27-Dec-24	625.8	1,004.7	60.5	1,254.0	100.4	13-Aug-25	1,220.0
13	Goodluck India Ltd.	GOODLUCK	19-Mar-25	660.0	978.6	48.3	1,189.0	80.2	23-Jul-25	1,338.0
14	Man Industries (India) Ltd.	MANINDS	05-Aug-25	448.0	396.4	-11.5	456.0	1.8	05-Aug-25	660.0

*Closing price of 14th August, 2025

Moved to Soft Coverage

Sr. No.	Company Name	NSE Symbol	Initiated Date	Initiated Price (Rs)	Close price (Rs)	Return since initiated date (%)	High Price Since Initiation (Rs)	Return based on High price since initiation (%)	Comments
1	Satin Creditcare Network Ltd.	SATIN	10-Jan-24	259.0	198.0	(23.6)	284.0	9.7	Exited on 27 th Sep'24 due to Microfinance industry under stress.
2	Zen Technologies Ltd.	ZENTEC	12-Jul-23	520.0	1,473.0	183.3	2,627.0	405.2	Booked profit on 24 th Mar, 2025. The stock has run ahead of fundamentals. We will monitor the order inflow outlook in near term to take fresh call on the stock.

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Rajesh Gupta	PGDBM (Finance), MA (Bus. Eco)	AVP - Fundamental Research
Monica Chauhan	C.A.	Research Analyst - Equity Fundamentals
Harsh Vasa	C.A.	Research Analyst - Equity Fundamentals
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For other Disclosures please visit: https://bit.ly/R_disclaimer02



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