

Estimate change	↔
TP change	↓
Rating change	↔

Motilal Oswal values your support in the
EXTEL POLL 2024 for India Research, Sales,
Corporate Access and Trading team.
We request your ballot.



Bloomberg	SENCO IN
Equity Shares (m)	78
M.Cap.(INRb)/(USDb)	83.8 / 1
52-Week Range (INR)	1544 / 668
1, 6, 12 Rel. Per (%)	-17/19/34
12M Avg Val (INR M)	498

Financials & Valuations (INR b)

Y/E March (INR b)	FY25E	FY26E	FY27E
Sales	62.0	73.0	84.4
Sales Growth (%)	18.4	17.7	15.6
EBITDA	4.9	5.7	6.5
Margins (%)	7.9	7.9	7.8
Adj. PAT	2.5	3.0	3.5
Adj. EPS (INR)	32.2	38.3	44.7
EPS Growth (%)	38.1	19.0	16.8
BV/Sh.(INR)	200.6	235.9	276.5

Ratios

Debt/Equity	0.7	0.7	0.6
RoE (%)	17.1	17.5	17.4
RoIC (%)	12.7	12.8	12.9

Valuations

P/E (x)	33.4	28.1	24.1
EV/EBITDA(x)	17.1	14.7	12.8

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	67.5	68.5	68.5
DII	9.6	10.5	20.1
FII	8.6	7.7	2.8
Others	14.4	13.4	8.6

FII Includes depository receipts

CMP: INR 1,078 TP: INR1,400 (+30%) Buy

Growth outlook stable; miss on margins

- SENCO delivered consolidated revenue growth of 31% YoY to INR15.0b (in line) in 2QFY25. SSSG was at 20% (vs. 4% in 1QFY25, 19% in 2QFY24). SSSG was driven by favorable monsoon in eastern India (strong growth in tier-3/tier-4 cities) and demand recovery after the reduction in customs duty. Strong festive demand led to 12-15% SSSG for SENCO in Oct'24.
- Retail sales grew 27% with value growth of 30% in gold and 9% in diamond. Volume growth was 7% in gold, whereas diamond saw 3% volume decline, which hurt margins. ATV increased by 12%. Old gold exchange increased to 32% – over 62% old gold is non-Senco.
- Adjusting inventory loss of INR298m, GM expanded 240bp YoY to 14.2% (17.3% in 1QFY25, est. 16%). Because of gold price volatility, SENCO saw fluctuation in gross margin on quarterly basis. Studded ratio was 11% (12% in 2QFY24, 10% in 1QFY25). EBITDA margin expanded 200bp YoY to 5.4%. Management guided for revenue growth of ~18%, GP margin of ~16%, and profitability growth of 15-18% in FY25.
- We estimate a CAGR of 17% in sales, 20% in EBITDA and 24% in APAT over FY24-27, driven by SENCO's strategic expansion across eastern and other regions. The company plans to grow its customer base by focusing on lightweight jewelry and leveraging the rising demand for studded jewelry. We reiterate our BUY rating on the stock with a TP of INR1,400 (based on 35x Sep'26 P/E).

In-line sales; underlying margin weaker than estimates

- **Robust sales growth:** Consolidated revenue grew 31% YoY to INR15.0b (est. INR14.6b). Retail growth was robust at 27% YoY. Same store sales improved substantially to 20% in 2Q vs. 4% in 1Q.
- **Margin improvement lower than expectation:** After adjusting the custom duty effect of INR298m on inventory, gross margin expanded 240bp YoY to 14.2% (17.3% in 1Q, est. 16%). As a percentage of sales, staff costs were stable YoY at 2.2% and other expenses rose 40bpYoY to 6.6%. EBITDA margin expanded 200bp YoY to 5.4% (7.7% in 1Q, est. 6.7%).
- **Healthy double-digit growth:** Adjusting the inventory loss, EBITDA/PBT/adj. PAT grew 107%/232%/189% YoY to INR818m/INR462m/INR3465m (est. INR917m/INR586m/ INR439m).
- In 1HFY25, net sales, EBITDA and APAT grew by 18%, 79% and 116% YoY, respectively. In 2HFY25, we expect that net sales, EBITDA and APAT will grow by 18%, 12% and 16%.

Key takeaways from the management commentary

- Good monsoon in Eastern India acted as a tailwind for robust growth in tier 3 and tier 4 cities. Customs duty reduction in Jul'24 by 9% (15% to 6%) also bolstered pent-up demand of 1Q.

- Smaller towns see high demand for mid-ticket items (INR70,000–100,000), while urban areas showed higher demand for daily and high-end wear.
- In 1HFY25, gold saw volume growth of 1% and value growth of 22%, while diamonds clocked volume degrowth of 8% but value growth of 3%.
- The company incurred a customs duty impact of INR550-600m on inventory, with INR298m realized in 2Q and the remainder expected in 2H.
- SENCO plans to raise INR5b through a qualified institutional placement (QIP) to fund expansion. With increased gold demand, the company aims to overcome capex constraints through these additional funds.

Valuation and view

- We maintain our FY25 and FY26 EPS estimates.
- The company is further expanding its footprint in eastern markets and scaling up its network in other regions. SENCO aims to expand its consumer base (presence in 16 states and 109 towns & cities) by focusing on lightweight jewelry and capturing the consumer trend of studded (250bp gain in studded ratio in the last three years to 11.4%). In line with the formalization in the jewelry market, we continue to see store expansion-led growth for SENCO (estimate addition of 34 stores during FY24-26E, taking the total to 193 stores).
- We estimate a CAGR of 17%/20%/24% in revenue/EBITDA/adj. PAT over FY24-27E. The stock is currently trading at 28x FY26E EPS, with RoE/RoIC of 17%/13% in FY26E. **We reiterate our BUY rating with a TP of INR1,400 (based on 35x Sep'26 P/E).**

Consolidated quarterly performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	13,054	11,466	16,522	11,373	14,039	15,005	20,157	12,832	52,414	62,033	14,561	3.0
Change (%)	29.6	25.8	23.3	39.7	7.5	30.9	22.0	12.8	28.5	18.4	27.0	
Gross Profit	1,632	1,354	3,083	1,944	2,428	2,137	3,568	2,126	8,014	10,259	2,330	(8.3)
Gross Margin (%)	12.5	11.8	18.7	17.1	17.3	14.2	17.7	16.6	15.3	16.5	16.0	
Operating Expenses	960	960	1,272	1,067	1,341	1,319	1,498	1,177	4,259	5,335	1,359	
% of Sales	7.4	8.4	7.7	9.4	9.5	8.8	7.4	9.2	8.1	8.6	9.3	
EBITDA	672	395	1,811	877	1,087	818	2,069	950	3,755	4,924	971	(15.8)
Margin (%)	5.1	3.4	11.0	7.7	7.7	5.4	10.3	7.4	7.2	7.9	6.7	
Change (%)	22.1	21.2	11.3	31.5	61.8	107.1	14.3	8.2	18.6	31.1	145.9	
Interest	266	234	283	298	322	326	325	327	1,081	1,300	325	
Depreciation	126	133	158	184	181	178	185	189	601	733	185	
Other Income	94	110	89	128	123	149	122	92	422	486	125	
PBT	375	139	1,459	524	708	462	1,681	525	2,495	3,377	586	(21.1)
Tax	98	20	366	202	195	117	422	144	685	878	147	
Effective Tax Rate (%)	26.1	14.1	25.1	38.6	27.6	25.3	25.1	27.3	27.5	26.0	25.1	
Adjusted PAT	277	119	1,093	322	513	345	1,259	382	1,810	2,499	439	(21.4)
Change (%)	24.2	37.3	6.0	24.7	85.3	188.7	15.2	18.7	14.2	38.1	310.3	
PAT	277	119	1,093	322	513	121	1,072	382	1,810	2,088		

E: MOFSL Estimates



Key takeaways from the management commentary

Demand environment and outlook

- Good monsoon in Eastern India acted as a tailwind for robust growth in tier 3 and tier 4 cities. Customs duty reduction in Jul'24 by 9% (15% to 6%) also bolstered pent-up demand of 1Q.
- The eastern region accounts for 80% of total sales, with North contributing 12-13%, followed by the South and West.
- Franchisees, predominantly based in the East, play a significant role in driving sales, especially in Tier-2 and Tier-3 cities. Franchise sales in these regions helped boost 2Q performance.
- Smaller towns see good demand for mid-ticket items (INR 70,000–100,000), while urban areas showed higher demand for daily and high-end wear.
- Old gold exchange continues to reinforce non-organized to organized transition, with 32% contribution from old gold and over 62% from non-Senco.
- Average transaction value (ATV) increased by 12%, primarily due to rising gold prices. Invoices also grew by 12%, indicating higher transaction volume.
- SENCO has achieved YTD sales growth of 15% YoY. In 1H FY25, it delivered ~18% sales growth.
- Gold prices rose by 5% QoQ and 31% YoY. Silver prices increased by 3% QoQ and 30% YoY.
- SSSG substantially improved to 20% in 2Q from 4% in 1Q (12% in 1H).
- Studded ratio substantially improved to 11.1% in 2Q from 9.9% in 1Q (10.5% in 1H).
- The company plans to raise INR5b through a QIP to fund expansion. With increased gold demand, the company aims to overcome capex constraints through these additional funds.

Segmental growth and new product launches

- SENCO launched fresh 15,700 gold jewelry designs and 7,400 diamond jewelry designs in 1H.
- Retail growth was robust YoY at 27% in 2Q and 19% in 1H.
- Diamond segment growth was weak in 2Q FY25. Diamond value growth was 9%, while volumes contracted by 3% in 2Q.
- Gold sales saw value growth of 30% and volume growth of 7% in 2Q.
- In 1H FY25, gold saw volume growth of 1% and value growth of 22%, while diamonds clocked volume degrowth of 8% but value growth of 3%.

Store expansion and new brand initiatives

- The company aims to open 18-20 new stores in FY25 – 65-70% in eastern region, 15-20% in northern region, and the rest in other regions.
- Currently, Sennes has 6 stores and the company plans to expand 2-3 more in 2H, taking the total count to 8-10 stores. Sennes will also release a perfume line this quarter.

Hedging strategies

- The company incurred a customs duty impact of INR550-600m on inventory, with INR298.3m realized in 2Q and the remainder expected in 2H.
- With a conservative approach, the company hedges at least 85% of inventory, excluding diamonds. In 1Q FY25, hedging covered 95% of inventory, while 2Q FY25 maintained 85% hedge.

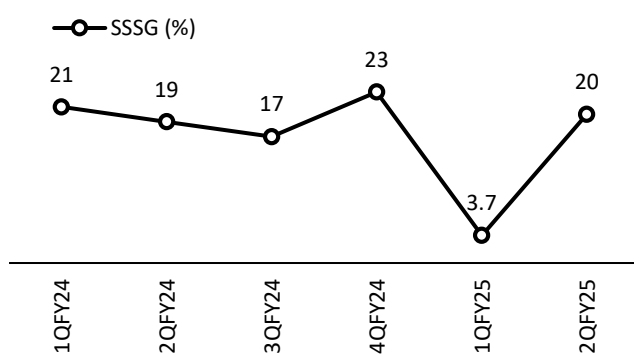
- Inventory held by franchisees is recorded on their books and is not included in the company's hedging, which applies only to inventory held in company-owned stores and warehouses.

Guidance

- The company maintains its FY25 guidance, projecting 18% YoY revenue growth and 15-18% profit growth.
- The company expects SSSG of 10-12%, and 6-7% contribution from new stores.
- Gross margins in 1HFY25 were 15.7% net of customs duty impacts.
- Seasonal demand during the festive and wedding season in 2HFY25 is expected to further boost margins.
- The company maintains GP margin guidance of 15-16% for FY25.

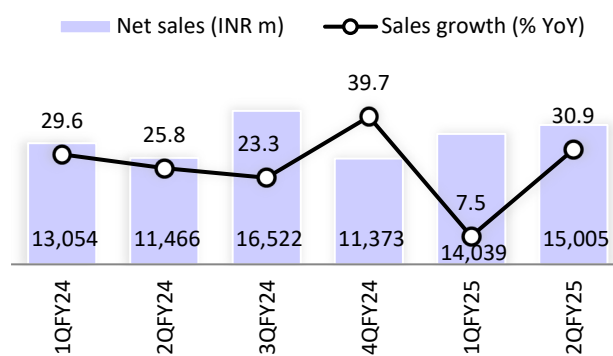
Key exhibits

Exhibit 1: SSSG was at 20% in 2QFY25



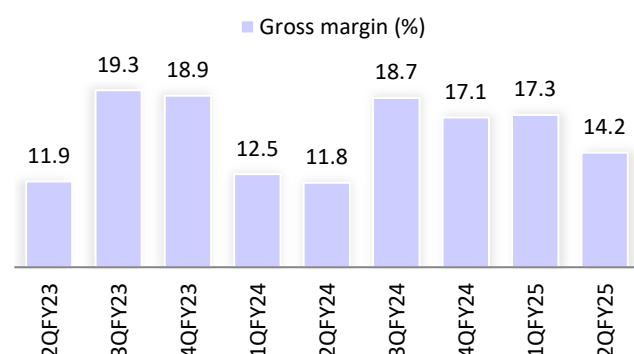
Source: Company, MOFSL

Exhibit 2: Consol. sales grew 31% YoY in 2QFY25



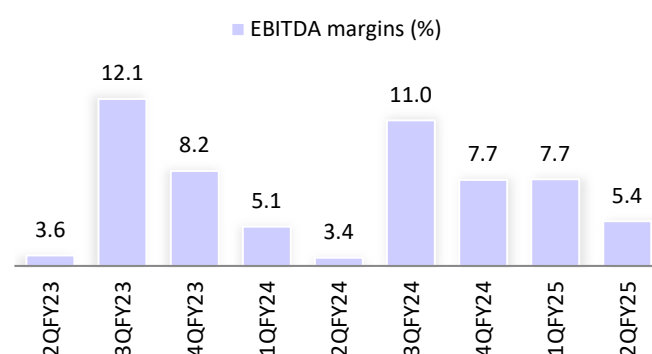
Source: Company, MOFSL

Exhibit 3: Adjusted GP margin expanded 240bp YoY to 14.2%

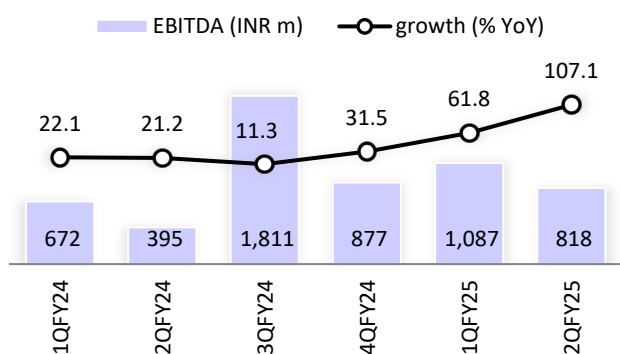


Source: Company, MOFSL

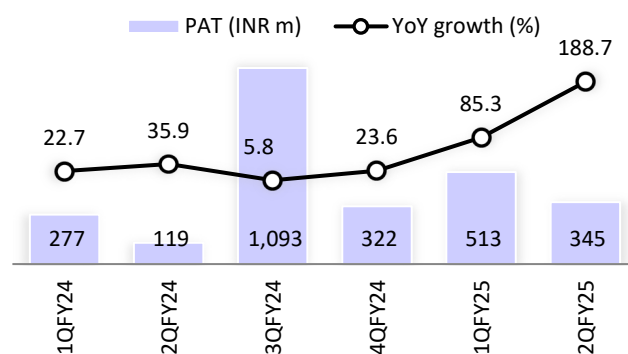
Exhibit 4: EBITDA margin expanded 200bp YoY to 5.4% in 2QFY25



Source: Company, MOFSL

Exhibit 5: Adjusted inventory impact, EBITDA up 107% YoY

Source: Company, MOFSL

Exhibit 6: Adj. PAT grew 189% YoY in 2QFY25

Source: Company, MOFSL

Valuation and view

- We maintain our FY25 and FY26 EPS estimates.
- The company is further expanding its footprint in eastern markets and scaling up its network in other regions. SENCO aims to expand its consumer base (presence in 16 states and 109 towns & cities) by focusing on light-weight jewelry and capturing the consumer trend of studded (250bp gain in studded ratio in the last three years to 11.4%). In line with the formalization in the jewelry market, we continue to see store expansion-led growth for SENCO (estimate addition of 34 stores during FY24-26E, taking the total to 193 stores).
- We estimate a CAGR of 17%/20%/24% in revenue/EBITDA/adj. PAT over FY24-27E. The stock is currently trading at 28x FY26E EPS, with RoE/RoIC of 17%/13% in FY26E. **We reiterate our BUY rating with a TP of INR1,400 (based on 35x Sep'26 P/E).**

Exhibit 7: No material change in our EPS estimates for FY25/FY26

(INR b)	New		Old		Change (%)	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Net Sales	62,033	73,030	62,992	73,436	-2%	-1%
EBITDA	4,924	5,744	4,862	5,620	1%	2%
Adjusted PAT	2,499	2,973	2,433	2,909	3%	2%

Financials and valuations

Income Statement

(INR m)

Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Sales	24,843	24,203	26,604	35,346	40,774	52,414	62,033	73,030	84,399
Change (%)	12.5	-2.6	9.9	32.9	15.4	28.5	18.4	17.7	15.6
Gross Profit	3,732	4,242	3,750	5,541	6,555	8,014	10,259	12,025	13,802
Margin (%)	15.0	17.5	14.1	15.7	16.1	15.3	16.5	16.5	16.4
Other expenditure	1,977	2,081	1,997	2,769	3,388	4,259	5,335	6,281	7,258
EBITDA	1,755	2,162	1,753	2,772	3,166	3,755	4,924	5,744	6,543
Change (%)	24.9	23.2	-18.9	58.1	14.2	18.6	31.1	16.7	13.9
Margin (%)	7.1	8.9	6.6	7.8	7.8	7.2	7.9	7.9	7.8
Depreciation	278	372	396	421	456	601	733	843	951
Int. and Fin. Charges	448	557	666	709	861	1,081	1,300	1,428	1,510
Other Income - Recurring	94	87	145	128	311	422	486	544	609
Profit before Taxes	1,123	1,320	837	1,770	2,162	2,495	3,377	4,018	4,692
Change (%)	17.8	17.5	-36.6	111.5	22.1	15.4	35.3	19.0	16.8
Margin (%)	4.5	5.5	3.1	5.0	5.3	4.8	5.4	5.5	5.6
Tax	471	371	288	496	613	728	878	1,045	1,220
Deferred Tax	-68	40	-66	-17	-37	-43	0	0	0
Tax Rate (%)	35.9	31.1	26.5	27.0	26.7	27.5	26.0	26.0	26.0
Profit after Taxes	721	909	615	1,291	1,585	1,810	2,499	2,973	3,472
Change (%)		26.2	-32.4	110.0	22.8	14.2	38.1	19.0	16.8
Margin (%)	2.9	3.8	2.3	3.7	3.9	3.5	4.0	4.1	4.1
Extraordinary income	0	0	0	0	0	0	411	0	0
Reported PAT	721	909	615	1,291	1,585	1,810	2,088	2,973	3,472

15%

Balance Sheet

Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Share Capital	665	665	665	665	691	777	777	777	777
Reserves	4,002	4,853	5,361	6,595	8,764	12,878	14,811	17,550	20,711
Net Worth	4,667	5,518	6,026	7,260	9,455	13,655	15,588	18,328	21,489
GML	3,054	2,003	2,504	4,314	6,376	9,070	10,121	11,393	12,291
Loans	2,626	3,750	2,820	4,316	5,396	5,913	6,479	6,990	7,539
Lease liabilities	1,029	1,351	1,474	1,630	2,098	2,628	2,958	3,326	3,653
Deferred Tax	-114	-59	-127	-141	-179	-228	-228	-228	-228
Capital Employed	11,262	12,564	12,697	17,378	23,145	31,038	34,918	39,809	44,743
Gross Block	1,272	1,428	1,537	1,726	2,035	2,563	2,876	3,181	3,493
Less: Accum. Depn.	507	679	864	1,035	1,188	1,405	1,678	1,981	2,312
Net Fixed Assets	765	749	674	691	847	1,158	1,198	1,200	1,181
Intangibles	47	27	27	25	23	28	18	16	13
Capital WIP	47	44	24	65	131	15	15	15	15
Right of use asset	961	1,246	1,417	1,516	1,927	2,434	2,680	2,906	3,040
Investments	0	0	0	0	1	1	1	1	1
Curr. Assets, L&A	10,744	13,098	13,323	18,563	25,945	33,362	37,957	43,789	49,878
Inventory	8,684	10,871	10,395	13,912	18,855	24,570	28,115	33,510	37,246
Account Receivables	184	277	276	394	454	529	629	740	856
Cash and Bank Balance	1,150	920	1,281	2,788	4,376	5,514	6,010	5,821	7,524
Others	725	1,030	1,371	1,469	2,261	2,749	3,204	3,718	4,253
Curr. Liab. and Prov.	1,301	2,601	2,769	3,483	5,729	5,960	6,951	8,119	9,385
Trade Payables	591	1,251	609	1,174	1,445	2,069	2,411	2,841	3,288
Provisions	68	25	31	14	27	66	77	90	105
Other current liabilities	642	1,325	2,128	2,295	4,258	3,825	4,463	5,187	5,993
Net Current Assets	9,442	10,497	10,554	15,081	20,216	27,402	31,006	35,670	40,492
Application of Funds	11,262	12,564	12,697	17,378	23,145	31,038	34,918	39,809	44,743

E: MOSL Estimates

Financials and valuations

Ratios	(INR m)								
Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Basic (INR)									
EPS	10.8	13.7	9.2	19.4	22.9	23.3	32.2	38.3	44.7
Cash EPS	15.0	19.3	15.2	25.8	29.5	31.0	41.6	49.1	56.9
BV/Share	70.2	83.0	90.6	109.2	136.7	175.7	200.6	235.9	276.5
DPS	0.0	0.0	0.0	0.0	0.0	1.0	2.0	3.0	4.0
Payout %	0.0	0.0	0.0	0.0	0.0	4.3	6.2	7.8	9.0
Valuation (x)									
P/E	99.2	78.6	116.3	55.4	46.9	46.1	33.4	28.1	24.1
Cash P/E	71.6	55.8	70.7	41.7	36.4	34.6	25.8	21.9	18.9
EV/Sales	2.9	3.1	2.7	2.1	1.8	1.6	1.4	1.2	1.0
EV/EBITDA	41.6	34.4	41.6	26.3	23.8	22.4	17.1	14.7	12.8
P/BV	15.3	13.0	11.9	9.8	7.9	6.1	5.4	4.6	3.9
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.3	0.4
Return Ratios (%)									
RoE	16.7	17.9	10.7	19.4	19.0	15.7	17.1	17.5	17.4
RoCE	9.6	10.9	8.7	12.0	10.9	9.6	10.5	10.8	10.9
RoIC	11.0	11.9	9.6	14.0	13.4	11.8	12.7	12.8	12.9
Working Capital Ratios									
Inventory days	125	147	146	126	147	151	155	154	153
Debtor (Days)	4	3	4	3	4	3	3	3	3
Payables days	9	14	13	9	12	12	13	13	13
Cash conversion days	121	137	137	120	139	142	145	144	143
Inventory turnover (x)	2.9	2.5	2.5	2.9	2.5	2.4	2.4	2.4	2.4
Asset Turnover (x)	2.2	1.9	2.1	2.0	1.8	1.7	1.8	1.8	1.9
Leverage Ratio									
Net Debt/Equity (x)	1.0	0.9	0.7	0.8	0.8	0.7	0.7	0.7	0.6

Cash Flow Statement

Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
OP/(loss) before Tax	1,123	1,320	837	1,770	2,162	2,495	3,377	4,018	4,692
Int./Div. Received	-47	-47	-50	-72	-164	-249	-486	-544	-609
Depreciation & Amort.	278	372	396	421	456	601	733	843	951
Interest Paid	448	557	666	709	861	1,081	1,300	1,428	1,510
Direct Taxes Paid	-546	-404	-421	-388	-592	-708	-878	-1,045	-1,220
Incr in WC	-1,024	-2,241	934	-1,313	-1,408	-3,386	-2,415	-3,523	-2,158
CF from Operations	276	-462	2,310	1,111	1,306	-244	1,631	1,177	3,166
Incr in FA	-193	-211	-140	-247	-311	-382	-314	-313	-322
Free Cash Flow	83	-673	2,170	864	995	-626	1,318	863	2,843
Investments	1	2	-136	113	-212	44	-748	-814	-805
Others	58	43	53	60	127	201	486	544	609
CF from Invest.	-134	-166	-224	-74	-396	-138	-576	-583	-518
Issue of Shares	-	-	-0	0	750	2,482	-0	-	-0
Incr in Debt	213	1,137	-923	1,499	1,086	521	566	510	549
Dividend Paid	-33	-83	-	-148	-114	-93	-155	-233	-311
Interest paid	-343	-545	-682	-705	-833	-791	-1,300	-1,428	-1,510
Others	-220	-111	-120	-176	-211	-600	330	368	327
CF from Fin. Activity	-383	398	-1,725	471	678	1,519	-559	-782	-945
Incr/Decr of Cash	-241	-231	361	1,507	1,588	1,138	496	-189	1,703
Add: Opening Balance	1,391	1,150	920	1,281	2,788	4,376	5,514	6,010	5,821
Closing Balance	1,150	920	1,281	2,788	4,376	5,514	6,010	5,821	7,524

E: MOSL Estimates

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, its associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

- a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement	Senco Gold
Analyst ownership of the stock	No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and

interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act of Singapore. Accordingly, if a Singapore person is not, or ceases to be, such an investor, they must immediately discontinue any use of this Report and inform MOCMSPL.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp@grievances@motilaloswal.com.