

Cycles And Accessories

Tube Investments: Curr P/E:54.15; PE multiplier:53.11

D/PBDIT sc

0.37 Z score

#N/A

Research Report MMM — YYYY

Invest

STOPLOSS PRICE
1,750
4,000
1,000
2,000
140

Invest

* Please consider selling if the stock price falls below the stop loss

Data as on 29-Jul-22

CMP = 2,082.

TIIL operates through 3 segments - engineering, bicycles, and metal formed products. Engineering segment is engaged in manufac-

Stk Perf Stk v Ind scr Wrt Ind M P Cons Prc

0.82

Tube Investments of India Ltd (TIIL)

turing of cold drawn welded and electric resistance welded tubes. The metal formed products segment is engaged in manufacturing and supplying auto and industrial chains, blanking components, motor cassis and metal formed products for automotive, industrial and rail segments. 3A-10A PvM: 0.5-1 Miscellaneous

46.5

NW/Mcap P/B Co|Ind CshAdj P/E Pmtr Hldg Pldg Shrs

14.98 | 13.99

Cash + Inv D/EBDITA

4.1%

0.1



Decent RoCE of 14.12 and RoNW of 15.5. Revenues have been growing at a good clip.

- **Negatives:**
- D/E has gone up to 0.59 which is a bit high.

- Business need regular infusion of cash which is a drag on the cash flows.
- 500.0 30,000 30,000 400.0 20,000

Tube Investments



40.000

less sensors to provide machine health assessment, engineering and manufacturing services.

#N/A

#N/A

G score

SKF India Ltd (SKF)

Bearings PvM: 2-3 A-3A Data as on 29-Jul-22 Stk Perf Stk v Ind scr Wrt Ind M | P Cons Prc NW/Mcap P/B Co|Ind CshAdj P/E Pmtr Hldg Pldg Shrs Cash + Inv D/EBDITA Bearings - Large CMP = 4,238.9510.71 | 10.91 2.0% 3 yr mtly Beta = 0.75 P/E D/E **PBIDTM** RONW Curr Company 20,207 51.16 11.15 24.64 0.93 0.20 60,690 0.02 11.11 26.26 **EV/EBIDTA**

EVA Scr

0.27

QoQ scr

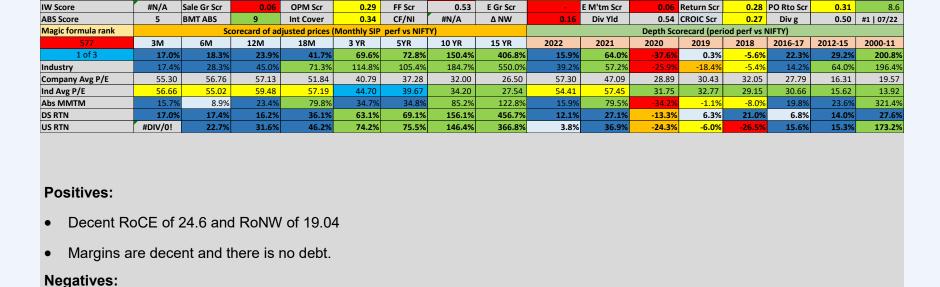
M'tm Scr

D/E scr

SKF India: Curr P/E:51.16; PE multiplier:40.79

Return Scr

SKF offers bearings and its components servicing automotive and Industrial sectors. It is a supplier of products solutions and services within rolling bearings, seals, mechatronics and lubrication systems. It has developed integrated digital technology and wire-



25,000

20,000

15.000

10,000

20,000

10,000

Business needs regular infusion of cash this could be a drag on the cash flows.

500.0

400.0

Piotroski F score

PAT 200.0

Sales growth is not as high as we would like it to be.

SKF India

Stk v Ind scr Wrt Ind M P Cons Prc

51.9% | 52.8%

17,913

28,929

0.81

0.78

Div Yld %

G score

A BSD Scr

#N/A

Moat Scr

FF Scr

100.0 2021 Curr 2012 2010 2011 (5.000)PAT * P/E MCAP Linear (PAT * P/E) ····· Linear (MCAP) Linear (PAT) MCAP ····· Linear (MCAP) **Discussion** SKF operates in an interesting niche and has an opportunity to grow. Demand for their products could be impacted by the economic cycle. This investment is a bet on the overall industry recovery and SKF continuing to grow in a profitable manner.

Kajaria Ceramics Ltd (KCL)

Data as on 29-Jul-22

CMP = 1,176.05

3 yr mtly Beta = 1.07

Piotroski F score

Company

ndustry

Stk Perf

Sales/WC

0.79

3.31

5.02

KCL is engaged in manufacturing and trading of ceramics, polished and glazed vitrified tiles, sanitary ware, faucets. These are marketed through own stores and multi-brand dealers.

PBIDTM

16.81

Pldg Shrs

ROCE

19.72

0.81

47.5

11.11

APATM

EVA Scr

Cash + Inv D/EBDITA

0.24

1 yr

Kajaria Ceramics: Curr P/E:47.52; PE multiplier:33.34

..... Linear (PAT * P/E)

0.87

0.55

107.7%

19.94

90.5%

62.3%

2012-15 2000-11

173.1%

14.70

62.1%

PO Rto Sci

Div g

2016-17

8.0%

2011

MCAP

D/E scr

MSD 04/2

P/E

EV/EBIDTA

Upside

5 yr

D/PBDIT so

Ind

Curr

Z score

3.1%

RONW

QoQ scr

NW/Mcap P/B Co|Ind CshAdj P/E Pmtr Hldg

8.49 | 6.97

Moat Scr

0.08

0.12

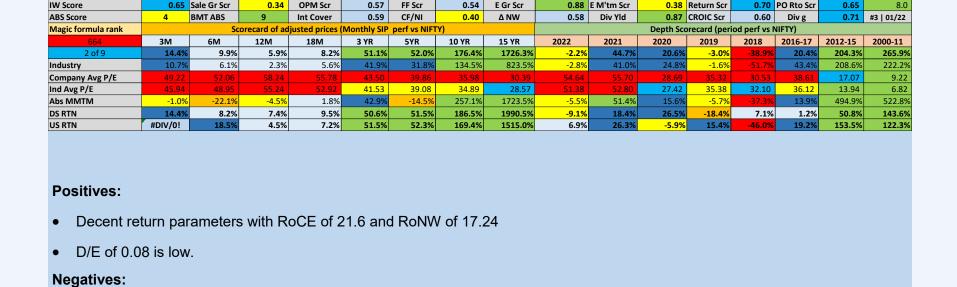
EV/EBIDT

P/E

A BSD Scr

39.36

Sales and profit growth has been a bit sluggish over the last 18 to 24 months.



20,000

20,000

15,000

10,000

5.000

350.0 300.0 200.0

150.0

100.0

Discussion

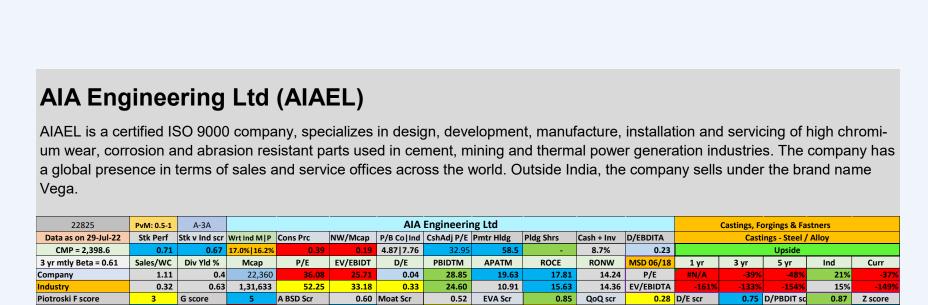
400.0

(50.0)(5,000)(100.0)(5,000)PAT MCAP Linear (PAT) ······ Linear (MCAP)

Working capital has grown faster than sales this is a concern.

Kajaria Ceramics

of demand. KCL market leadership and low debt give it an opportunity to come out of the down turn with a better health than the competition and thus giving it a chance to do well once the market revives.



0.52

65.8%

47.12

109.8%

76.5%

10 YR

E Gr Scr

ΔNW

15 YR

217.29

167.8%

112.0%

249.6%

5,000

(5,000)

5.000

(5,000)

AIAEL is in an interesting space and has a potential to grow as Indian industry continues to make investments are made in India.

0.85

3.9%

2022

E M'tm Scr

Div Yld

2021

0.51 Return Sci

0.39 CROIC Scr

2020

3.0%

29.02

0.2%

Depth Scorecard (period perf vs NIFTY)

2018

2.7%

49.26

1.4%

9.7%

2019

30.23

..... Linear (PAT * P/E)

City Union Bank: Curr P/E:15.68; PE multiplier:18.99

...... Linear (PAT * P/F)

MCAP

KCL is the market leader with about 60% market share. KCL's business is linked to the real-estate business as that is a key source

500.0 PAI

300.0

200.0 100.0

Discussion

IW Score

ABS Score

Industry

Ind Avg P/E

Abs MMTM

DS RTN

US RTN

Magic formula rank

Company Avg P/E

Positives:

Negatives:

This investment is a bet on the overall Indian economy, industry and AIAEL being a well run company.

Risks would be cyclicality of demand and risk of inflation and recession.

City Union Bank Ltd (CUB)

Industry is bit cyclical and this is also reflected in the stock price movement. Sales growth has been below par and working capital has grown faster than sales. 700.0 25,000 25,000 AIA Engineering: Curr P/E:36.08; PE multiplier:26.26 **AIA Engineering** 600.0 20,000 15,000 15.000 10,000 10,000

0.60

0.93

5.5%

3.1%

3 YR

OPM Scr

Int Cover

18M

5.7%

Sale Gr Scr

6M

3.8%

12M

3.2%

8.0%

Decent return parameters with RoCE of 19.6 and RoNW of 17.8.

D/E of 0.04 is low and profit margins are in the early twenties.

3M

#DIV/0!

2.7%

Moat Scr

FF Scr

CF/NI

5YR

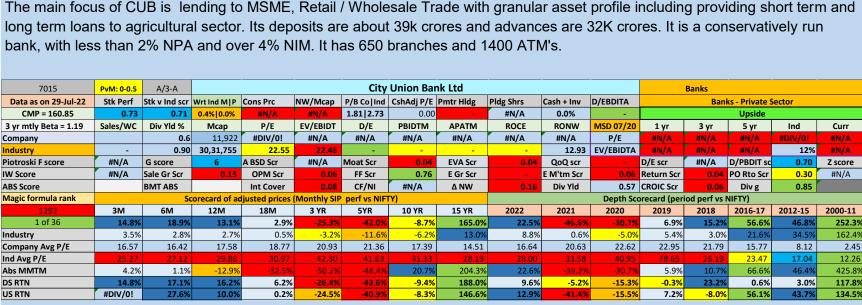
perf vs NIFT

0.1%

1.5%

55.69

-2.0%



16,000

14,000

12,000

3,c 8,000 9,000 10,000

4,000

2,000

(2,000)

(4.000)

2019

This investment is a bet on banking sector as well as CUB continuing to be a well run franchise.

16,000

14,000

12,000

10,000

8,000 6,000

4,000

2,000

(2,000)

(4,000)

PAT * P/E

MCAP

800.0 700.0 600.0 **5**00.0

400.0

300.0

200.0

out notice.

Positives:

Negatives:

Has been a well run franchise.

Relatively small size.

Focus on SME & MSME business can improve the overall returns.

Last couple of years has been a challenge for CUB

City Union Bank

- 2012 2012 2018 2018 2018 M20M 2012 133 M213 2014 **Purchase / Performance History** CUB's business model is targeted towards SME's and MSME's and is predominantly a retail franchise. They are a conservatively

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run bank, It has been consistency delivering decent growth for a long time.

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