

An Investment Idea

About Us

RC Capital Management is an Investment Advisory Firm specializing in identifying and Investing in high quality companies that trade at a substantial discount to our conservative estimates of Intrinsic Value

RC Capital Management is a SEBI registered Investment Advisor

Investment Philosophy

Evaluation Criteria

✓ High Quality of business

- Ability to earn a high return on invested capital for a considerable period of time
- Consistent and predictable performance in the future

✓ Competent and Ethical Management

- Ethical in conduct with all the stakeholders
- High level of competence in allocating capital into the business to generate value creating growth

✓ Above average Growth

- Capability to deliver an above average growth for a long period of time by operating in structurally attractive industries

✓ Attractive Valuation



- Opportunity to earn above market rates of return at lower than market risk


CERA Sanitaryware Limited

The position was initiated in Feb, 2012 as it met most of the points in our investment philosophy

6
Feb

Portfolio update: 05.02.12

 [Comments Off on Portfolio update: 05.02.12](#)  [admin](#)

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Following transaction is to be executed for the model portfolio

Buy CERA sanitaryware ltd , 1/2 position (2.5% of portfolio=250,00), Qty 128 @195/ share.
As it is not possible to get an exact price in a real trade, the buy price can be considered in the range of 193-197 / share

CERA - Evaluation

Evaluation Criteria

✓ High Quality of business

- Company had been earning an average return on capital of 20%+ for the last 6 years at the time of purchase
- The company was likely to be the beneficiary of demand for better quality sanitation

✓ Competent and Ethical Management

- Management had run the business for 20 years with modest levels of debt
- Return on capital and growth improved from 2006, after the MD's son joined the company

✓ Above average Growth

- The company was expected to grow at 20%+ level driven by long term demand for better sanitation

✓ Attractive Valuation

- ❖ The company was available at a valuation of 8 times 2012 (e) earnings

CERA : Then & Now

Result - CERA has appreciated “**10 times**” in last 4 years

Cera Sanitaryware Ltd. (NSE:CERA)

Add to portfolio

2,047.00 -23.50 (-1.13%)

Jun 14 - Close

NSE real-time data - Disclaimer

Currency in INR

Range 2,013.65 - 2,099.00

52 week 1,509.95 - 2,300.00

Open 2,099.00

Vol. 7,606.00

Mkt cap 26.81B

P/E 38.38

Div/yield 9.00/0.44

EPS 53.33

Shares 13.01M

Beta -

Inst. own -

G+1 3

Compare:

Add

KAJARIACER

EUROCERA

SOMANYCERA

GRINDWELL

524091

530145

HSIL

more »

Zoom: [1d](#) [5d](#) [1m](#) [3m](#) [6m](#) [YTD](#) [1y](#) [5y](#) [10y](#) [All](#)

Feb 10, 2012 - Jun 14, 2016 +1853 (955.15%)

