

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED**

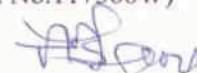
We have reviewed the accompanying Statement of Unaudited Financial Results of Commercial Engineers & Body Builders Co Limited ("the Company") for the quarter and nine months year ended December 31, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review, read with the notes to the Statement nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No.117366W)



A.B. Jani
Partner

(Membership No. 46488)

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2012

Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year ended March 31, 2012 (Audited)
		December 31, 2012 (Unaudited)	September 30, 2012 (Unaudited)	December 31, 2011 (Unaudited)	December 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	December 31, 2011 (Unaudited)	
1	Income from operations							
	(a) Net sales (Net of excise duty)	13,670.08	15,308.52	13,112.62	45,788.39	32,838.12	46,306.18	
	(b) Other operating income	73.65	69.12	165.61	233.56	385.14	557.40	
	Total income from operations (net)	13,743.73	15,377.64	13,278.23	46,021.95	33,223.26	46,863.58	
2	Expenditure :							
	(a) Cost of materials consumed	8,895.90	10,028.36	10,870.49	33,154.03	25,425.42	32,435.47	
	(b) Changes in inventories of finished goods, work-in-progress and Scrap	1,243.71	1,047.94	(691.99)	506.25	(437.43)	2,469.91	
	(c) Manufacturing expenses	452.74	578.39	481.65	1,650.27	1,383.06	1,895.78	
	(d) Employee benefits expenses	304.29	299.26	365.16	948.68	1,038.86	1,495.72	
	(e) Depreciation and amortisation expenses	421.62	418.53	166.21	1,246.98	437.99	637.23	
	(f) Other expenses	265.15	306.58	373.43	818.78	1,086.01	1,546.79	
	Total expenses	11,583.41	12,679.06	11,564.95	38,324.99	28,933.91	40,480.90	
3	Profit from operations before other income, finance cost and exceptional items (1-2)	2,160.32	2,698.58	1,713.28	7,696.96	4,289.35	6,382.68	
4	Other income	67.14	75.44	49.32	260.27	227.89	227.12	
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,227.46	2,774.02	1,762.60	7,957.23	4,517.24	6,609.80	
6	Finance costs (Net) (Refer Note 4 below)	207.40	375.99	197.38	887.59	553.13	931.64	
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	2,020.06	2,398.03	1,565.22	7,069.64	3,959.11	5,678.16	
8	Exceptional items	-	-	-	-	-	-	
9	Profit from ordinary activities before tax (7-8)	2,020.06	2,398.03	1,565.22	7,069.64	3,959.11	5,678.16	
10	Tax expense	651.71	769.38	440.75	2,247.86	1,192.67	1,597.97	
11	Net profit from ordinary activities after tax (9-10)	1,368.35	1,628.65	1,124.47	4,821.78	2,766.44	4,080.19	
12	Extraordinary item	-	-	-	-	-	-	
13	Net Profit for the period/year (11-12)	1,368.35	1,628.65	1,124.47	4,821.78	2,766.44	4,080.19	
14	Paid-up Equity Share Capital (Face Value ` 10/- each)	5,494.30	5,494.30	5,494.30	5,494.30	5,494.30	5,494.30	
15	Reserves excluding Revaluation Reserves	2.49	2.96	2.05	8.77	5.04	7.43	
16	Basic and Diluted Earnings per share before and after Extraordinary items							

PART II : SELECTED INFORMATION FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2012

Sr. No.	Particulars	Quarter ended			Nine Months Ended			Year ended March 31, 2012
		December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	December 31, 2011	
1	Public Shareholding							
	- Number of Shares	2,42,77,797	2,42,77,797	2,42,77,797	2,42,77,797	2,42,77,797	2,42,77,797	
	- Percentage of Shareholding	44.19%	44.19%	44.19%	44.19%	44.19%	44.19%	
2	Promoters and Promoter Group Shareholding							
	a) Pledged/Encumbered							
	- Number of Shares	24,15,000	25,77,000	-	24,15,000	-	-	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.88%	8.40%	-	7.88%	-	-	
	b) Non-encumbered	4.40%	4.69%	-	4.40%	-	-	
	- Number of Shares	2,82,50,167	2,80,88,167	3,06,65,167	2,82,50,167	3,06,65,167	3,06,65,167	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	92.12%	91.60%	100.00%	92.12%	100.00%	100.00%	
	- Percentage of shares (as a % of the total share capital of the Company)	51.42%	51.42%	55.81%	51.42%	55.81%	55.81%	

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(B) Information on Investors' complaints for the Quarter ended December 31, 2012

Particulars	Quarter ended December 31, 2012
Pending at the beginning of the quarter	-
Received during the quarter	-
Disposed of during the quarter	-
Remaining unresolved at the end of the quarter	-

Notes :

- The details of utilisation of net proceeds of Initial Public Offer (IPO) as required under Clause 43 of the Listing Agreement is as under:

Particulars	Amount to be utilised as per Prospectus	Actual Utilisation till December 31, 2012	(` In lacs)	
			Balance to be utilised/(Excess)	utilised *
Capital expenditure for Railway project	8,030.06	11,798.31	(3,768.25)	
Prepayment of identified loan facilities	5,905.10	2,385.19	3,519.91	
General Corporate Purpose	248.34	-	248.34	
Total	14,183.50	14,183.50		

* As stated in the prospectus, the Management, in response to the competitive and dynamic nature of the industry, has the discretion to revise its business plan from time to time and consequently funding requirements and deployment of funds may also change which may include rescheduling the proposed utilisation of net proceeds of the IPO. Accordingly, the Company has fully utilised the net proceeds of the IPO

- The principal business of the Company is sheet metal fabrication and bodybuilding. All other activities of the Company revolve around its main business. Hence, there is only one reportable business segment as defined by Accounting Standard (AS) 17 on 'Segment Reporting'.

- The Company had challenged the constitutional validity of entry tax collected by the State of Madhya Pradesh on goods purchased from other states by filing a writ petition in Hon'ble High Court of Madhya Pradesh on August 30, 2007. The petition was decided against the Company. The Company had filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court, again challenging the constitutional validity of Entry Tax. As per the Interim order passed by Supreme Court, the Company was directed to deposit the unpaid Entry tax before the petition is decided.

The Company has, accordingly, already deposited with the authorities Entry tax aggregating to ` 1015.30 lacs (including interest aggregating to ` 1.47 lacs) for the period from April 1, 2007 to December 31, 2012 to the authorities, under protest.

The Hon'ble Supreme Court has transferred the SLP to a Higher Bench before the Chief Justice of the Supreme Court of India for decision, which is pending as at the period-end. The Company is hopeful that the matter will be decided in its favour and hence no provision for the above is required in the accounts, at this stage.

- The Company during the previous year has availed External Commercial Borrowing (ECB) of USD 6mn (` 2957 lacs) for construction of new facility, for the purpose of manufacture of vehicle bodies in Jabalpur. Total capital expenditure (including Capital advances) incurred on the project till December 31, 2012 aggregates to ` 8162.75 lacs.

The borrowing costs attributable to the aforesaid project aggregating ` 636.14 lacs incurred till December 31, 2012 (including ` 224.49 lacs for the period April, 2012 to December, 2012; ` 76.00 lacs for the period October, 2012 to December, 2012) have been carried forward as part of project in accordance with Accounting Standard 16 on 'Borrowing Costs'.

- Corresponding figures of previous period/ year have been regrouped/rearranged wherever necessary.

- The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at the Meeting held on January 31, 2013.

Mumbai
January 31, 2013

For and on behalf of the Board of Directors


Kailash Gupta
Managing Director