

Deloitte Haskins & Sells LLP

Chartered Accountants
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Maharashtra, India

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

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1. We have reviewed the accompanying Statement of Unaudited Results for the Quarter and nine months ended December 31, 2014 (the Statement) of Commercial Engineers & Body Builders Co Limited (the Company), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. 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.
2. 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 misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, 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.
4. 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 investor complaints disclosed in Part II - Select Information for the Quarter and nine months ended December 31, 2014 of the Statement, from the details furnished by the Registrars.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No: 117366W/W-100018



Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai.
Dated: February 13, 2015.

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year Ended
		December 31, 2014 (Unaudited)	September 30, 2014 (Unaudited)	December 31, 2013 (Unaudited)	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)	March 31, 2014 (Audited)	
1	Income from operations	2,041.43	1,965.43	3,149.55	7,460.17	9,606.07	13,156.50	
	(a) Net sales (Net of excise duty)	123.47	30.48	34.47	228.15	99.79	779.49	
	(b) Other operating income	2,164.90	1,995.91	3,184.02	7,688.32	9,705.86	13,885.99	
	Total income from operations (net)							
2	(a) Cost of materials consumed	1,450.84	1,376.23	2,212.81	5,562.31	8,469.63	10,733.42	
	(b) Changes in inventories of finished goods, work-in-progress and scrap	415.27	335.52	674.58	942.04	205.19	2,392.91	
	(c) Manufacturing expenses	155.01	179.00	228.49	579.06	691.12	935.71	
	(d) Employee benefits expenses	210.31	203.29	244.77	621.68	797.78	1,051.69	
	(e) Depreciation and amortisation expenses (see note 4)	510.10	516.70	756.14	1,530.61	2,259.82	3,006.43	
	(f) Entry tax (see note 2)	45.12	-	-	635.62	517.30	912.33	
	(g) Other expenses	368.08	234.38	192.99	923.48	12,940.84	19,082.49	
	Total expenses	3,154.73	2,845.12	4,309.78	10,814.80	12,940.84	19,082.49	
3	(Loss) from operations before other income, finance cost and exceptional items (1-2)	(989.83)	(849.21)	(1,125.76)	(3,126.48)	(3,234.98)	(5,146.50)	
4	Other income	55.84	28.31	25.47	122.05	239.32	268.71	
5	(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(933.99)	(820.90)	(1,100.29)	(3,004.43)	(2,995.66)	(4,877.79)	
6	Finance costs (Net)	467.17	485.31	542.87	1,393.74	1,477.11	1,895.32	
7	(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,401.16)	(1,306.21)	(1,643.16)	(4,398.17)	(4,472.77)	(6,773.11)	
8	Exceptional items	-	-	-	-	-	-	
9	(Loss) from ordinary activities before tax (7-8)	(1,401.16)	(1,306.21)	(1,643.16)	(4,398.17)	(4,472.77)	(6,773.11)	
10	Tax expense	(709.43)	(506.49)	26.68	(1,215.92)	252.95	269.97	
11	(Loss) from ordinary activities after tax (9-10)	(691.73)	(799.72)	(1,669.84)	(3,182.25)	(4,725.72)	(7,043.08)	
12	Extraordinary item	-	-	-	-	-	-	
13	(Loss) for the period/year (11-12)	(691.73)	(799.72)	(1,669.84)	(3,182.25)	(4,725.72)	(7,043.08)	
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	-	-	-	-	-	-	
16	Basic and Diluted Earnings per share before and after Extraordinary items	(1.26)	(1.46)	(3.04)	(5.79)	(8.60)	(12.82)	

PART II : SELECTED INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

(A) Particulars of Shareholding	Particulars	Quarter Ended			Nine Months Ended			Year Ended
		December 31, 2014 (Unaudited)	September 30, 2014 (Unaudited)	December 31, 2013 (Unaudited)	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)	March 31, 2014 (Audited)	
1	Public Shareholding	24,277.797	24,277.797	24,277.797	24,277.797	24,277.797	24,277.797	
	- Number of Shares	44.19%	44.19%	44.19%	44.19%	44.19%	44.19%	
	- Percentage of Shareholding							
2	Promoters and Promoter Group Shareholding							
	a) Pledged/Encumbered							
	- Number of Shares	30,580,083	22,366,640	12,676,471	30,580,083	12,676,471	27,366,640	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.72%	72.94%	41.34%	99.72%	41.34%	89.24%	
	- Percentage of shares (as a % of the total share capital of the Company)	55.66%	40.71%	23.07%	55.66%	23.07%	49.81%	
	b) Non-encumbered	85,084	8,298,527	17,988,696	85,084	17,988,696	3,298,527	
	- Number of Shares	0.28%	27.06%	58.66%	0.28%	58.66%	10.76%	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.15%	15.10%	32.74%	0.15%	32.74%	6.00%	
	- Percentage of shares (as a % of the total share capital of the Company)							

(B) Information on investors' complaints for the Quarter ended December 31, 2014

Particulars	Quarter ended December 31, 2014
Pending at the beginning of the quarter	-
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	-

Notes :

- 1 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'.
- 2 During the nine months ended December 31, 2014, pursuant to the assessment by the commercial tax department, an amount of ₹ 1,29.72 lacs has been determined as payable towards entry tax on certain sales made by the company within the state of Madhya Pradesh for the year ended March 31, 2012. Following the rationale of this assessment, there is a likelihood of an additional liability of ₹ 505.90 lacs for the year ended March 31, 2013 on similar grounds. The liability in respect of subsequent years is not expected to be material. The Company intends to appeal against the order. However out of abundant caution, an amount of ₹ 635.62 lacs has been charged to the statement of profit and loss.
- 3 Consequent to continuing delays in payment of dues to a bank since the previous year, the Company is in the process of negotiating fresh credit lines with certain financial institutions and expects to repay this amount once the new credit lines are in place.
- 4 The company's depreciation policy in respect of fixed assets until March 31, 2014 was as under:
 - a. Assets acquired prior to January 1, 2011 on WDV basis; and
 - b. Assets acquired after January 1, 2011 on straight line methodWith effect from April 1, 2014, the Company has adopted the useful life as prescribed by Schedule II to the Companies Act, 2013 to depreciate its assets. Consequently, the depreciation charge for the nine months ended December 31, 2014 being lower by ₹ 729.63 lacs (for the quarter ended December 31, 2014 ₹ 245.28 Lacs) and net loss from ordinary activities being lower by the like amount.
- 5 As approved by the Shareholders in the Annual General Meeting held on September 29, 2014, the promoters have been allotted 20 lacs 0.00001% Non Convertible Redeemable Cumulative Preference Shares of ₹ 100/- each, after receipt of application money of ₹ 5 per share aggregating to ₹ 100 Lacs on November 25, 2014.
- 6 Corresponding figures of previous period/ year have been regrouped/rearranged wherever necessary.
- 7 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the Meeting held on February 13, 2015.

Mumbai
February 13, 2015

For and on behalf of the Board of Directors



Deputy Treasury
Chief Executive Officer

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