CEBBCO

Buy

CMP: Rs 47

Target Price: Rs 70

Potential Upside: 48%

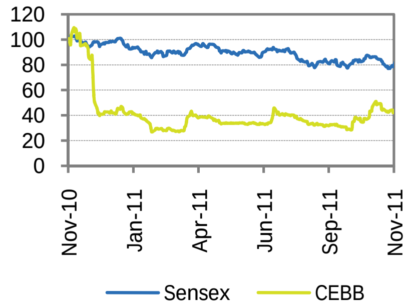
Key Statistics

M cap (INR bn/USD mn)	: 2.6/49
Avg 3m daily volume	: 72,958
Avg 3m daily value	: US$0.1mn
Shares O/S (mn)	: 55
Reuters	: CEBB.BO
Bloomberg	: CEBB IN
Sensex	: 15,491
Nifty	: 4,652
52-Wk High/Low	: 57/27

Shareholding Pattern (Sept11) (%)

Promoter	*55.0*
FII's	*7.3*
MFs, FIs & Banks	*22.9*
Others	*14.8*

Relative Performance



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Initiating Coverage

Organised body-building to spur growth

Beneficiary of increasing demand for FBVs: Commercial Engineers & Body Builders Company (CEBBCO) is the largest player in outsourced body building fabrication of commercial vehicles (CVs) in India. The company stands to gain as fleet operators are increasingly in favour buying fully-built vehicles (FBVs), as against the earlier practice of buying a chassis and getting the body built by vendors in the unorganised market. The share of FBVs in total CVs has risen from 12% in FY10 to ~25% in the current fiscal. Our interaction with players in the industry leads us to believe that this would rise further, as in addition to better product quality, fleet operators can obtain complete financing for vehicles through the FBV route.

Railway segment to drive incremental growth: CEBBCO recently forayed into wagon manufacturing after a successful entry into the wagon refurbishing market, where it has garnered a market share of 20% over a two-year period. We expect the railways segment to contribute 20% of total revenues by FY14, up from 11% in FY12, post commencement of wagon production at its new plant in Deori, Jabalpur in Mar12. Moreover, given the higher margins in the segment, we expect blended EBITDA margins to improve by 40bps in FY13 and 30bps in FY14 to 13.7% and 14% respectively.

Outlook and valuation: CEBBCO's operating performance post its IPO in late 2010 was adversely impacted as its largest client, Tata Motors' (TTMT) realigned production to meet new, changed emission norms. However, we consider this an aberration; its fundamentals remain strong, as seen by its 1HFY12 results, wherein it posted a PAT of Rs164mn, against a PAT of Rs57mn for FY11.

Going forward, we expect CEBBCO to grow revenues at CAGR of 32.2% over FY12-14, backed by the increased demand for FBVs (spurred by strong demand in the tipper segment) and higher revenues from railways segment. This robust growth in revenues, combined with better EBITDA margins should result in earnings CAGR of 31% over FY12-14. We value the company at a P/E of 10x FY13 EPS of Rs7, given the cyclical nature of the industry and lower entry barriers in the body fabrication business. We initiate coverage on CEBBCO with a **Buy** rating and a target price of Rs70.

Financial summary

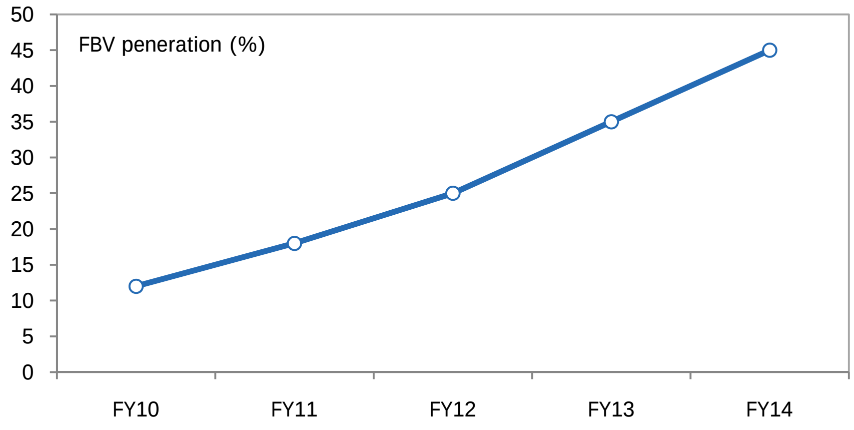
Year-end March	Sales (Rs mn)	YoY (%)	EBITDA (Rs mn)	YoY (%)	NP (Rs mn)	YoY (%)	EPS (Rs)	YoY (%)	PE (x)	EV/EBITDA (x)	PSR (x)	PBR (x)	RoE (%)	RoCE (%)	DPS (Rs)	Div Yield (%)
FY2011	2,122	16.0	130	(64.5)	57	(71.9)	1.0	(71.9)	45.4	23.5	1.2	1.2	2.6	3.5	0.0	0.0
FY2012E	3,581	68.8	476	267.5	285	399.9	5.2	399.9	9.1	6.8	0.7	1.1	12.0	13.7	1.3	2.8
FY2013E	4,919	37.4	674	41.5	384	34.7	7.0	34.7	6.7	5.3	0.5	1.0	14.6	15.9	2.0	4.2
FY2014E	6,262	27.3	877	30.1	489	27.3	8.9	27.3	5.3	4.1	0.4	0.9	16.5	18.5	2.5	5.3

Investment rationale

Default beneficiary of increased FBV adoption

CEBBCO is the largest player in the outsourced body fabrication business of commercial vehicles (CVs) in India. Company stands to gain from consistent growth in fleet operators' adoption of fully built vehicles (FBVs), compared to buying chassis and getting the body built in an unorganised market. Presently, fleet operators prefer to buy FBVs as they can avail financing on the entire vehicle, including the body; FBVs ensure better quality and standardisation and reduces the lead time between an order and final delivery. The change in trend saw the contribution of FBVs to the total vehicles increase from 12% in FY10 to 25% in FY12 YTD. CEBBCO, due to its leadership position in the CV space and long-standing relationship with industry leader in CVs, Tata Motors (TTMT), would be the default beneficiary of a huge growth potential in the body fabrication business.

Consistent growth in FBV penetration



Source: Tata Securities Research

Industry interactions suggest substantial growth in FBV penetration

Our interactions with original equipment manufacturers (OEMs) in the CV industry indicate that there has been a significant growth in FBV penetration in the past few years; industry expects the momentum to continue across all segments of M&HCV. TTMT was the first company to introduce the FBV concept and after its initial success, others such as Ashok Leyland (AL), Eicher Motors (EML) etc followed suit. OEMs usually outsource body-building fabrications on CVs due to its low value-add, and as typically outsourcing helps in reducing costs as vendors have a lower cost structure.

OEMs expect FBV adoption rate to increase substantially

Segment	Rough contribution to total M&HCV sales (%)	Current FBV adoption rate (%)	FBV adoption rate by FY14 (%)	Key players in outsourcing
Tipper – 2 axle	15-18%	20%	40-45%	CEBBCO, Hyva, Utkal
Tipper – 3 axle	10-12%	60%	80-85%	CEBBCO, Hyva, Utkal
Trailers	10-15%	16%	30-35%	Dutch Lanka
Trucks / Load Bodies	60%	2-3%	14-16%	CEBBCO

Source: Tata Securities Research

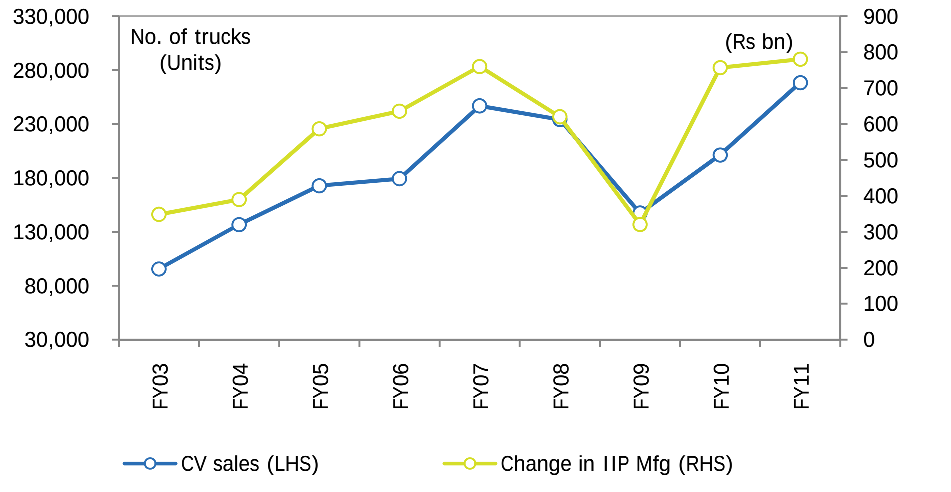
Based on our interactions with various channel partners, we learn that currently 45-50% of the tippers are sold in FBV form and we expect this to increase to 75% by end-FY14.

CVs growth to be moderate in FY13, rebound expected in FY14

Commercial vehicles (CVs) growth in the current financial year has been a surprise package. Medium and heavy commercial vehicles (M&HCV) segment, though up 13% YTD fell marginally short of the year-beginning target of 15%, has performed much better in the context of dwindling IIP growth. And based on our interactions with various CV channel partners, we expect the current momentum to continue for rest of the year. We estimate a modest growth in FY13 CV sales based on our house view of a moderate GDP growth of 7%. However, we expect growth to be robust in FY14 on the back of better macro indicators.

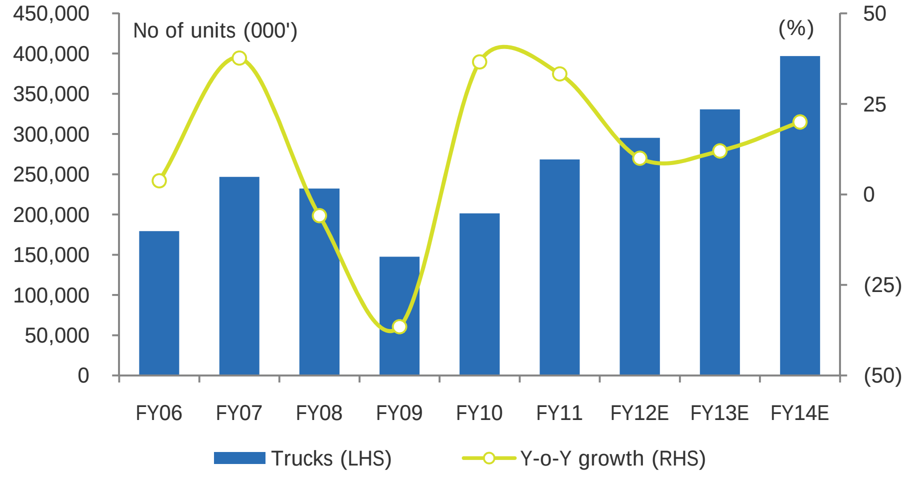
Our demand forecasting model for trucks suggests a strong linkage between the industrial output and truck sales. The correlation between the industrial output growth and the growth in truck sales (r-square of 0.92) has been very strong for over a substantially long period now, as the outlook on the former acts as a perfect pedestal to forecast the latter. Truck sales in FY12 YTD have grown at 13% over the same period last year despite the negative headwinds in industrial activities. Going forward, we expect truck sales to show a moderate growth of 10% in FY13 as industrial activities are expected to remain more or less flat in FY13 over FY12. We assume a strong bounce back in industrial output in FY14, hence, truck sales should post a 20% plus growth.

Strong linkage between truck sales and change in industrial GDP



Source: SIAM, Tata Securities Research

M&HCV sales to post healthy growth in FY14

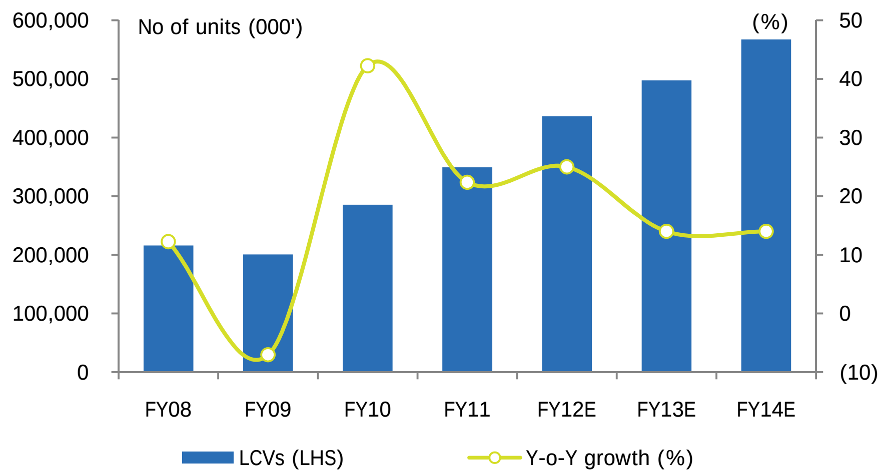


Source: SIAM, Tata Securities Research

Light commercial vehicles (LCVs) sales have been very strong in the past few years on the back of successful implementation of 'hub and spoke' model. LCV sales are up 32% in FY12 YTD and we expect the momentum to continue for rest of the year. The growth rate, however, is expected to moderate to 14% each in FY13 and FY14 on a high base of FY12.

- **Tipper segment has outperformed in recent times:** Tippers, which constitute roughly 25% of truck industry, grew at ~40-45% in FY12 YTD; against this, the truck industry's growth has only been 13%. This bodes well for fabricators such as CEBBCO as FBV penetration is much higher in tippers. CEBBCO's OEM order book has been very robust so far in the current financial year.

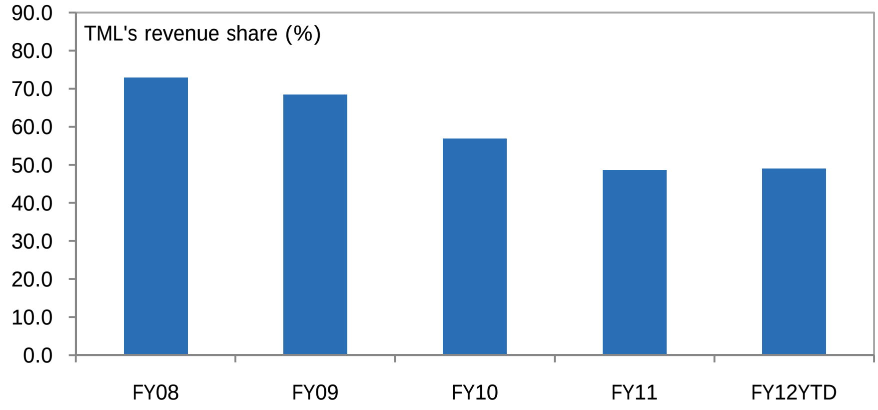
LCVs growth momentum to continue



Source: SIAM, Tata Securities Research

CEBBCO has managed to reduce its exposure to its single largest customer, TTMT through its efforts in revenue diversification. TTMT's share of revenues has dropped from 73% in FY08 to 49% in FY12YTD.

Tata Motors' share of revenues has declined substantially



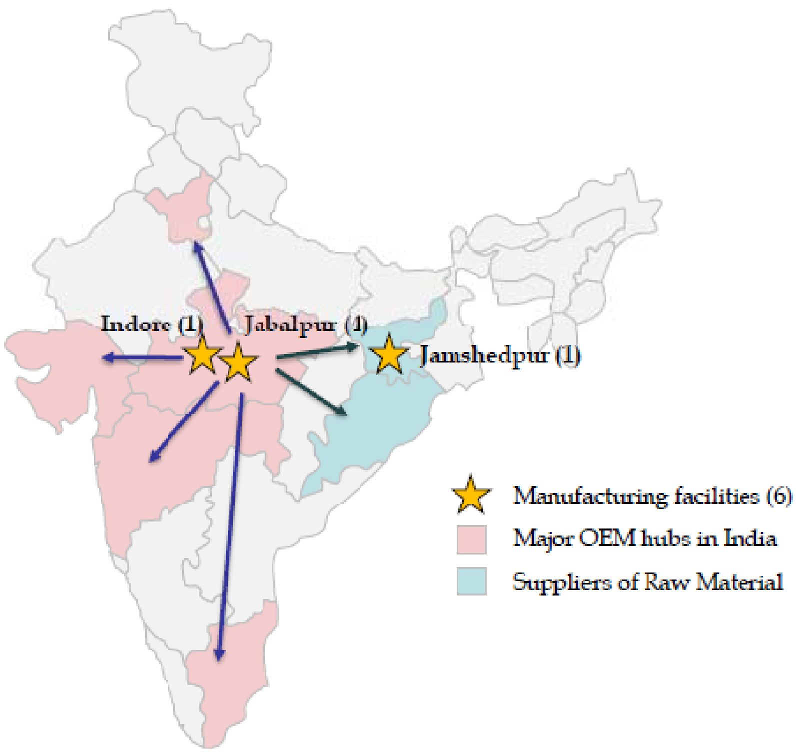
Source: Company data, Tata Securities Research

Natural advantages to offset low entry barrier

Fabrication is a low technology business and from that point of view, the entry barrier in this business may not be significant. However, there are few natural advantages which give CEBBCO an edge over competition.

- **CEBBCO's plants are centrally located:** In the fabrication business, it always helps to be closer to clients' locations to cut down transportation and lead time costs. All of CEBBCO's plants, three in Jabalpur and one each in Indore and Jamshedpur are centrally located and closer to clients' plants locations such as the Vehicle Factory in Jabalpur, Jamshedpur and Lucknow plants of Tata Motors, Indore plant of Eicher Motors etc.

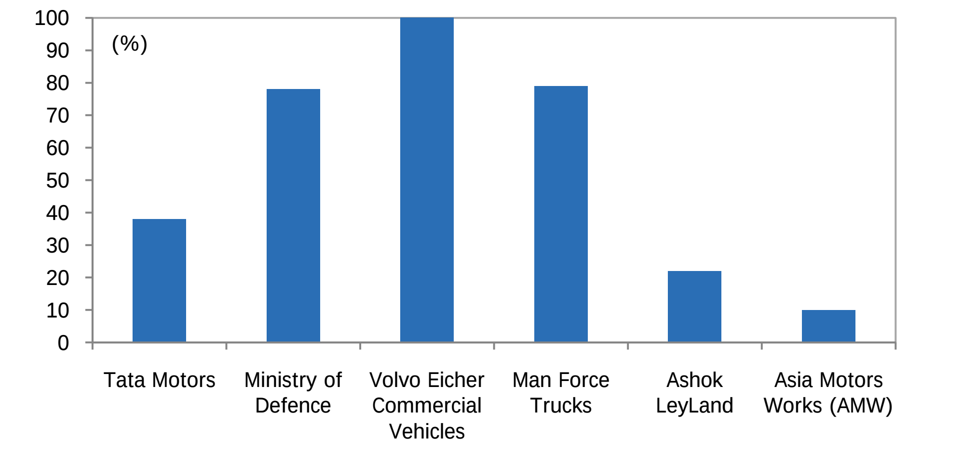
All plants are centrally located



Source: Company data

❑ **Scale due to long standing presence:** Company has been one of the first movers in the outsourced body fabrication business and all these years, it achieved good scale of operations and thus enjoys economies of scale in all operations.

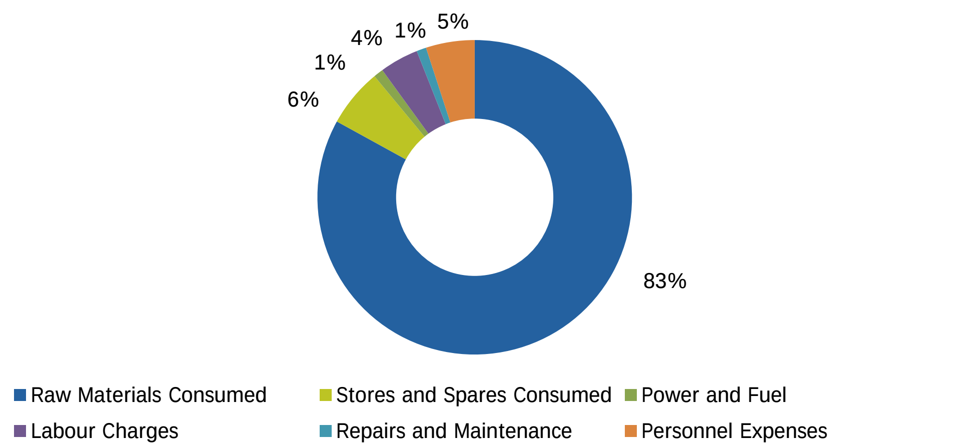
CEBBCO's share of key clients' FBV business (FY11)



Source: Company data, Tata Securities Research

❑ **Lower labour and overhead costs:** Businesses which are low on technology such as fabrication, labour and other overhead costs could be a decisive differentiator. All of CEBBCO plants are located in Tier I and Tier II cities in India and labour is cheaply available at these locations. The company shares cordial relations with its employees; there are no labour unions and substantial part of the labour pool is on contact basis, giving the company flexibility in bad times. Apart from this, other overheads such as administrative costs, local transport costs are also lower in these locations.

Majority of the cost is variable in nature



Source: Company data, Tata Securities Research

❑ **Longer lead times:** A Tier I supplier in auto ancillary business has to go through a trial period of 18 months to prove its quality with the leading OEMs. And despite the efforts, it would still take a sizeable time for a new entrant to scale up the operations and forge a long term relationship with OEMs.

- **Fewer players in organised space:** The majority of body fabrication business is done by smaller unorganised players scattered all across the country and who get business from cost conscious fleet operators. There are very few organised players such as Hyva, Dutch Lanka, Utkal, PL Haulwel etc.

Extensive product portfolio to lead to revenue diversification

CEBBCO covers the entire range of products in body fabrication business, from tippers used in mining and road construction industries to troop carrier vehicles used in defence segment. It is the first Indian company to manufacture a complete stainless steel tipper and also has a reefer plant to manufacture refrigerated vans according to European ATP standards. The wide product portfolio gives the company a diversified revenue stream and reduces risk associated with the cyclicality of the CV sector.

- **Technological tie-ups in place:** CEBBCO has technology tie-ups with LeCapitaine of France for reefers, CTV Doll of Thailand for trailers and Disaster Response Solution (DRS) of Ohio for exclusive rights of all the supplies of vehicles to be made by DRS in India. As for royalty, CEBBCO has made a one-time payment to CTV Doll, while LeCapitaine.

Well diversified product portfolio

Commercial vehicles

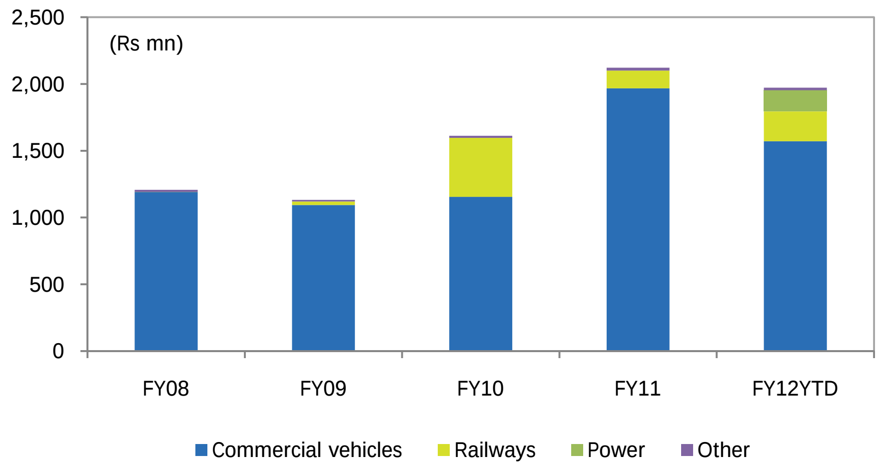
Application	Products	
Mining & road construction		❑ Tipper bodies ❑ Tanker bodies
Goods transportation		❑ Refrigerator-fitted vehicle bodies /containers ❑ Load cargo bodies ❑ Trailer bodies
Solid waste management		❑ Skip loaders ❑ Garbage bin collectors
Municipal applications		❑ Water tanker bodies ❑ Light recovery vehicle bodies ❑ Garbage tippers
Defense		❑ Troop carrier vehicle bodies ❑ Prison van bodies ❑ Water bowser bodies
Miscellaneous applications		❑ Vehicle bodies for transportation of animals ❑ Fire engine bodies ❑ Ambulance bodies

Source: Company data

Railway segment to provide next growth delta

CEBBCO has made significant investments in its new railway wagon manufacturing plant at Deori, Jabalpur and has already started production of the above facility in Sept11 (currently used to meet the robust demand for tippers). CEBBCO entered wagon refurbishment business couple of years back and given its success in that business, the company has entered into manufacturing of wagons, EMU coaches and locomotives for Indian Railways. Management expects to get a RDSO (Railway Design and Standards Organisation) approval to start wagon manufacturing by end-FY12 or early FY13. The railways segment is expected to generate revenues of Rs874mn and Rs1.2bn in FY13 and FY14 respectively; given that the segment is a relatively higher margin business, we expect blended EBITDA margins to improve.

Railways' share of revenues has increased in past few years

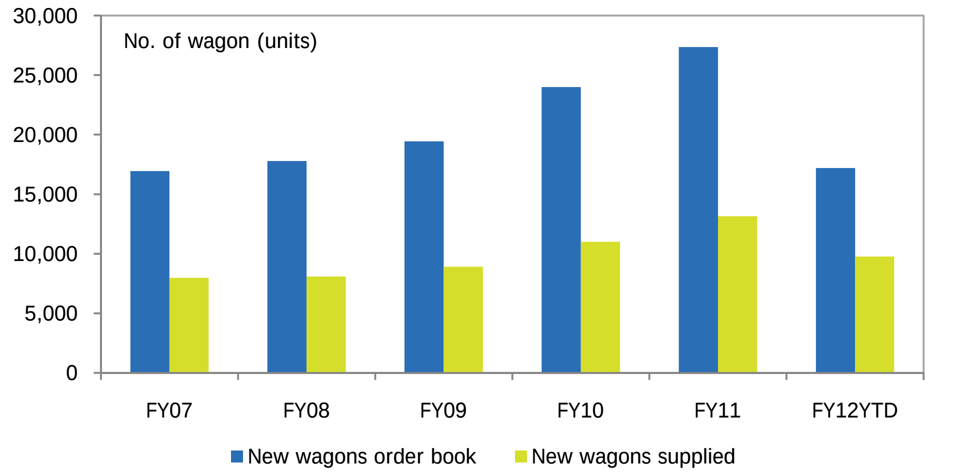


Source: Company data, Tata Securities Research

Wagon manufacturing to provide major earnings growth

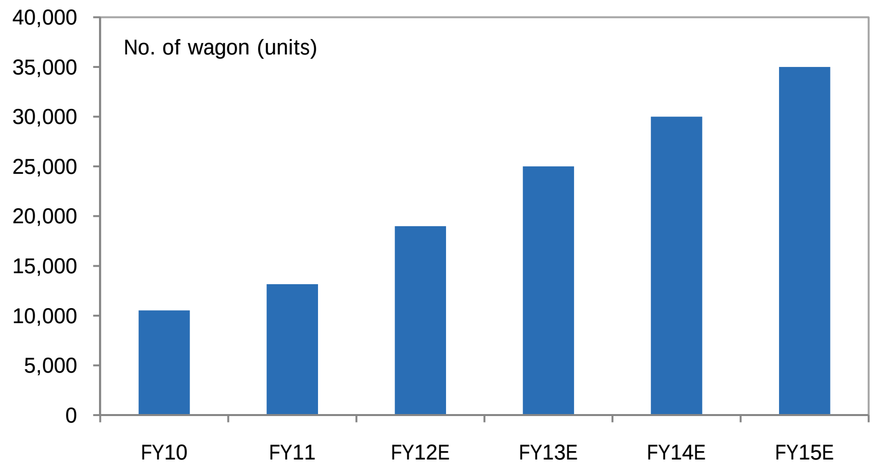
CEBBCO's new foray into wagon manufacturing would be the key contributor to its revenues as well to PAT in FY13-14. The railway wagon market is expected to grow rapidly driven by the substantial growth in railway freight over next decade. The Government's plan of dedicated freight corridor between Delhi-Mumbai and Delhi-Kolkata would be executed over the next 10 years and is expected to generate demand for 50,000 new wagons. While the current budgeted demand for new wagons is 18,000 units p.a., we expect the demand to inch up to 28,000-30,000 wagons p.a. in the next few years. Company recently bagged an order of Rs385mn from Braithwaite & Co, Ministry of Railways for fabrication and assembly of wagons. Most part of the order would be executed in the current financial year and the balance would be done in FY13.

Consistent growth in wagons manufactured



Source: Indian Railways Vision 2020 (Dec 2009), Tata Securities Research

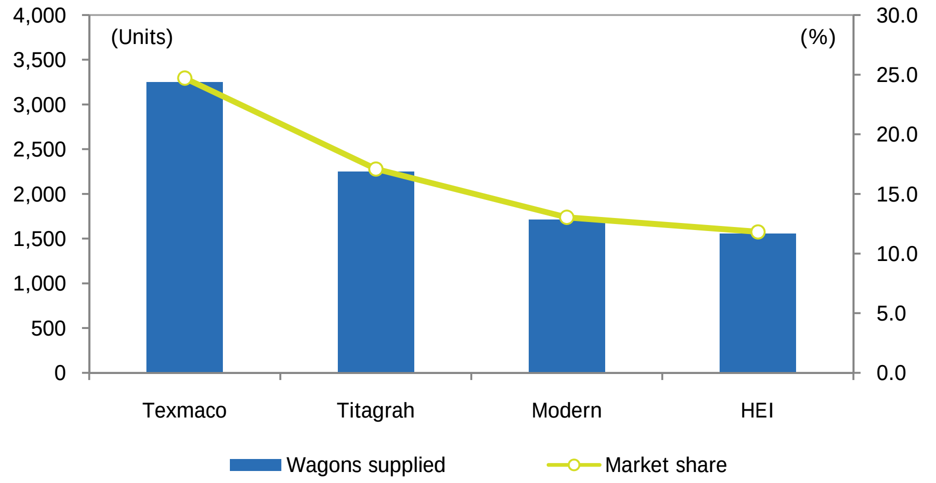
Huge growth potential in wagon manufacturing



Source: Indian Railways Vision 2020 (Dec 2009), Tata Securities Research

CEBBCO's major competitors in the wagon manufacturing space are Texmaco and Titagarh Wagons. Texmaco and Titagarh have market share of 24.7% and 17.1%, respectively. Given the aggressive targets budgeted by the Government, from 18,000 p.a. wagons in FY11 to 28,000 p.a. wagons in FY14, we expect the demand to be robust in this segment. At 500 units in FY13 and 1,200 units in FY14, the company is only targeting 2-4% and of the potential size of the market.

Present top players in wagon manufacturing



Source: Tata Securities Research

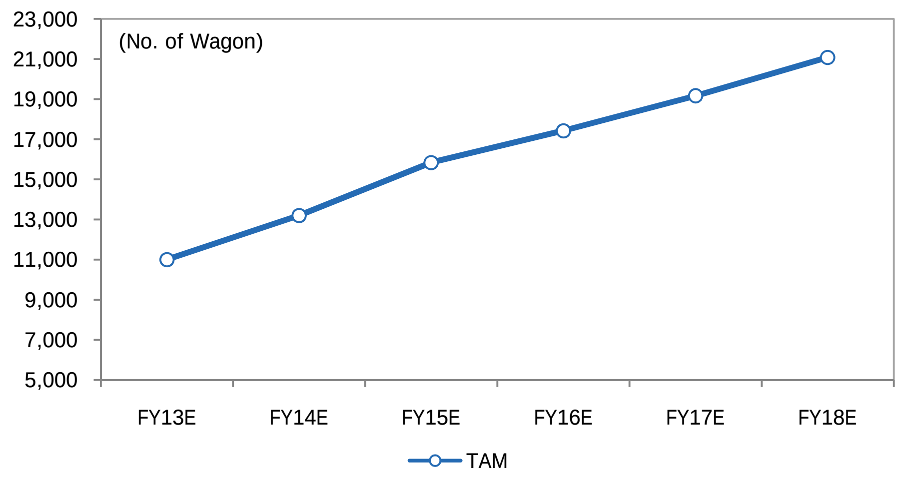
Along with wagon manufacturing, CEBBCO is also planning to enter metro coach, EMU and locomotive manufacturing. The rapid urbanisation has resulted in immediate need for mobility of people and suburban railway systems have become a must for major cities in India. Cities like Delhi and Bangalore have recently added suburban metro systems to its infrastructure, while other major cities in India are working on similar plans. Going forward, we expect the demand for EMU manufacturing to increase significantly.

Railway's wagon refurbishing orders to double

Indian Railways refurbished ~5,000 wagons in FY10. Over the next eight years, it is expected to refurbish ~117,000 wagons. The calculation is based on current installed base of wagons at 150,000 and as the average life span of a wagon before refurbishment is 12-14 years. Thus, going forward, we expect the refurbishment market to almost double from the current base.

- **Increase market share in refurbishment business:** Wagon refurbishment is an important activity for Indian Railways as it increases the load carrying capability per wagon and reduces overall cost. While a significant number of wagons are refurbished in-house by Indian Railways, some are refurbished with the help of three key vendors, which includes CEBBCO. In two years of CEBBCO's existence in the railways refurbishment business, company has managed to garner a market share of 20%; it plans to increase the market share to 30%.

Wagon refurbishment market for Indian Railways

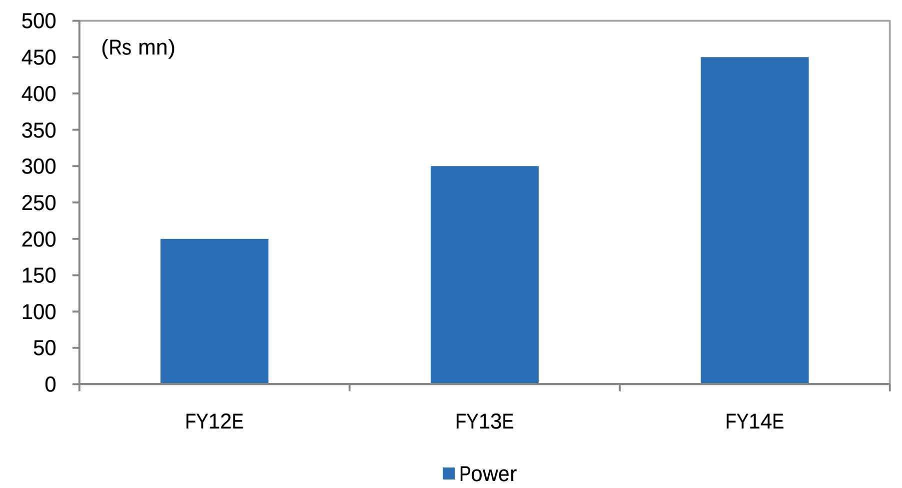


Source: Indian Railways Vision 2020 (Dec 2009)

Power sector, an additional source of revenue

CEBBCO made its foray into power fabrication in the current financial year with clients such as BHEL and L&T. The company manufactures electrostatic precipitators, heavy structural beams, support columns and other structures needed by power generation projects. CEBBCO recently executed an order from L&T to build support columns and castings for their ESP project for 1400MW Thermal Power Plant. The company has also received a trial order from BHEL and would be executing that in coming months. The segment posted revenues of Rs159mn in 1HFY12 and we expect it to grow at CAGR 60% between FY13-FY14 on a small base of FY12.

Power segment to help diversify revenues



Source: Tata Securities Research

Company background

CEBBCO is the largest player in outsourced body-building fabrication for CVs in India and manufacturers tippers and load bodies for defence and domestic market. Founded in 1979, the company is based at Jabalpur, Madhya Pradesh. CEBBCO is promoted by Mr Kailash Gupta, whose family owns 55% of the business. The has a comprehensive product portfolio in commercial vehicles for applications across industry and its clients include Tata Motors (the leader in commercial vehicles), Ashok Leyland, Eicher Motors, Volvo, AMW, Ministry of Defence etc. CEBBCO entered wagon refurbishing business in FY09 and has been quite successful in that space. After its IPO in Oct10, the company used the proceeds to invest in a new plant at Deori, Jabalpur to manufacture wagons, coaches and locomotives for Indian Railways. CEBBCO is also involved in power fabrication segments with clients such as BHEL and L&T.

Management team

The profiles of CEBBCO's senior management team are given below:

- **Ajay Gupta, CEO & Managing Director:** Ajay has spent over five years with CEBBCO and has been instrumental in architecting the rapid growth of the company from 2004. He holds a Bachelors Degree in Commerce from the University of Mumbai.
- **Abhishek Jaiswal, Executive Vice President, Operations:** Abhishek has been with CEBBCO for the past 16 years and is responsible for operations of all units. He holds a Bachelors Degree in Industrial Production and an MBA in operations.
- **Amit Jain, CFO:** Amit is a qualified Chartered Accountant and Company Secretary. He has total a work experience of 16 years in accounts, finance and taxation. Prior to CEBBCO, Amit has worked in Bhilai Engineering Corp. as Deputy General Manager.
- **Pradeep Gupta, Executive Vice President, Railways:** Pradeep has been with CEBBCO since Jan10. He has over 30 years of experience in project management, manufacturing, marketing, product engineering, quality assurance, vendor development and export execution in the railway industry. He holds a graduate degree in Mechanical Engineering.
- **Rajiv Malhotra, Senior General Manager, Railways & Business Development:** Rajiv has been with CEBBCO for over 13 years. He has over 17 years of experience in production, product development and project design. He is in charge of marketing for railways at CEBBCO. Prior to this, he was employed with Hindalco for three years. Rajiv holds a graduate degree in Mechanical Engineering.
- **Atul Karmarkar, Senior General Manager, Railways:** Atul has been with CEBBCO for two years. He has over 17 years of experience in production planning and control. Prior to CEBBCO, he was employed with Pinnacle Industries as Senior Manager for three years. He holds a diploma in Mechanical Engineering and an MBA in marketing.

Outsourced body-building industry - Porter's 5 Forces analysis

Bargaining power of buyers: Most buyers (OEMs) such as Ashok Leyland, Eicher Motors, Man Force, Vehicle Factory etc have moderate bargaining power as (a) shifting costs on moving from one vendor to another are low and (b) there are a limited number of suppliers with the requisite credentials, scale and range of product offerings. However, buyers like Tata Motors (with a majority market share in M&HCV segment) and Indian Railways (monopoly in railways) have significant bargaining powers.

Bargaining power of suppliers: Input costs account for as much as 80-85% of total costs for the industry and in most cases this cost is pass-through to the buyers (OEMs). Companies usually buy steel in the spot market and hence do not have significant bargaining powers with suppliers.

Threat of substitution: There is relatively low threat of substitution as buyers (OEMs) are unlikely to get into body-building as (a) it is relatively low tech and (b) it is an area where significant cost savings can be accrued only through outsourcing to an external vendor, who has a lower labour cost structure.

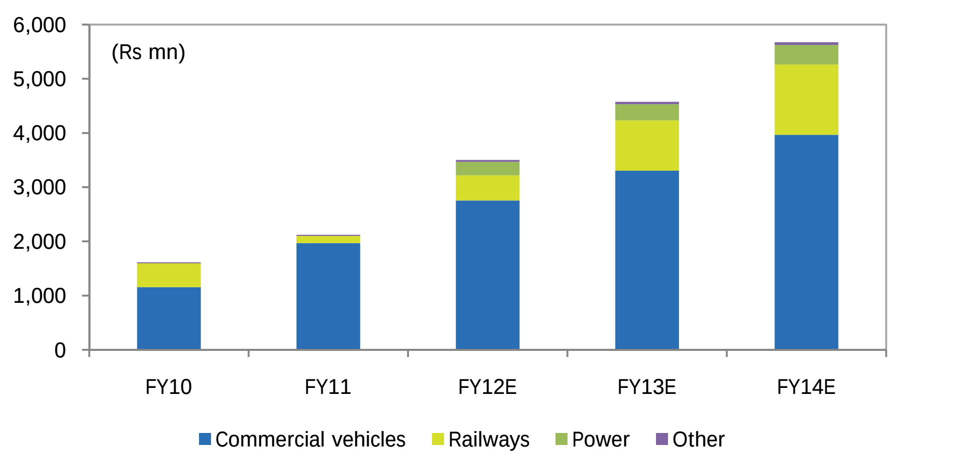
Threat of new entrants: Moderate threat of new entrants as outsourced body-building is a relatively low tech activity. However, as discussed above, it would take substantial time for a new player to achieve scale and establish relationships with major OEMs and Indian Railways.

Competition and rivalry: Relatively less intense competition due to (a) the limited number of players with requisite credentials, scale and range of product offerings and (b) the huge market potential as FBVs still account for only 25% of total vehicles sold. However, it is to be noted that in the wagon manufacturing space, there are well-established companies like Texmaco and Titagarh Wagons.

Outlook and valuation

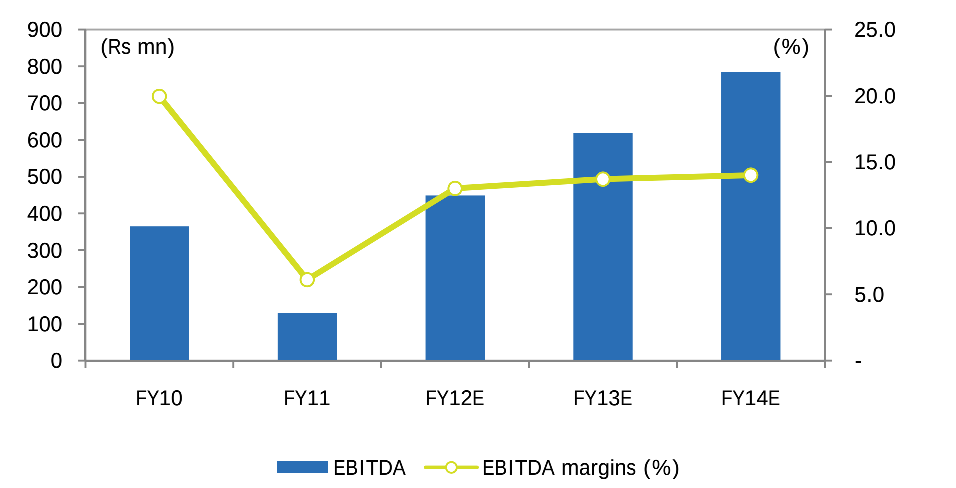
CEBBCO posted revenue CAGR of 33.4% during FY06-11 due to huge growth from the CV body-building fabrication business and company's foray into wagon refurbishing space. We expect the company to continue the same momentum and post revenue CAGR of 32.2% between FY12-14. On the EBITDA margins front, CEBBCO posted margins of 14.3% in 1HFY12. (EBITDA margins dropped from 16.5% in 1QFY12 to 12.7% in 2QFY12 due to input cost pressures). Going forward, we expect EBITDA margins to improve from 2QFY12 levels (12.7%) to 13.7% in FY13 and 14% in FY14 on the back of higher share of revenues from railways and power segments (relatively higher margin businesses).

Revenue growth and mix change



Source: Tata Securities Research

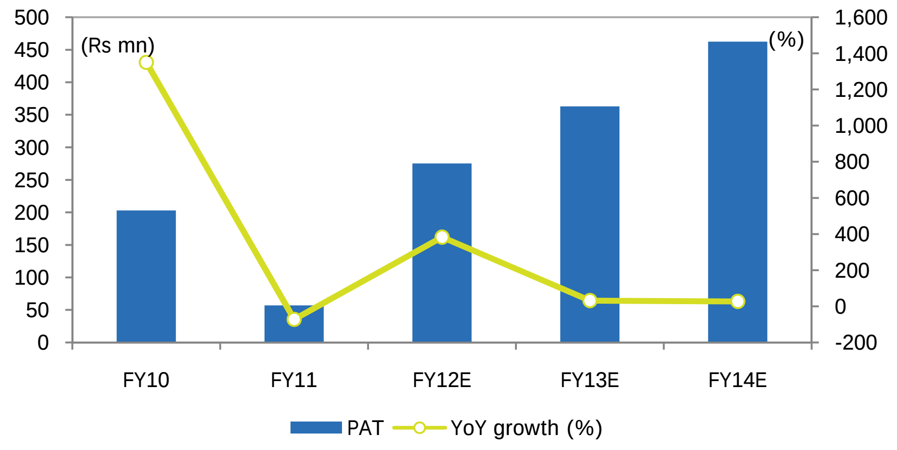
Absolute EBITDA and EBITDA margins



Source: Tata Securities Research

Based on the robust growth in revenues and improving EBITDA margins, we expect the company to post earnings CAGR of 31% during FY12-14.

PAT and PAT growth



Source: Tata Securities Research

As body fabrication is a low tech business and the company carries a risk of depending on two key clients viz. Tata Motors and Indian Railways (railways' orders can be eccentric in nature), we value the company at 10x FY13 earnings. We initiate coverage on CEBBCO with a **Buy** rating and a target price of Rs.70.

Financials

Profit & Loss (YE March)

(Rs Mn)	FY11	FY12E	FY13E	FY14E
Net sales	**2,122**	**3,581**	**4,919**	**6,262**
YoY (%)	***16.0***	***68.8***	***37.4***	***27.3***
Total expenses	**1,992**	**3,105**	**4,245**	**5,385**
Cost of goods sold	1,745	2,704	3,689	4,703
Staff cost	92	107	148	188
R&D expenses	0	0	0	0
SG&A	155	294	408	495
EBIDTA	**130**	**476**	**674**	**877**
YoY (%)	***(64.5)***	***267.5***	***41.5***	***30.1***
EBIDTA (%)	***6.1***	***13.3***	***13.7***	***14.0***
Depreciation	39	60	102	140
EBIT	**91**	**417**	**572**	**737**
Interest	93	90	114	139
Other income	74	80	90	100
PBT	**73**	**407**	**548**	**698**
Less: Taxation	16	122	165	209
Effective tax rate (%)	*21.6*	*30.0*	*30.0*	*30.0*
Recurring PAT	**57**	**285**	**384**	**489**
YoY (%)	***(71.9)***	***399.9***	***34.7***	***27.3***
PAT (%)	***2.7***	***8.0***	***7.8***	***7.8***
Exceptional items	0	0	0	0
Less: Minority Interest	0	0	0	0
Reported PAT	**57**	**285**	**384**	**489**

Balance Sheet

(Rs Mn)	FY11	FY12E	FY13E	FY14E
Equity capital	549	549	549	549
Reserves	1,624	1,825	2,080	2,408
Net worth	**2,173**	**2,374**	**2,630**	**2,957**
Total borrowings	461	658	969	1,020
Deferred tax	12	12	12	12
Total liabilities	**2,646**	**3,044**	**3,610**	**3,989**
Gross block	**578**	**978**	**1,578**	**1,978**
Less: Acc. depreciation	152	211	313	452
Net block	427	767	1,265	1,526
CWIP	765	565	365	165
Investments	**384**	**384**	**384**	**384**
Current assets	**1,695**	**2,414**	**3,086**	**3,809**
Inventories	692	981	1,280	1,544
Debtors	306	638	876	1,201
Cash	260	358	492	626
Loans and advances	438	438	438	438
Current liabilities	618	1,079	1,482	1,887
Provisions	7	7	7	7
Net current assets	**1,071**	**1,329**	**1,597**	**1,915**
Total assets	**2,646**	**3,044**	**3,610**	**3,989**

Key Ratios

	FY11	FY12E	FY13E	FY14E
EPS (Rs)	1.0	5.2	7.0	8.9
CEPS (Rs)	1.7	6.3	8.8	11.4
Book value (Rs)	39.6	43.2	47.9	53.8
Dividend per share (Rs)	0.0	1.3	2.0	2.5
Debt Equity Ratio	0.2	0.3	0.4	0.3
Inventory Days	119.0	100.0	95.0	90.0
Debtor Days	52.7	65.0	65.0	70.0
ROCE (%)	3.5	13.7	15.9	18.5
ROE (%)	2.6	12.0	14.6	16.5
Dividend Yield (%)	0.0	2.8	4.2	5.3
Valuation Ratios				
PE (x)	45.4	9.1	6.7	5.3
Cash P/E (x)	27.1	7.5	5.3	4.1
Price/book value (x)	1.2	1.1	1.0	0.9
Market cap/sales (x)	1.2	0.7	0.5	0.4
EV/sales (x)	1.4	0.9	0.7	0.6
EV/EBITDA (x)	23.5	6.8	5.3	4.1

Cash Flow

(Rs Mn)	FY11	FY12E	FY13E	FY14E
Net profit	57	285	384	489
Depn and w/o	39	60	102	140
Deferred tax	0	0	0	0
Change in working cap	(31)	(159)	(134)	(184)
Operating cash flow	**65**	**185**	**351**	**444**
Capex	780	200	400	200
Investments	377	0	0	0
Investing cash flow	**1,157**	**200**	**400**	**200**
Dividend	0	84	129	161
Fresh Eq/Eq adjustments	1,404	0	0	0
Change in debt	(87)	197	311	51
Financing cash flow	**1,318**	**113**	**183**	**(110)**
Others	0	0	0	0
Net change in cash	225	99	134	134
Opening cash	34	260	358	492
Closing cash	**260**	**358**	**492**	**626**

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Disclosure of Interest Statement in CEBBCO as on December 16, 2011

1. Name of the analysts:	Amol Bhutada
2. Qualifications of the analysts:	MBA
3. Analysts' ownership of any stock including the long & short position related to the information contained:	NO
4. Ownership of any stock held by the dependent family members of the analyst including the long & short position:	NIL
5. TSL ownership of any stock related to the information contained including the long & short position:	NIL
6. Broking relationship with company covered:	NO
7. Investment Banking relationship with company covered:	NO
8. Holding company investments:	NO
9. Any other relationship with the company covered:	Tata Capital Growth Fund I is holding 10.93% stake in the company

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