# Twitter Thread by Deepak Kapur

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## Anatomy of pump

## Read below thread & articles

## https://t.co/Zw9TDgFH8M

## https://t.co/oeNhoq9fnz

## https://t.co/DDRo4pP8O3

## All identical. Many more links on net

## Clearly co PR or cartel planting this misleading narrative on massive scale thru media/twitterati

## Beware

## #ccd

How did the debt come down :

1) sale of stake held by co in Mindtree to LnT for ~ 2700 cr. This was actually done when VGS was still alive. just months b4 his unfortunate death

2) sale of real estate asset global village tech park to blackstone for approx EV 2000 - 2500 cr

3) CDE lost controlling stake in its subsidiary Sical Logistics as lenders invoked collateral shares. SCL had debt of 1500 cr which used 2 add 2 CDE consolidated debt

But no control = SL no longer subsidiary = it's debt can't show in consol debt of CDE. Just an accounting thing

So as you can see, most debt reduction has come from selliing prime non core assets. Not operating cash flows!

And another 1500 cr debt disappeared from book because they lost control of a subsidiary due to defauls

Malavika Hegde is in a tough spot and may be fighting hard to save CDE. There still are some other non core assets which can b sold to pay dues. But overall the CCD biz is struggling - unlike what the current narratives being planted by someone are saying

Look for yourself : the ccd operations are shrinking. This screenshot is from their annual report

| | 2018-19 | 2019-20 | 2020-21 |
|---|---|---|---|
| No. of cafes | 1,752 | 1,192 | 572 |
| No. of cities of presence | 243 | 208 | 165 |
| No. of CCD Value Express kiosks | 537 | 412 | 333 |
| No. of operational vending machines | 56,799 | 58,697 | 36,326 |

Also even though networth is 3900 cr on consol basis, there are about 2700 cr of related party loans on asset side. These i think are part of what investigations revealed: some 3500 cr of loans to related party.

No news on how, if and when this money is coming back.

Other auditor qualifications in annual report also paint a pic of a company struggling with cash flows and many dues.

The last credit rating report also said : issuer not cooperating

There are just too many red flags.

The planted articles r trying to suggest the biz is turning around

I wish it does cause CCD has a lot of good memories. But then there r economic realities

& unlike the planted narrative, no investors pumped in money. I couldn't find ne news

The thread is not a recommendation to buy or sell. Do your own home work.

Atleast read the management's and auditors own words in the annual report.