



## Exide reports Rs 124 crores PAT

**Kolkata, January 18, 2011:** Exide Industries Ltd on Tuesday reported a profit after tax of Rs 124 crores and gross sales of Rs 1280 crores during the third quarter of 2010-11. During the day the company's Board met to review the third quarter (October-December 2010) results of the current financial year.

During the first nine months of the current fiscal, the company's gross sales stood at Rs 4063 crores and profit after tax at Rs 502 crores.

"As a Company we are passing through challenging times. On the one hand a sudden, unprecedented and sustained demand rise in the OE segment forced us to divert our capacities from the more profitable aftermarket segment to the OE segment whilst, on the other, certain segments in industrial batteries did not perform as per industry expectations thereby forcing us to rethink and fine tune our strategies in this line of business" said **Mr T.V. Ramanathan, Managing Director and CEO** of the Company.

"To us, building sustainable and long term relationship with the major players in the automotive industry are of greater importance than short term profit motives", Mr Ramanathan added. "Although there have been some marginal losses in our market share in the aftermarket due to supply constraints, we are confident of gaining it back once the additional capacities goes on stream in first Quarter of the next financial year" he said.

Most of the segments in industrial batteries lacked buoyancy in the October – December 2010 quarter. In addition, due to extremely competitive prices in the market coupled with high commodity prices (with its impact on prices of Lead, Lead Alloys and polypropylene) significantly depressed the margin in our Industrial segment. Further the Company was ultra-cautious in passing on the Lead cost push to the market in the Auto Replacement segment, since the market share in replacement segment was already vulnerable due to capacity constraint" he added.

Work on capacity expansion is currently on in full swing across the Auto factories. It is expected that the fresh capacities that would be commissioned by April 2011 will mitigate the capacity constraints to a large extent.

It may be mentioned that the company has recently commissioned a new motorcycle battery manufacturing plant at Ahmednagar in Maharashtra in the second quarter of the current fiscal, to augment its motorcycle battery manufacturing capacity.

During the first nine months of the current financial year the company has spent Rs 180 crores by way of Capital Expenditure. During the next three months the company plans to spend an additional Rs 120 crores for capacity expansion – mostly for Automotive batteries.

**EXIDE INDUSTRIES LIMITED**

  
**T. V. RAMANATHAN**  
Managing Director &  
Chief Executive Officer