


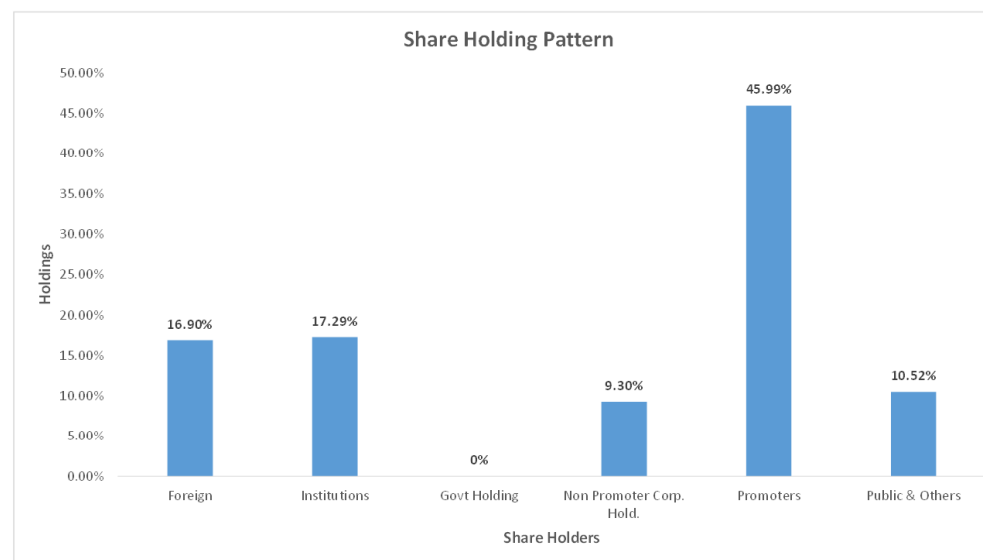
<h1>Research Report</h1>	 <p>A subsidiary of Spearhead Services Pvt Ltd</p>																		
<h2>Exide Industries Ltd</h2>	<table> <tr> <td>Recommendation</td><td>Accumulate</td></tr> <tr> <td>Current Market Price</td><td>152</td></tr> <tr> <td>Target</td><td>180.00</td></tr> <tr> <td>Accumulation Price Band</td><td>150-155</td></tr> <tr> <td>Time Frame</td><td>6 Months</td></tr> <tr> <td>Derivative Segment</td><td>Yes</td></tr> </table>	Recommendation	Accumulate	Current Market Price	152	Target	180.00	Accumulation Price Band	150-155	Time Frame	6 Months	Derivative Segment	Yes						
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<h3>Industry :Auto Ancillaries</h3>	<table> <tr> <td colspan="2">Quick Glance</td></tr> <tr> <td>Share Capital (Rs Cr)</td><td>85.00</td></tr> <tr> <td>Market Cap (Rs Cr)</td><td>12,775.50</td></tr> <tr> <td>Enterprise Value (Rs Cr)</td><td>12,788.31</td></tr> <tr> <td>Face Value (in Rs)</td><td>1.00</td></tr> <tr> <td>52 Week High/ Low (in Rs)</td><td>205.2/139.80</td></tr> </table>	Quick Glance		Share Capital (Rs Cr)	85.00	Market Cap (Rs Cr)	12,775.50	Enterprise Value (Rs Cr)	12,788.31	Face Value (in Rs)	1.00	52 Week High/ Low (in Rs)	205.2/139.80						
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<p>Company Overview</p> <p>automotive, industrial, and submarine applications in India and abroad.</p> <p>»Exide's Industrial segment includes UPS, Power back-up, telecom, infrastructure, inverter etc which contributes ~38% of revenues.</p> <p>»Exide sells automotive batteries through a distribution network of dealer outlets primarily to car and two-wheeler manufacturers and is a leading supplier of batteries for motorcycles in the domestic market under the brand name EXIDE, SF, SONIC, Standard Furukawa, DYNEX, and INDEX; and submarine batteries for defense applications.</p>	<table> <tr> <td colspan="2">Financials</td></tr> <tr> <td>EPS (Rs)</td><td>6.43</td></tr> <tr> <td>Book Value (Rs)</td><td>50.04</td></tr> <tr> <td>P/E</td><td>23.64</td></tr> <tr> <td>P/BV</td><td>3.00</td></tr> <tr> <td>ROE</td><td>15.74</td></tr> <tr> <td>ROCE (%)</td><td>22.86</td></tr> <tr> <td>Dividend Yeild (%)</td><td>1.20</td></tr> <tr> <td>Debt - Equity</td><td>-</td></tr> </table>	Financials		EPS (Rs)	6.43	Book Value (Rs)	50.04	P/E	23.64	P/BV	3.00	ROE	15.74	ROCE (%)	22.86	Dividend Yeild (%)	1.20	Debt - Equity	-
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<p>Industry Overview</p> <p>»The Indian battery market is predominantly dominated by two players; Exide Industries & Amara Raja Batteries, who control 90% of the organized market.</p> <p>»Brand Equity & access to wide distribution service network are significant entry barriers apart from delay in obtaining approvals from Original Equipment Manufacturers and Industrial customers act as entry barriers.</p> <p>»The Indian stationery Industrial Battery Market, has a market size of INR 115.64 billion in Indian financial year FY 2013 and this is likely to reach INR 160.43 billion in FY 2018.</p> <p>»The Industrial battery segment contributes about 37% of the market while the rest 63% is dominated by Automotive battery division</p>	<table> <tr> <td colspan="2">Highlights</td></tr> <tr> <td>Debt (Rs Cr)</td><td>14.81</td></tr> <tr> <td>Reserves (Rs Crs)</td><td>3,374.66</td></tr> <tr> <td>FII Holdings (%)</td><td>16.90</td></tr> <tr> <td>MF Holdings (%)</td><td>6.79</td></tr> <tr> <td>Free Float Market Capitaliation (Rs Cr)</td><td>6,899.45</td></tr> <tr> <td>Beta</td><td>0.97</td></tr> <tr> <td>Avg Volume Per day (no. of shares)</td><td>1,972,891</td></tr> <tr> <td>Avg Volume Per Month (no. of shares)</td><td>38,148,988</td></tr> </table>	Highlights		Debt (Rs Cr)	14.81	Reserves (Rs Crs)	3,374.66	FII Holdings (%)	16.90	MF Holdings (%)	6.79	Free Float Market Capitaliation (Rs Cr)	6,899.45	Beta	0.97	Avg Volume Per day (no. of shares)	1,972,891	Avg Volume Per Month (no. of shares)	38,148,988
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<p>Key Highlights</p> <p>»Exide Industries is planning fresh capacity addition in both the automotive and industrial battery segments, primarily to address the rising replacement demand.</p> <p>» Exide Industries, the promoter of Exide Life has infused Rs. 150 crore capital in insurance company</p>																			
<p>Key Risks</p> <p>»Lead & its alloys constitute major raw material cost and any steep increase in lead prices would impact margins and profitability.</p> <p>»Any slowdown in the end user industries and particularly the Automotive battery segment will adversely impact the company</p>																			

Financial Highlights

Income Statement (Annual)					
Particulars (Rs Cr)	2014	2013	2012	2011	2010
Net Sales	8,308.85	6,365.89	5,318.67	5,288.26	4,422.91
Operating Profit	863.92	852.14	744.45	960.92	983.22
Operating Profit Margin	10.40	13.39	14.00	18.17	22.23
Depreciation	140.4	122	108.37	89.59	87.53
Interest	7.61	9.06	14.91	15.72	21.06
Other Income	70.8	56.05	41.46	101.64	7.1
PBT	786.71	777.13	662.63	957.25	881.73
APAT	546.16	540	464.69	659.52	580.88
PAT Margin (%)	6.57	8.48	8.74	12.47	13.13
Earnings Per Share	6.43	6.35	5.47	7.76	6.83

Balance Sheet					
Particulars (Rs Cr)	2014	2013	2012	2011	2010
Equity Share Capital	85	85	85	85	85
Reserves and Surplus	3,374.66	2,994.69	2,560.13	2,255.57	1,783.34
Net Worth	3,459.66	3,079.69	2,645.13	2,340.57	1,868.34
Defered Tax Liability :	-	-	-	-	-
Long Term Debt	12.81	48.61	24.52	98.85	81.6
ShortTerm Debt	2	2.38	2.58	4.78	92.53
Total Debt	14.81	50.99	27.1	103.63	174.13
Current Liabilities	1,631.96	1,699.45	1,025.98	933.23	696.22
Total Provisions	226.04	209.98	172.9	147.06	113.55
Total Liabilities	10,635.88	9,399.28	2,684.73	2,454.91	2,079.09
Gross Block	2,846.43	2,723.27	1,956.68	1,732.13	1,487.31
Net Fixed Assets	1,686.12	1,677.28	1,062.02	923.04	745.63
Investments	7,928.04	6,829.95	993.45	861.32	876.79
Current Assets	2,248.10	2,219.71	1,649.55	1,530.94	1,120.38
Defered Tax Asset :	-	-	-	-	-
Receivables	658.42	591.81	426.05	373.76	298.05
Inventories	1,302.86	1,407.39	1,160.71	1,134.32	796.86
Cash	286.82	220.51	62.79	22.86	25.47
Total Assets	10,635.88	9,399.28	2,684.73	2,454.91	2,079.09

Income Statement (Quarterly)								
Particulars (Rs Cr)	2015				2014			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net Sales	1,651.82	1,558.65	1,763.34	1,912.36	1,612.98	1,303.93	1,432.07	1,627.47
Operating Profit	199.08	144.99	174.81	258.80	186.31	110.93	170.03	232.40
Operating Profit Margin	12.05	9.30	9.91	13.53	11.55	8.51	11.87	14.28
Depreciation	39.08	35.21	32.90	32.33	32.58	31.65	31.32	30.04
Interest	0.27	0.75	0.41	0.24	(0.02)	0.38	0.47	0.36
Other Income	5.65	1.24	6.86	8.74	9.81	4.92	3.67	6.21
PBT	204.46	145.48	181.26	267.30	196.14	115.47	173.23	238.25
APAT	137.59	97.23	125.76	185.30	132.14	77.52	118.63	158.80
PAT Margin (%)	8.33	6.24	7.13	9.69	8.19	5.95	8.28	9.76
Earnings Per Share	1.61	1.14	1.48	2.18	1.55	0.91	1.40	1.87

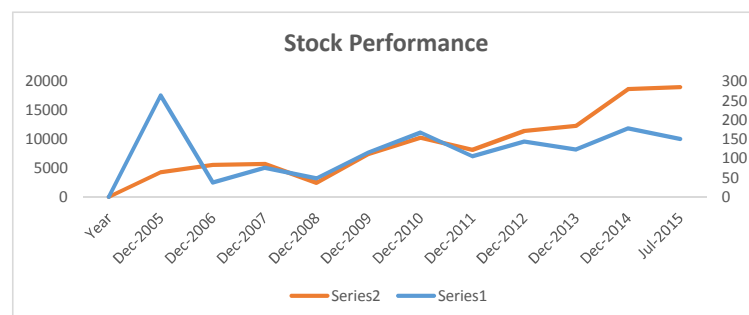


Key Financial Indicators						
Particulars	Units	2014	2013	2012	2011	2010
Revenue	Crs	8,308.85	6,365.89	5,318.67	5,288.26	4,422.91
EBITDA Margins	%	10.40	13.39	14.00	18.17	22.23
PAT	Crs	546.16	540.00	464.69	659.52	580.88
PAT Margins	%	6.57	8.48	8.74	12.47	13.13
Revenue Growth	%	30.52	19.69	0.58	19.57	16.67
Operating Profit Growth	%	1.38	14.47	(22.53)	(2.27)	47.61
PAT Growth	%	1.14	16.21	(29.54)	13.54	97.32
Gearing	times	-	0.02	0.01	0.04	0.09
ROCE	%	22.86	25.11	25.35	37.91	44.19
ROE	%	15.74	17.83	16.86	26.43	26.41

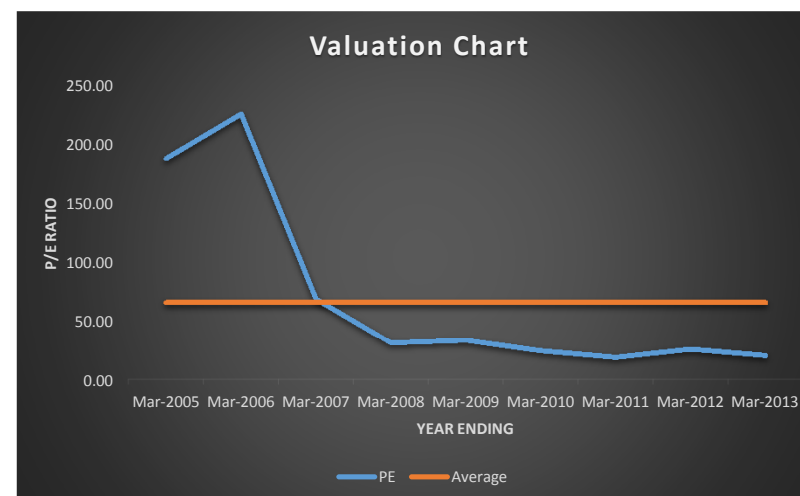
Peer Comparison				
Particulars	Units	Exide	Amara Raja	Bosch
Revenue	Rs Cr	8,308.85	3,436.66	8,820.10
EBITDA Margins	%	10.40	16.30	14.64
PAT	Rs Cr	546.16	367.44	884.70
PAT Margins	%	6.57	10.69	10.03
Gearing	%	-	0.06	0.02
EPS	Rs / Share	6.43	21.51	281.76
PE	times	23.64	40.96	81.59
P/BV	times	3.00	8.48	9.44
ROCE	%	22.86	37.40	19.60
ROE	%	15.74	26.96	14.05
EV/EBITDA	times	13.38	24.64	43.04

Stock Performance vis-a-vis Index

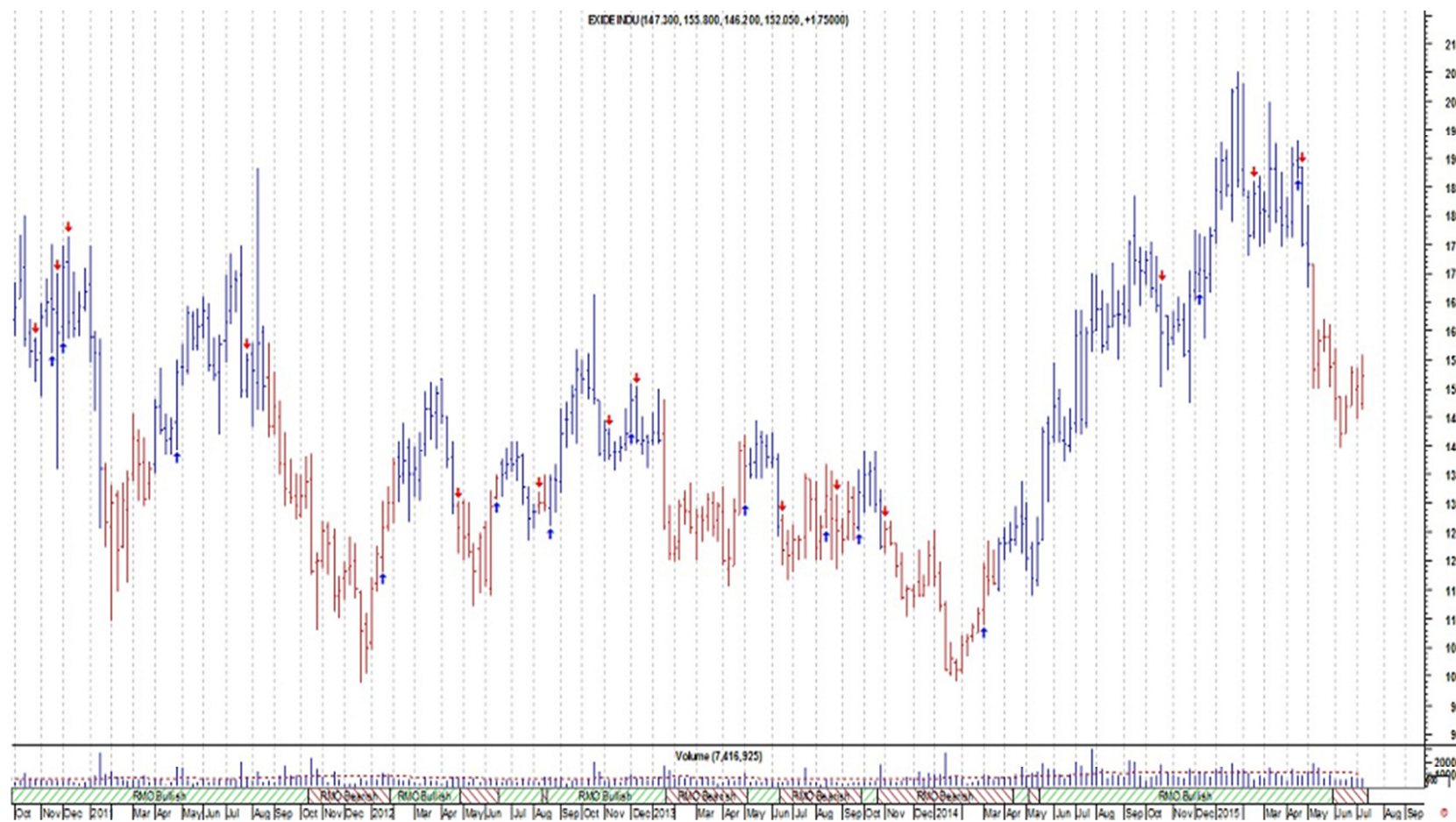
Particulars	Return	
	YTD	QTD
Exide Industries	-20%	-15%
BSE Auto	1%	-3%



Valuation Chart



Technical Outlook



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