



3rd May, 2024

The Listing Department, The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata – 700001 Scrip Code- 022035	The Manager Department of Corporate Services, BSE Limited P. J. Towers, Dalal Street, Mumbai - 400001 Script Code- 531241	The Manager, Listing Department, National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Symbol- LINC
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Dear Sir / Madam,

Sub: Revised Strategy Presentation

Please find enclosed herewith the revised Strategy Presentation for the year ended 31st March, 2024.

Thanking You,

Yours faithfully,
For LINC LIMITED

DIPANKAR DE
Company Secretary

pentonic
driven by design

The Pen of India



STRATEGY PRESENTATION

Linc Limited
(formerly Linc Pen and Plastics Limited)

NSE : LINC

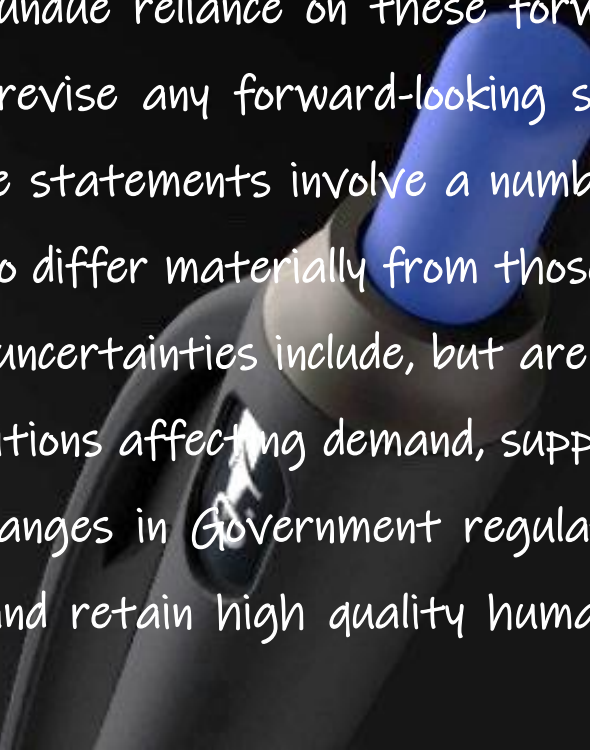
BSE : LINC

Bloomberg : LINC:IN

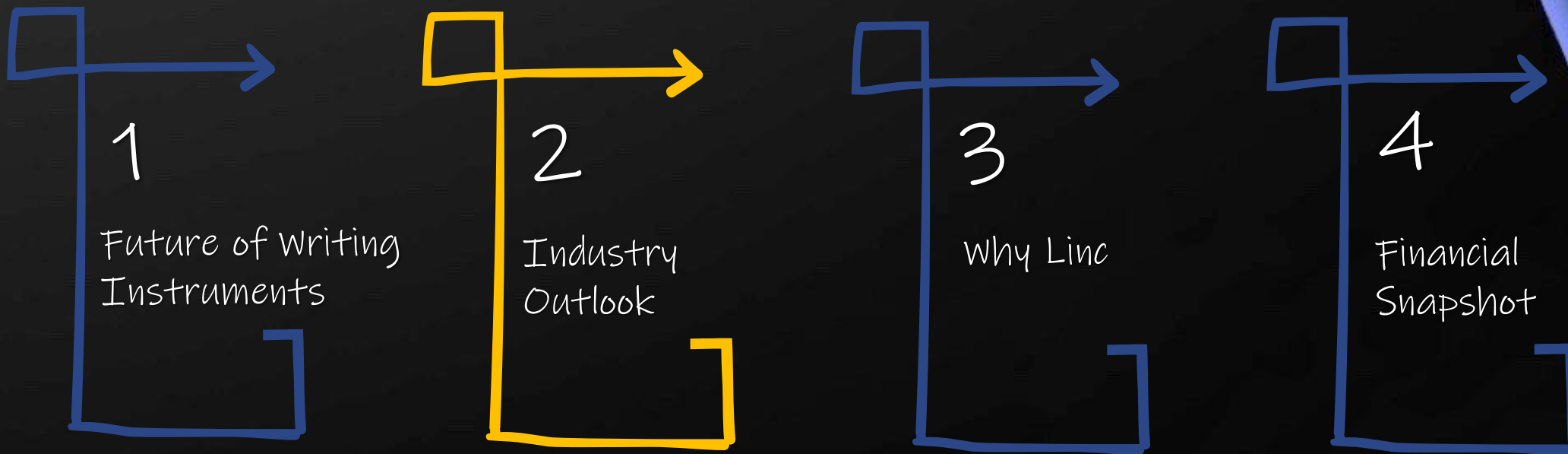
MAY 2024

Safe Harbour Statement

This presentation may contain certain "forward-looking statements" within the meaning of applicable securities laws and regulations, which may include those describing the Company's strategies, strategic direction, objectives, future projects and/or prospects, estimates etc. Investors are cautioned that "forward looking statements" are based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy and readers are advised not to place any undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These statements involve a number of risks, uncertainties and other factors that could cause actual results or positions to differ materially from those that may be projected or implied by these forward-looking statements. Such risks and uncertainties include, but are not limited to; growth, competition, acquisitions, domestic and international economic conditions affecting demand, supply and price conditions in the various business's verticals in the Company's portfolio, changes in Government regulations, laws, statutes, judicial pronouncement, tax regimes, and the ability to attract and retain high quality human resource.



Inside This Presentation



Future of Writing Instruments

Why traditional pens will persist alongside digital tools?

- **Cultural Significance** – Writing Instruments hold Cultural and traditional importance in many societies. Rituals, Ceremonies, Cultural Practices continue to drive the demand for pens and other writing tools
- **Education Sector** – The Education Sector remains a significant driver. Increased enrolment in schools and colleges, coupled with focus on learning aids, continues to drive the need for writing instruments despite digital advancements
- **Corporate Use** – Writing Instruments are often used in a corporate setting for note taking, signing documents, and other tasks
- **Corporate Gifting & Promotions** – Writing Instruments are popular choices for gifting, cross promotions and branding



Future of Writing Instruments

Why traditional pens will persist alongside digital tools?

- **Artistic & Creative Expression** – Pens, Markers and other writing tools are essential for Artists and Creative professionals
- **Stationery Culture** – The Stationery Culture, driven by a love for well designed notebooks, planners, and writing accessories, contributes to the demand for quality writing instruments.
- **Tactile Experience** – Despite digital advances many people still appreciate, the tactile experience of Writing with pen and paper, contributing to the ongoing demand for Writing Instruments.
- **Population & Literacy** - Increase in Population and Literacy in developing economies will continue to drive usage of traditional writing instruments

A study of Japanese university students and recent graduates has revealed that writing on physical paper can lead to more brain activity when remembering the information an hour later. Researchers say that the unique, complex, spatial and tactile information associated with writing by hand on physical paper is likely to lead to improved memory. (Source: Science Daily)

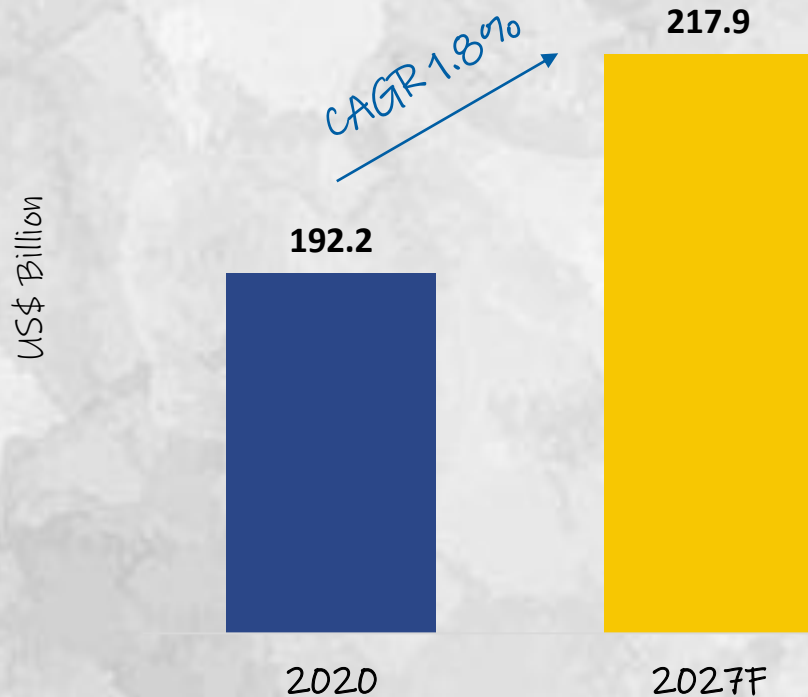




Industry Outlook

Global Stationery Industry Opportunity

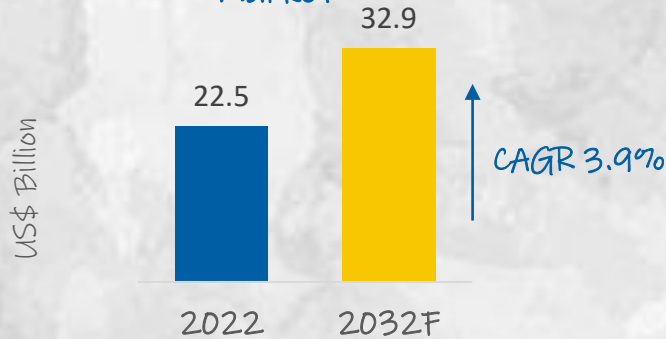
Global Stationery Products Market



- The stationery industry is divided into paper and non-paper stationery, the latter accounting for the larger share
- US Market estimated at US\$52 Bn in 2020.
- China Market projected to grow @ CAGR 3.6%, to reach US\$42 Bn during 2020-27 period.
- Japan to grow at 0.2%, Canada to grow at 1.3% and Germany to grow at 0.7% during 2020-27 period

Global Stationery Industry Opportunity

Global Writing Instruments Market¹



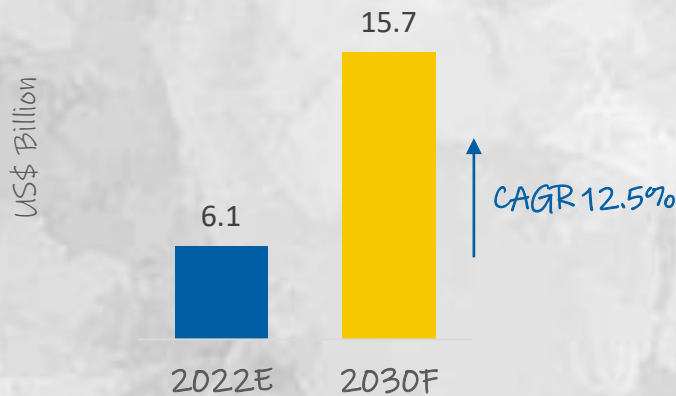
Share of Relevant Market

	2020	2027
Ball & Gel Pen	36%	41%
Roller	9%	9%
Total	45%	50%

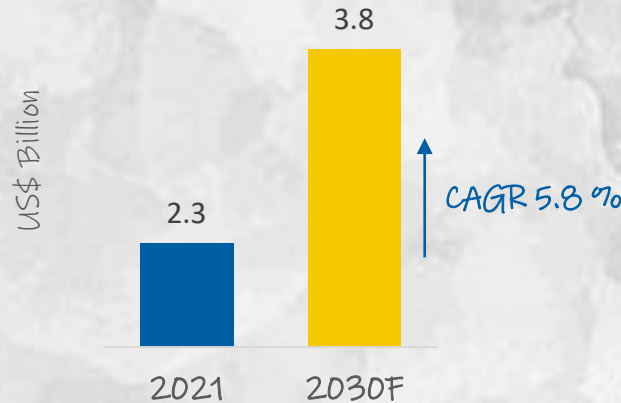
Writing & Marking Instruments Market Size²

- The USA is estimated at US\$4.7 Billion in the year 2022.
- China is forecasted to reach a projected market size of US\$8.7 Billion by the year 2030 at CAGR of 14.7% by 2030
- Japan and Canada, each forecasted to grow at 4.6% and 7.7% respectively over the 2022-2030 period, while Germany is forecasted to grow at ~ 5.6% CAGR.

Global Ball Point and Gel Pen Market²



Global Luxury Pen Market³

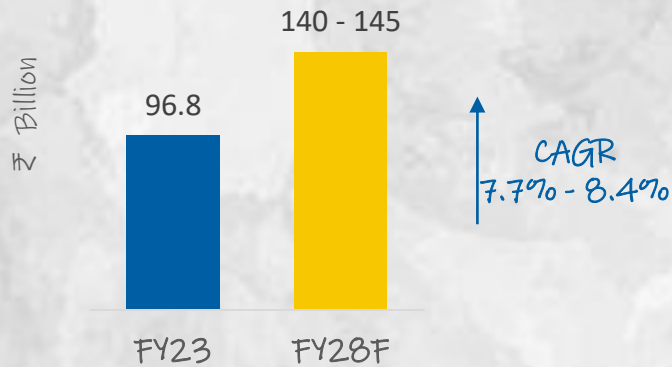


Market Scope

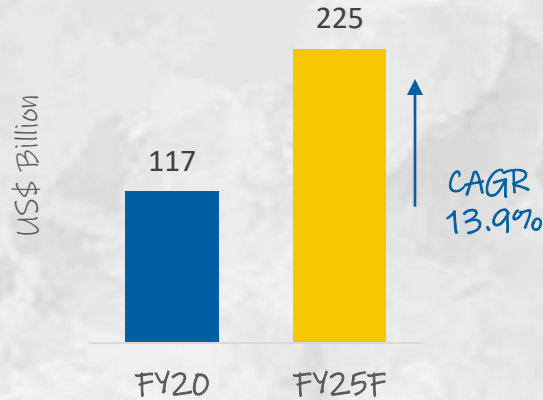
- Corporate gifting market at \$120 bn
- Colouring instrument demand growing faster, due to surge in demand for highlighters, markers, etc
- Pens continue to be the largest share at ~ 60%

Opportunity in the Indian Market

Indian Writing & Creative Instruments Market



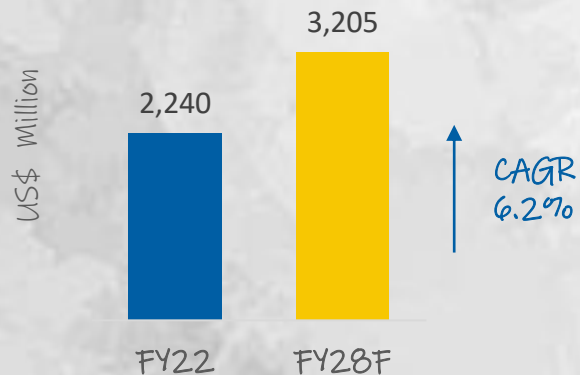
Indian Education Industry



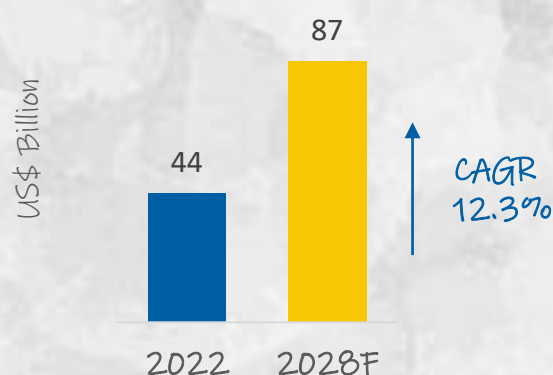
Writing Instruments Market Growth Drivers

- **Rising Populations:**
 - Largest population in age bracket of 5-24 years ~580 million.
 - Indian working population to grow ~20% and education market to grow ~14%, hence Writing Instrument growth prospects are very strong
- **Over 250 million school going students and over 38 million students enrolled in higher education**
- **Rising literacy rate:** Govt. initiative such as Sarva Shiksha has strengthened India's literacy from 65% in 2001 to ~77.70% in 2021. The objective of attaining 100% literacy levels by 2025 could have a positive impact on the writing instruments sector.
- **Educational Spending:** Budget estimates for 2023-24 show that the government will spend ₹ 1.12 lakh crore in the coming fiscal year on education – the highest ever and an increase of around 8.2% than what was pegged in 2022-23
- **NEP 2020** aims to achieve 100% GER² by 2030 in prechool-secondary level. Policy also seeks to increase public investment in education to 6% of GDP from 2.5% in fiscal 2024 budgetary estimates.

Indian School Stationery¹ Supplies Market



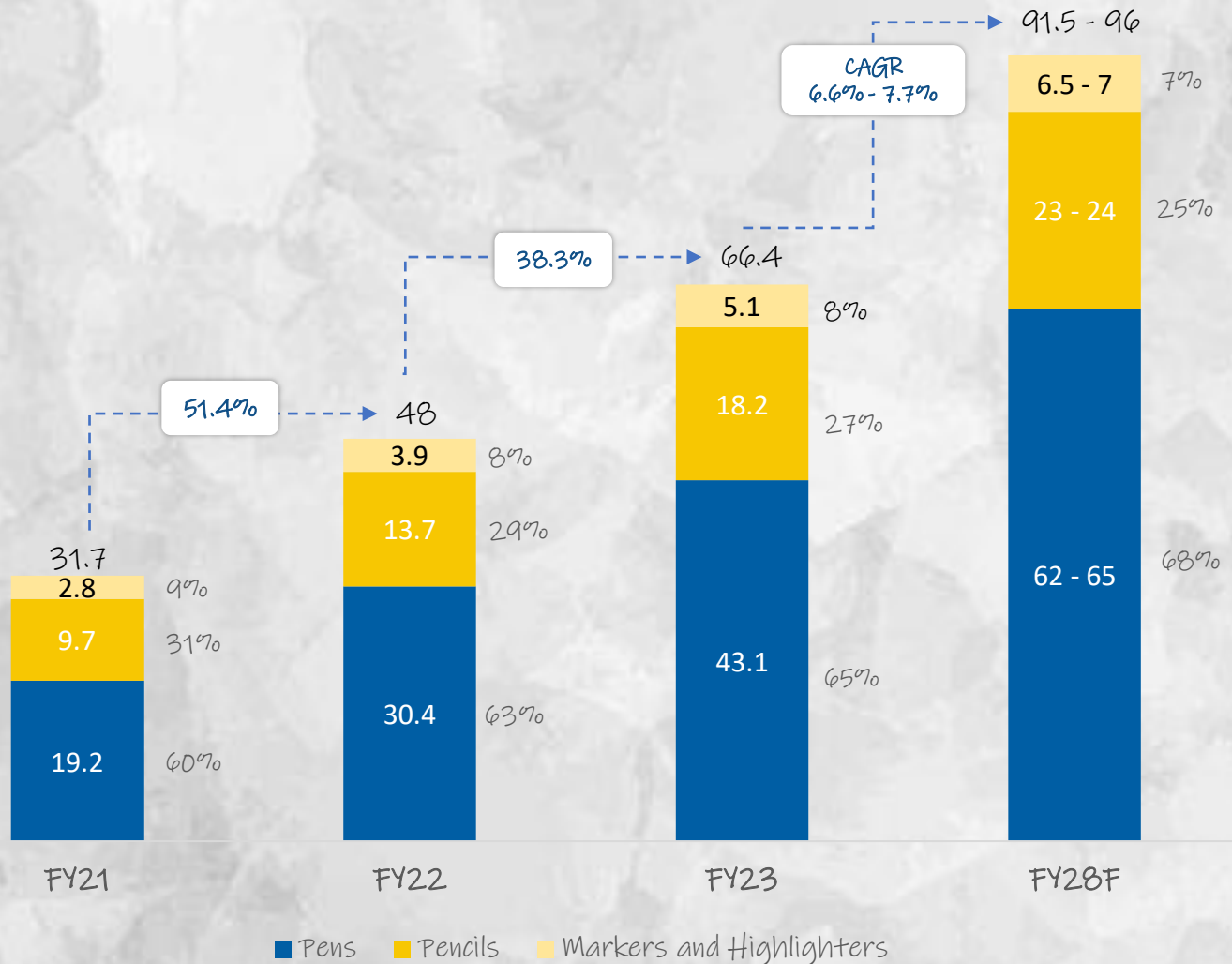
Indian Schools Market



Indian Writing Instrument Industry Opportunity

Indian Writing Instruments Market

at Manufacturer's Realization, in ₹ Billion



Indian Pen Segment

- Demand is driven by students and working-class population
- As of FY23 Pens occupy 65% share in Writing Instruments, and expected to increase market share to 68% by FY28
- Pen Market is expected to grow at a CAGR of 7.5% - 8.5% from ₹ 43.1 Bn in FY23 to ₹ 62 - 65 bn in FY28.

Indian Pencil Segment

- Pencil is the primary writing instrument till class 5th, and hence demand is driven by students in class 5th and below.
- Wooden pencils continue to dominate the market despite innovations like mechanical pencils.
- Pencils are expected to grow at a CAGR of 4.5% - 5.5% from ₹ 18.2 bn in FY23 to ₹ 23 - 24 bn in FY28.

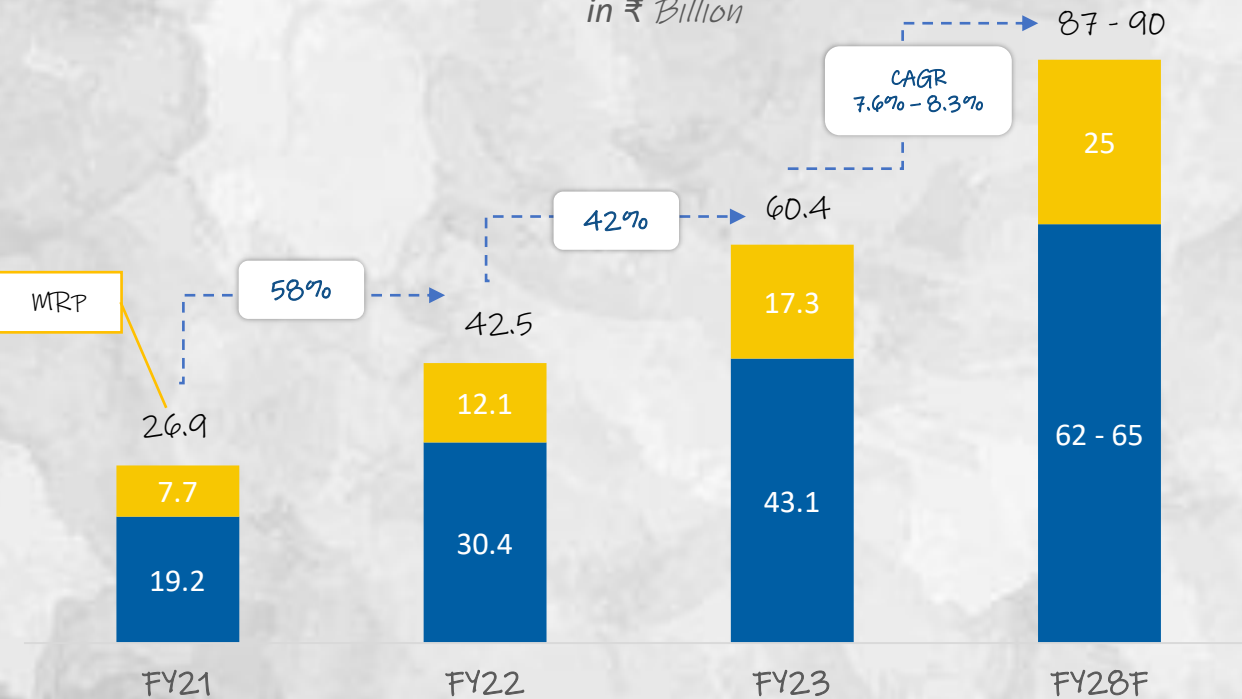
Indian Marker and Highlighter Segment

- Markers are primarily used by office workers, white board markers being the most popular choice in office workers and students.
- Marker and Highlighter Market is expected to grow at a CAGR of 5% - 6.5% from ₹ 5.1 bn in FY23 to ₹ 6.5 - 7 bn in FY28.

Indian Writing Instrument Industry Opportunity

Indian Pen Segment Market Size

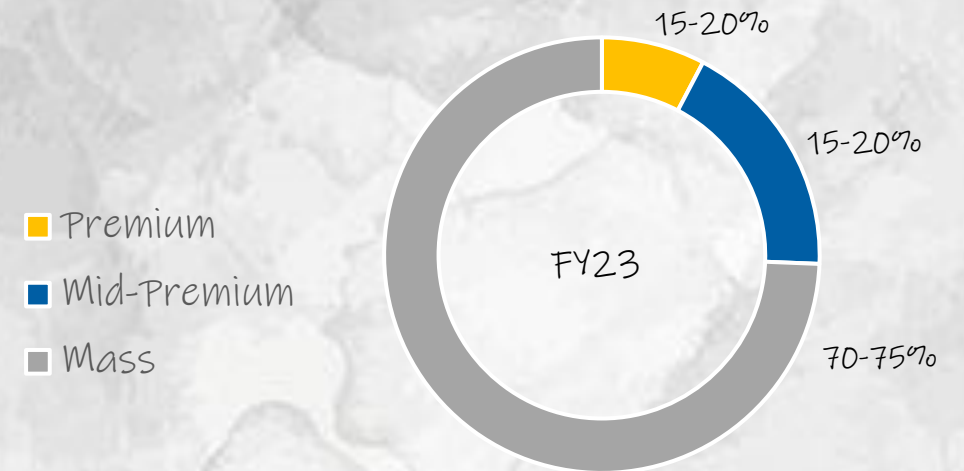
in ₹ Billion



■ Margin earned by Distribution Channels ■ Pen Segment at Manufacturer's Realisation

- The Indian pen industry is characterised by a wide range of options at various price levels, each with distinct value propositions
- Market for Pen below ₹ 15 growing at ~8% & above ₹ 15 growing at ~10%
- Linc, Cello, Flair, and Reynolds are the major players in the Indian pen market in the mass segment category
- Numerous brands offer bundled packs of 5 pieces or above, allowing them in pricing units at odd multiples

Indian Pen Market subsegments

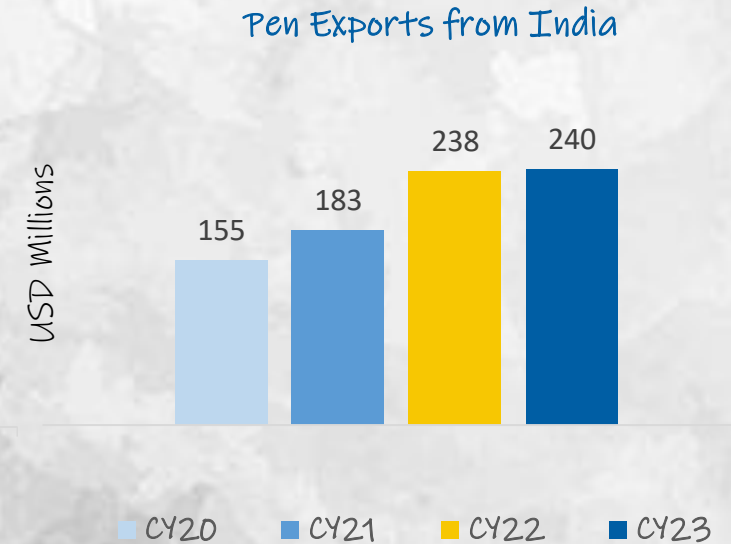
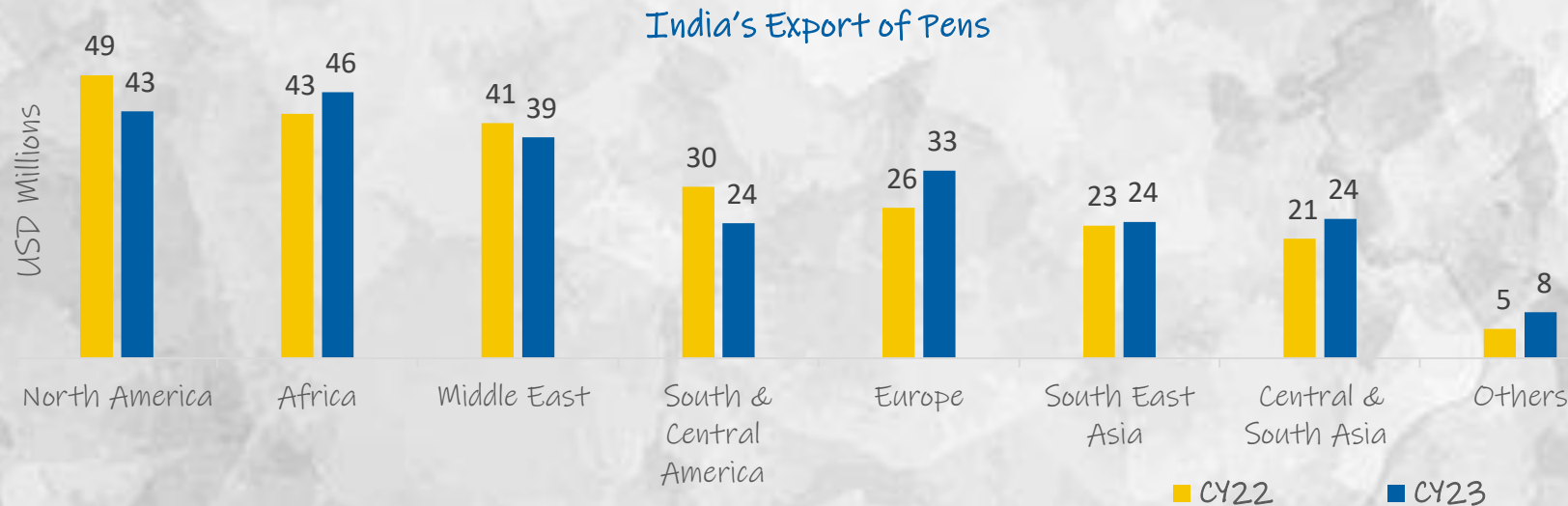
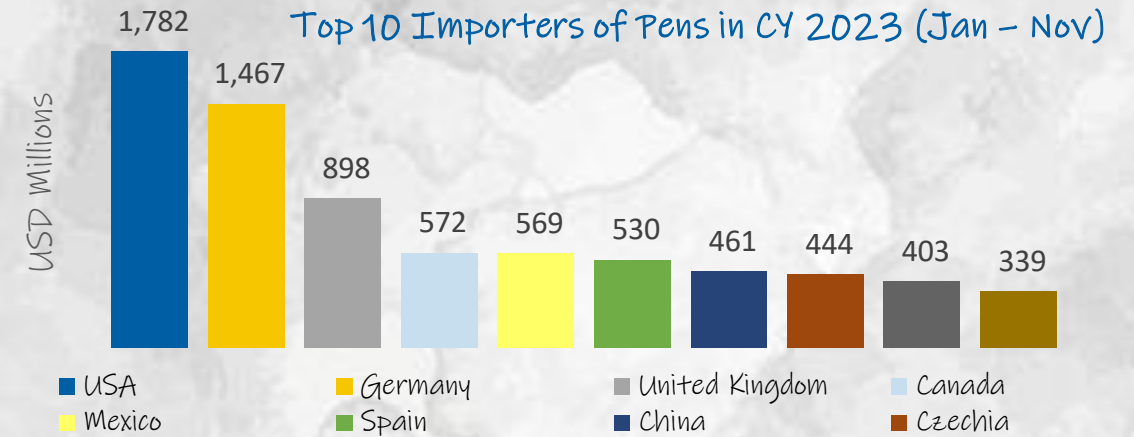
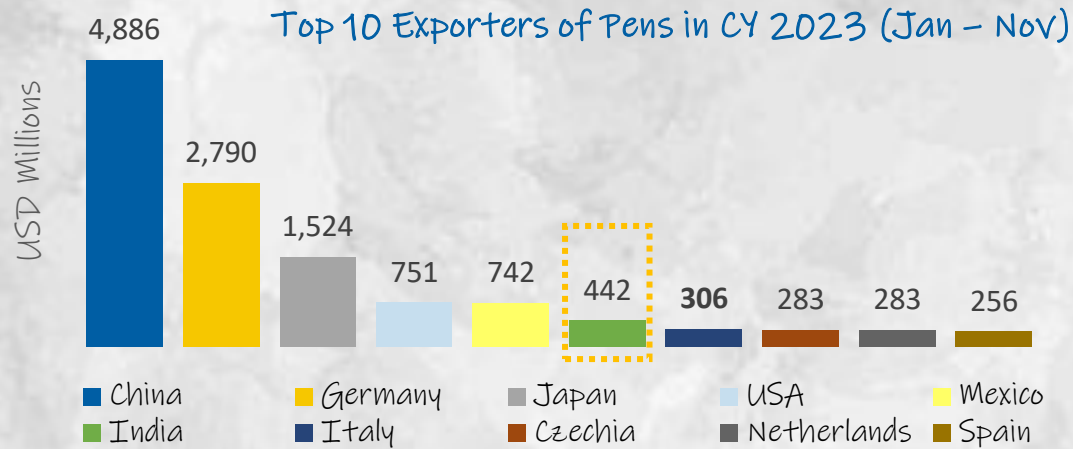


- Premium
- Mid-Premium
- Mass

Pen Subsegments	Price Criteria
Mass Market	Rs. 5 - 15
Mid Premium	Rs. 16 - 100
Premium	> Rs 100

- Mass Market Pens** are driven by volume, this subsegment is highly competitive (price denominations play a crucial role in salability).
- It is difficult to increase price without losing significant sales. Students drive the demand, deep retail penetration is essential
- Premium Pens** are driven by price, this subsegment is characterized by high brand leverage, as the premium is built on product branding. Focus is on Professionals and Corporate Gifting

Pens - Global Trade Perspective



Our Journey



Ocean Gel was launched
Highest Selling Gel Pen
Price at Rs. 5



Linc Glycer,
The company's highest selling pen
was launched

Launched India's first plastic Ball Pen
Linc Supreme

Linc got Listed

1976 1978 1992 1994

LINC
was founded

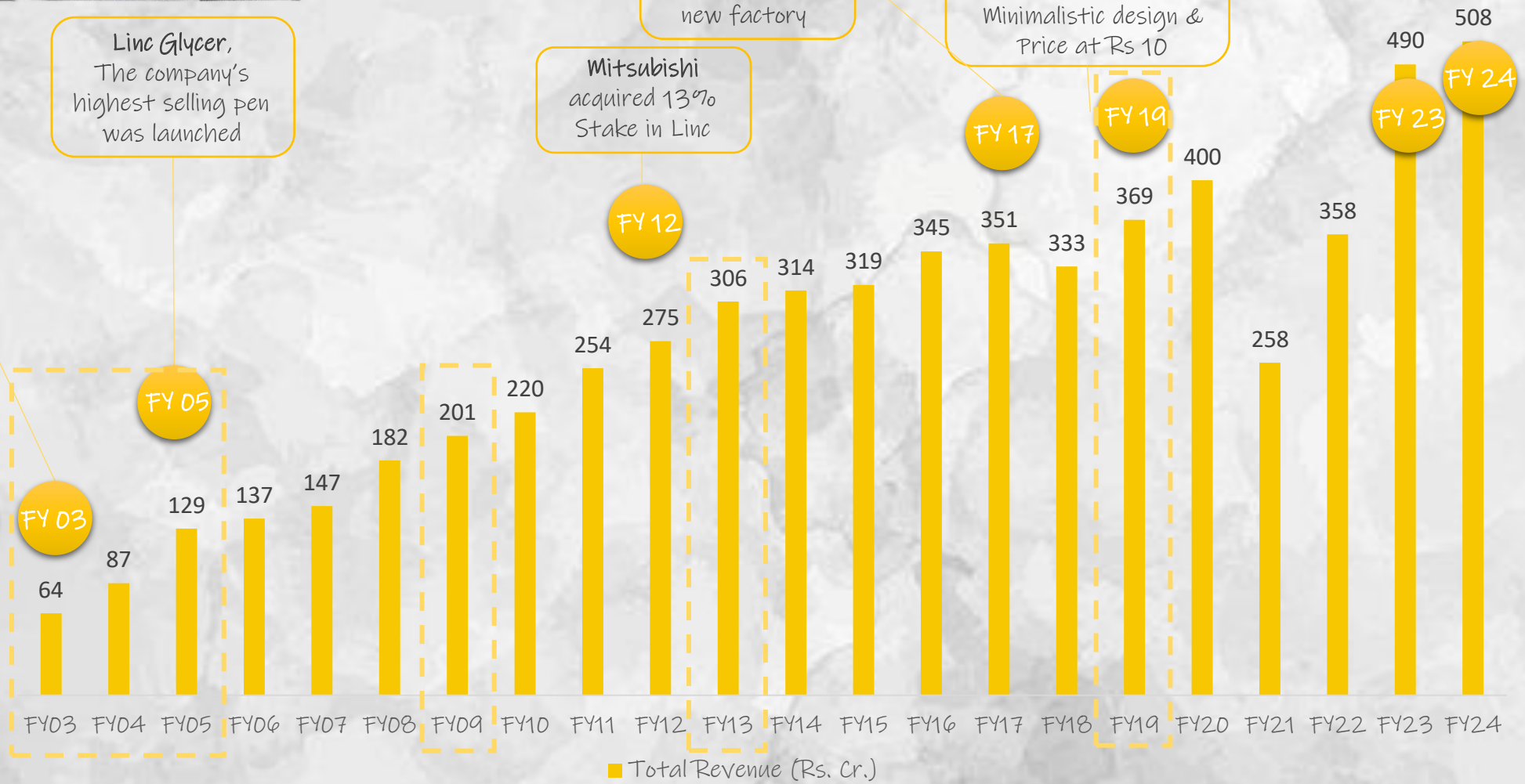
Uniball ball & Roller Pens introduced in collaboration with Mitsubishi (Japan)

Umerngaon Production commenced in new factory

Mitsubishi acquired 13% Stake in Linc

Pentonic was launched. It was a Game Changer that featured Minimalistic design & Price at Rs 10

Pentonic GRT launched @ Rs 40 (a retractable gel pen)



Our Portfolio of Products

LINC

- Among Top 3 brands in India for Writing Instruments.
- Presence in the affordable segment for over 4 decades.



pentonic
driven by design

- New Writing Instrument brand launched in FY19 by Linc in MRP ₹10 and above segment.
- Known for its super smooth writing and sleek design.



uni
MITSUBISHI PENCIL

- Global brand from Mitsubishi Pencil Co. Ltd, Japan.
- Presence across all categories of Writing Instruments – Roller Pen, Gel Pen and Ball Pen.



deli

- Asia's largest stationery giant.
- Presence across all stationery categories with over 2000 Products.



Recent Launches



Pentonic G-RT
₹ 40 Retractable Gel Pen



Q3'FY24

Q4'FY24



Pentonic Ball Pen
₹ 10 Ball Pen
Variants



Pentonic B-RT
₹ 20 Ball Pen
Variants



Pentonic Glitz
₹ 10 Glitter
Pen



Offix SE Pens
₹ 5 Ball Pen

Upcoming Launches

H1'FY25



Geltonic
₹ 20 Gel Pen



Pentonic CLR
₹ 20 Ball Pen
Variants



Pentonic EVO
₹ 30 Gel Pen
Variants

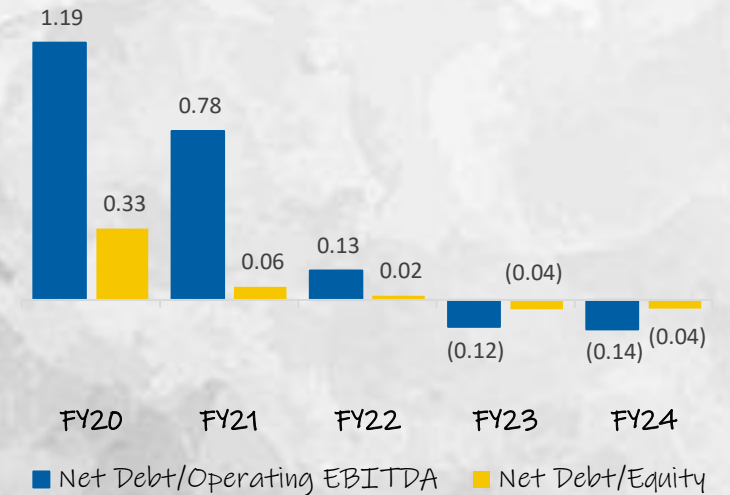
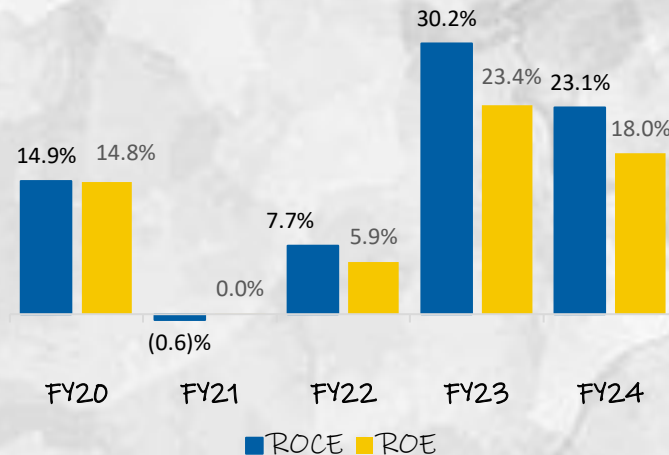
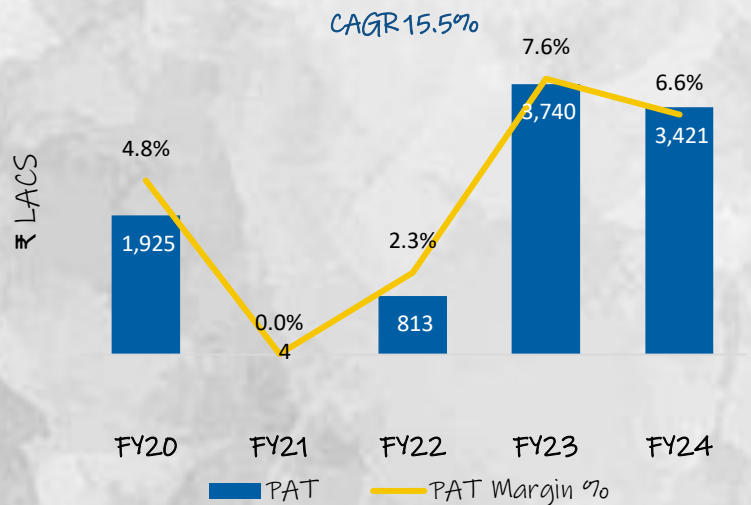
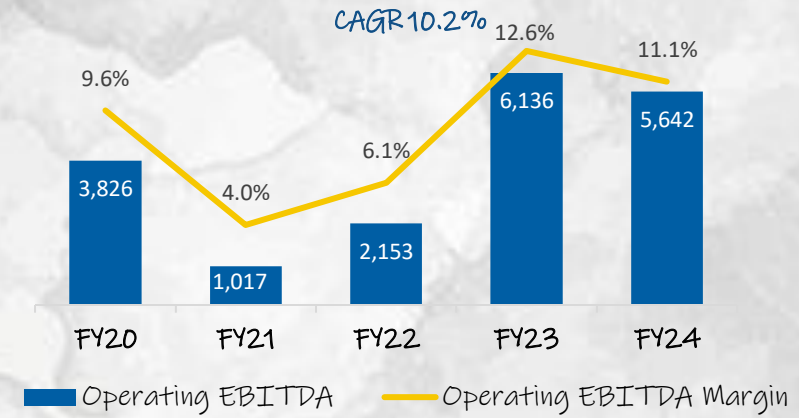
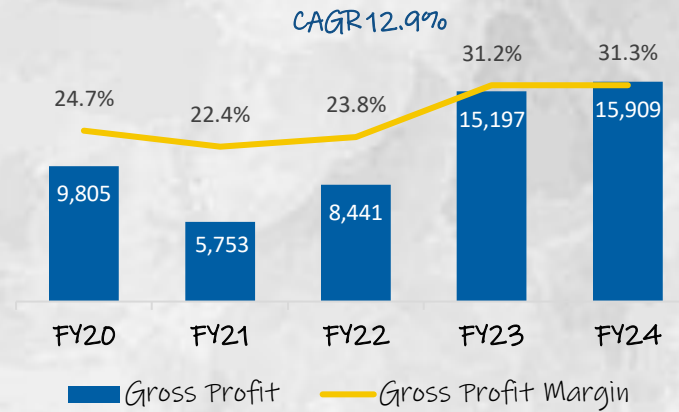
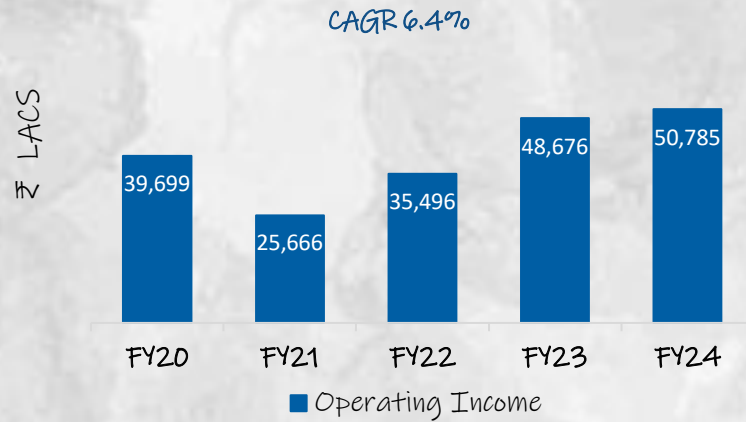


Kolor World Play Dough



Linc Geometry Box &
Linc Illustrator Geo Box

Trend of Financial Performance



1. FY 24 is consolidated; comparative figures are standalone
 2. PAT is PAT attributable to the owners of the parent

Leadership

MR. DEEPAK JALAN

Managing director,

- Commerce graduate with 38 years of experience
- Responsible for the overall operations with a specialization in international operations
- Responsible for the Company's strategic direction

MR. ALOKE JALAN

Whole time director,

- Commerce graduate with 33 years of experience in the business
- Looks after the Company's marketing operations with special emphasis on Western and Southern regions

MR. ROHIT DEEPAK JALAN

Whole time director,

- BA Hons. in Management studies from University of Nottingham, UK and PG Diploma in Business Management with specialization in Marketing
- Heading International Business and Marketing Department of the Company

MR. N.K.DUJARI

Director finance & CFO,

- Chartered Accountant with 34th Rank (All India) and a Company Secretary
- Alumnus of St. Xavier's College, Calcutta with over 35 years of professional experience in varied fields
- Joined Linc in the year 2000

MR. ANIL KOCHAR

Independent, Non-executive director,

- Postgraduate in Commerce and LLB
- An eminent advisor on income tax matters

MS. SUPRIYA NEWAR

Independent, Non-executive director,

- Author, Writer and a Communications specialist with over two decades of invaluable experience
- Believes in both the beauty and the might of the pen

MR. NARESH PACHISIA

Independent, Non-executive director,

- Founder & MD, SKP Securities Ltd.
- SKP Securities Ltd is Eastern India's leading investment banker, wealth manager and stockbroker with over 40 years' experience in capital markets

MR. SANJAY JHUNJHUNWALLA

Independent, Non-executive director,

- Commerce graduate with over 35 years of experience across diverse areas
- Specialization in retail-driven growth
- Whole Time Director & driving force behind Turtle India

MR. Mohit Kampani

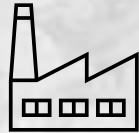
Independent, Non-executive director,

- B.Com from Calcutta University and MBA from Xavier Institute of Management
- 30 years of experience in the retail and consumer industries
- Founded Sumosave Retail in November 2022 and is currently the CEO.

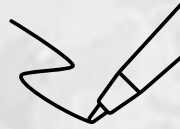
Why Linc?



Focus on Premiumization, consistently augmenting the contribution of high-margin products to its overall revenue



Geographic Expansion; Focusing on increasing its exports revenue and developing newer markets



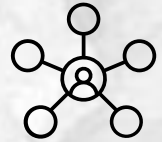
Inroads into Stationery Products; widening product portfolio by entering high-value & high-margin stationery segment



Strong Balance Sheet with negative net debt; strong top & bottom line growth



Consistently endeavors to practice good Corporate Governance founded on transparency, accountability, independent monitoring & environmental consciousness



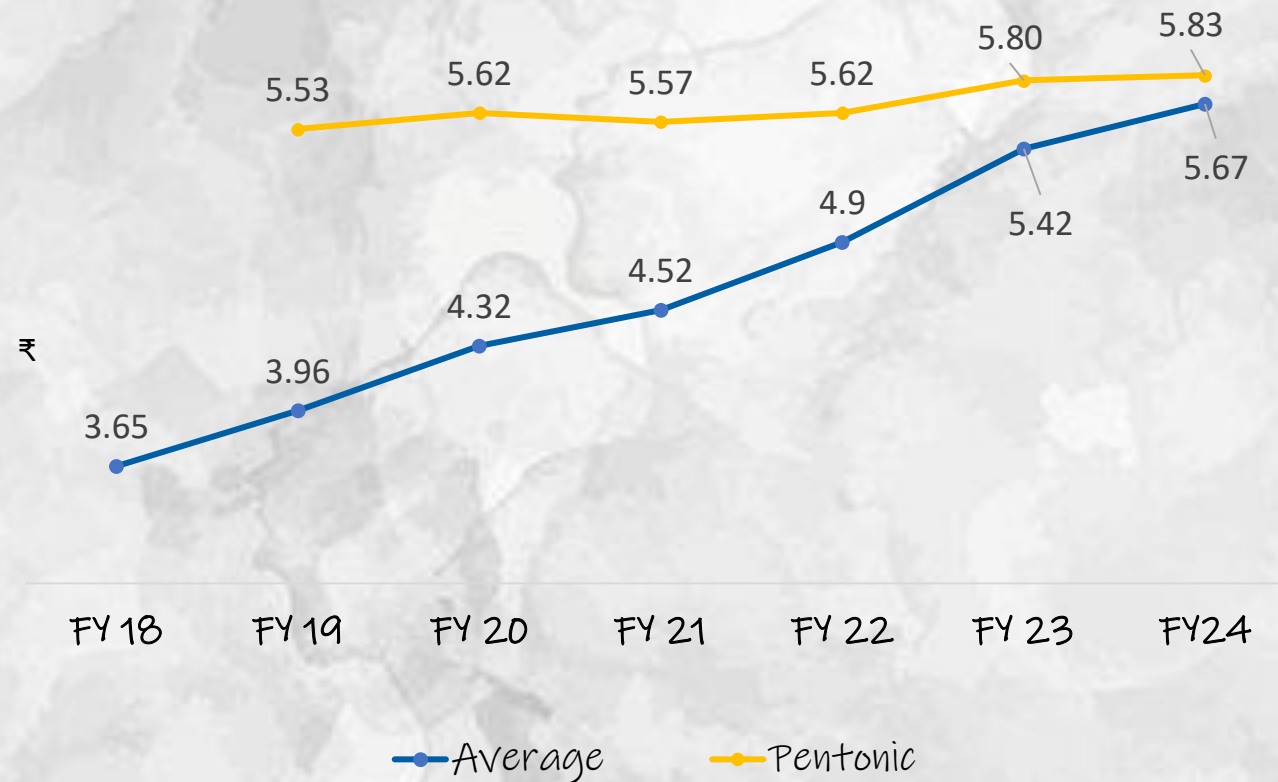
Rapidly expanding distribution network Added over 1.7 lac touch points over the last 4 years

Focus on Premiumization

Pentonic brand introduced in FY19 as a minimalistic yet contemporary pen, known for its aesthetics as well as writing smoothness

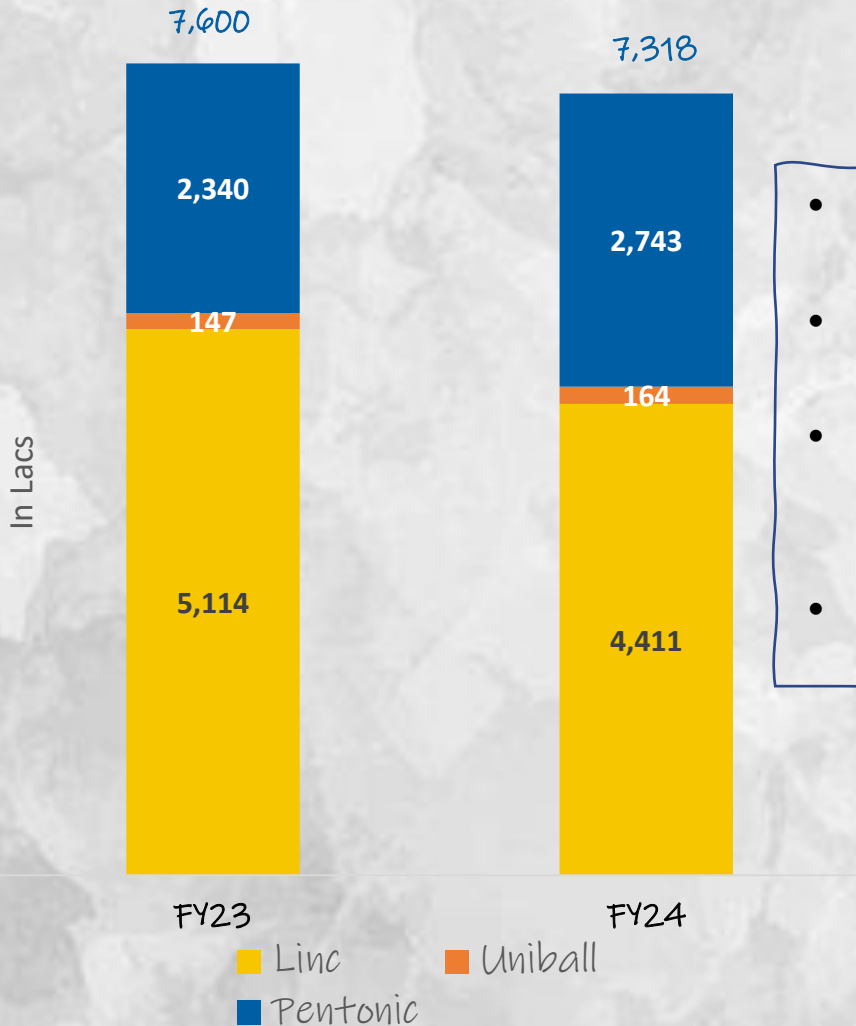


Growth in average realization of Pens



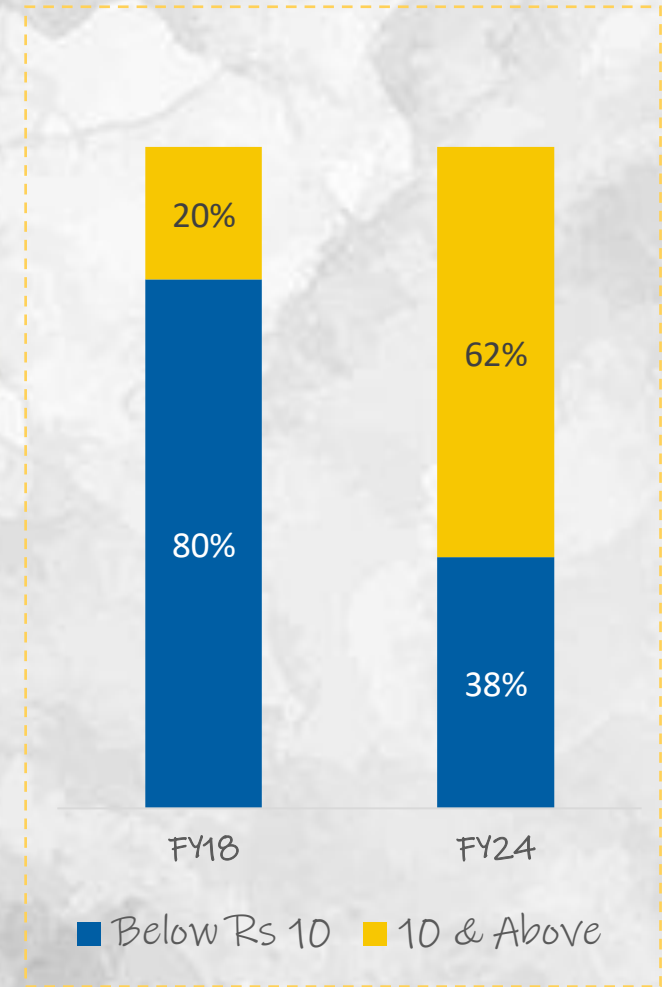
Focus on Premiumization

Number of Pens



- Pentonic positioned at ₹ 10 + segment
- Pentonic GPM ~ 41%
- Significant increase in revenue share of 'Pentonic' over the last 5 years
- Pentonic volume grew by ~17%

Pens above and below ₹ 10

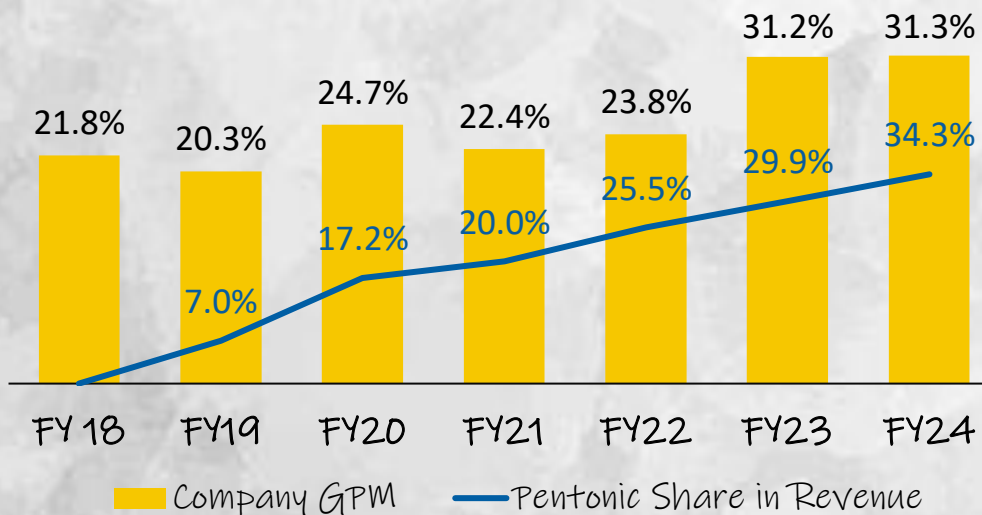


Focus on Premiumization

Pentonic's Contribution to Total Revenue



■ 1st Quarter ■ 2nd Quarter ■ 3rd Quarter ■ 4th Quarter

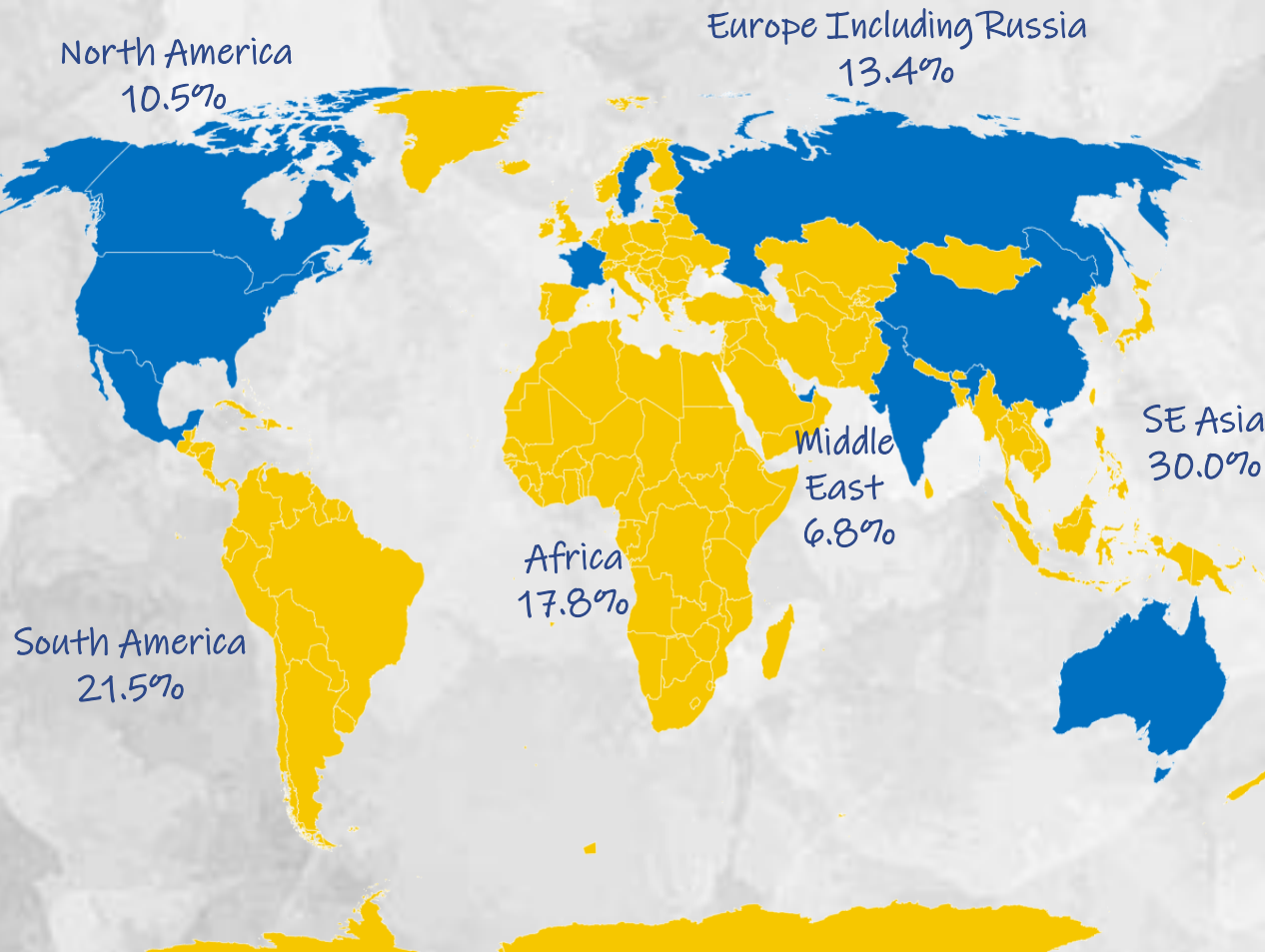


- Increase in share of **Pentonic** in total revenue led to higher GPM at the company level.
- New Launches in the upcoming quarters will drive premiumization



Increasing it's Global Footprint As well

Linc's Geographic Reach -FY24.



Pen Exports from India - CY23	Value USD Millions	Growth over CY22
South & Central America (SA)	24	-21%
Middle East (ME)	39	-6%
Africa	46	9%
South East Asia (SEA)	24	3%
Europe	33	25%
Total Exports	240	

- Global Ball & Gel Pen demand expected to grow at a CAGR of 12.5% over the next 7-8 years
- Demand to grow faster in the developing world
- Increasing literacy in the developing world to drive this growth
- This poses excellent opportunity to increase exports to the developing world
- Linc exports at ₹ 9,781 lacs is ~ 19.1% of it's revenue in FY24
- Focus on North America, East Africa and South American markets
- Distributor appointed for U.S.A., Canda & Mexico
- To improve penetration in the fast-growing African market, the company has acquired a majority stake in Kenyan manufacturer & seller of writing instruments

Recent Participation in Global Expos



Ambiente, Frankfurt, Germany, 2024

Recent Participation in Global Expos



Scofex, South Africa, 2023

Recent Participation in Global Expos



Escolar, Brazil, 2023

Recent Participation in Global Expos



Paperworld, Middle East , Dubai 2022

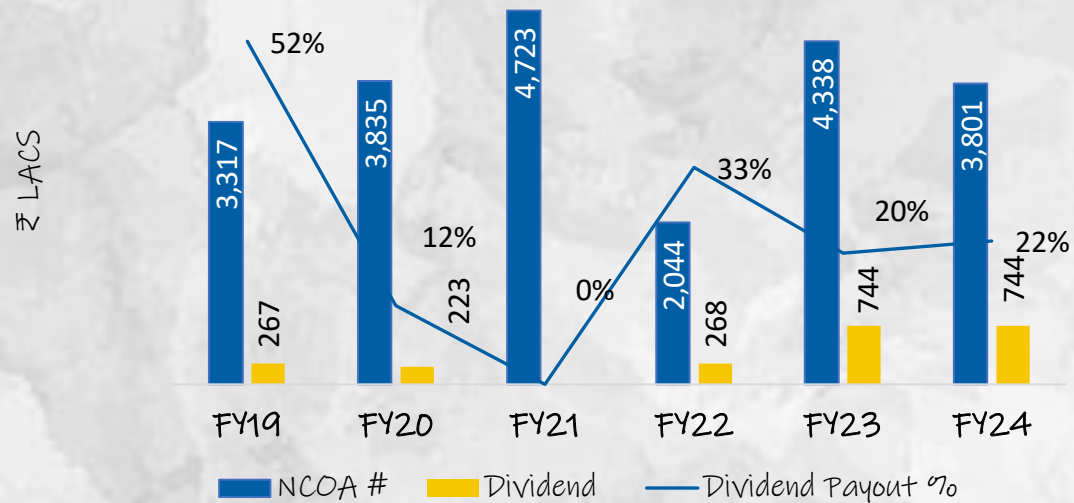
Inroads into Stationery Products

- Targeting ₹1 Billion of revenue from Deli by FY27
- Deli offers a range of over 200 products in India
- Company to largely focus on Calculators, Scissors & Desk Organizers
- Deli should contribute ~10 % of company's revenue by FY26
- Deli's GPM is around 20%



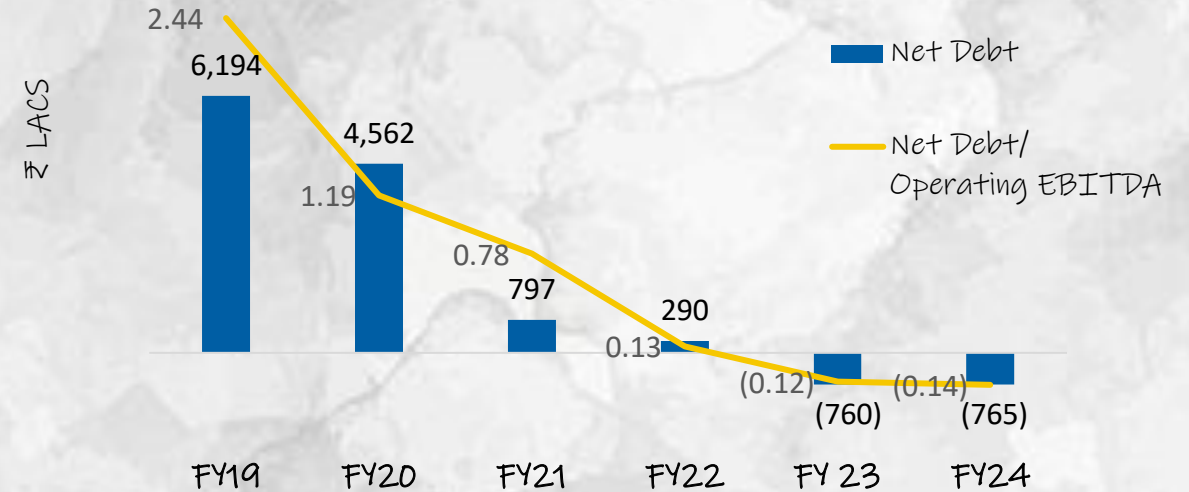
Focus on Shareholder Value Creation

Net Cash from Operating Activities Vs Dividend Payout



- NCOA continues to be strong in FY24
- Consistent Dividend Pay-out track record (Other than Covid years due to cash conservation)

Net Debt and Net Debt/Operating EBITDA



- Steady and significant decrease in Net Debt
- NCOA used judiciously to reduce Debt - Net Debt of ₹ (765) lacs as on Mar'24
- Capex being done in modular fashion and commitment funded largely through internal cash generation
- Net Debt / Operating EBITDA reduced significantly from peak of 2.54 in FY 2018 to (0.14) in FY24

Note
NCOA is Net Cash generated from Operating Activities

Expansion Plan



Linc's plans to increase its existing capacity at Gujarat have been deferred as the expansion of its facility near Kolkata, WB has taken precedence.

FY'25 demand would be met by the existing capacity & stepping-up outsourcing, which has already been tied up

New Infra adjacent to the existing location (near Kolkata) to rationalize logistics and economic synergies

Infra Cost of ~₹3,500 lacs

Estimated to be completed by Q1 FY 26

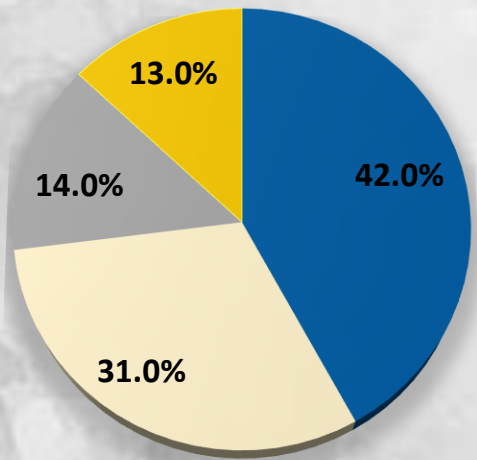
Investment in machineries will be in modular way – in line with the market demand.

Wider Penetration across India

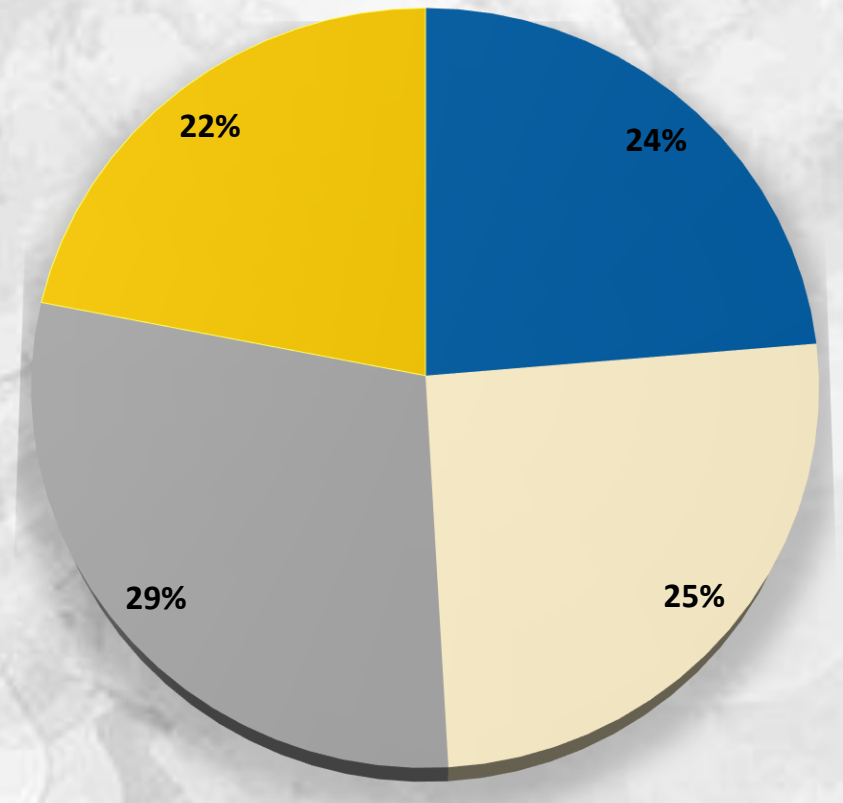
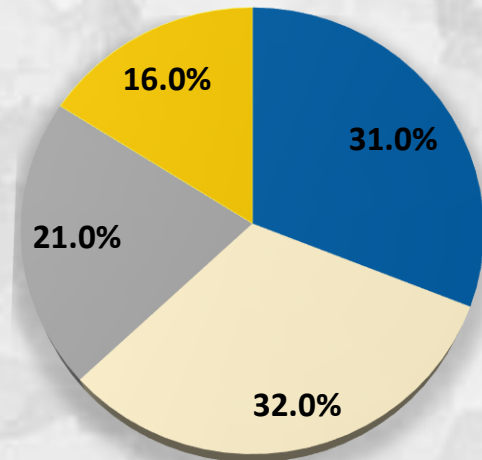
- India has over 10 Mn non-stationery outlets
- Broken tradition by expanding to neighbourhood grocery stores (Kirana, Medical stores, Pan stores, etc.)
- We have already crossed the milestone of 1 lakh non-stationery outlets
- Focus will be on increasing revenue per touchpoint
- Total Touchpoints increased to **2,55,356** in **FY24** and the number of Kiranas, Medical stores, etc increased to **1,49,363**
- Increasing footprint in West and South India and steadily moving towards a more homogenous presence across India

Break-up of Region-wise Touch Points – FY24

Revenue Share FY19



Revenue Share FY24



■ East India ■ North India
■ West India ■ South India

ESG

E

- Pentonic's individual plastic wrapper packaging has been consciously substituted with paper box packaging of 10/20 pcs
- This step has saved the planet from around 95 MT of plastic waste in FY23 while also having saved company ~ ₹ 300 lacs in packaging cost

S

- Strongly believes in diversity in the workforce and has ~1,600 female employees
- Employs a small specially-abled workforce, also providing training to these employees to enable efficient performance
- Long-standing partner of "Friends of Tribal Society" in providing support for education & other welfare activities

G

- Consistently endeavored to practice good Corporate Governance
- Believes such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness



why does a pen
company want you to
stop buying pens?



Yes, it's a weapon. But discarded carelessly, a plastic pen becomes a weapon of mass destruction.

For starters, it is difficult to recycle and emits toxic chemicals. Plastic pollution also plays havoc on soil nutrients and contaminates the water. As a result, trees wither away and animals die by getting poisoned, choked or pierced mercilessly.

The next time you throw a plastic pen away, think again. All it takes is to buy a refill. An act that will slow down pollution and buy some more time for this only planet of ours



Financial Snapshot

Operational Highlights

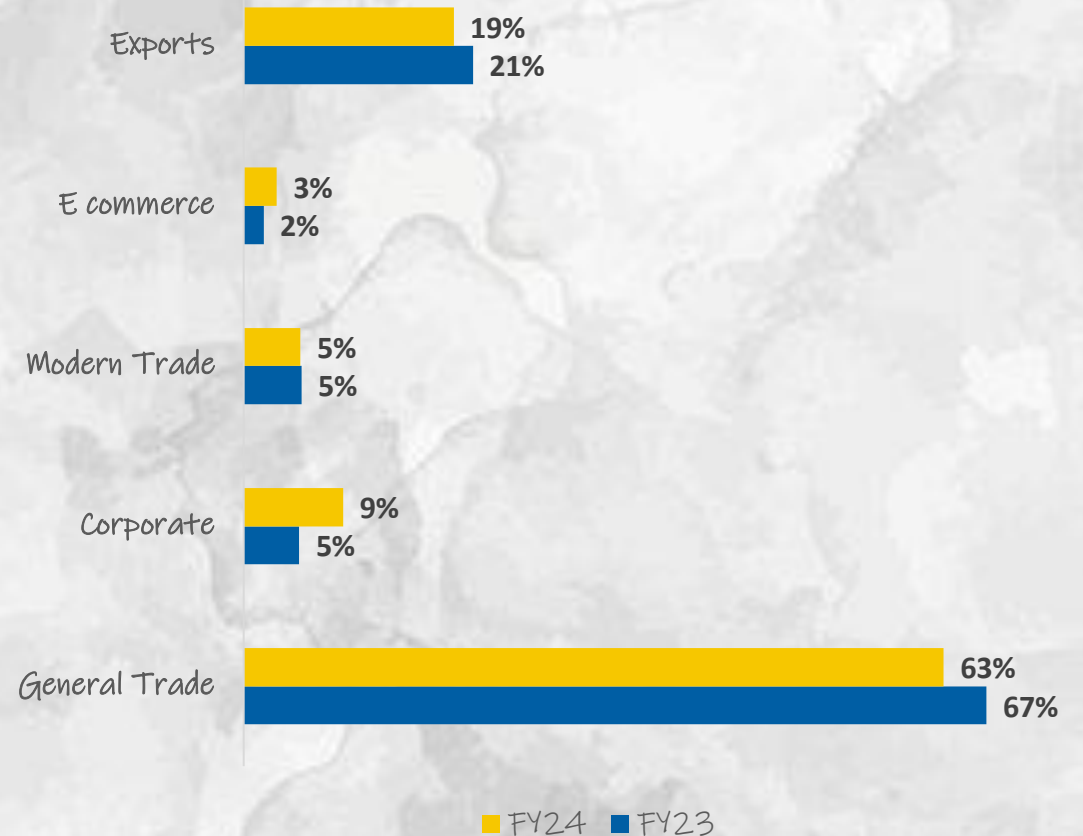
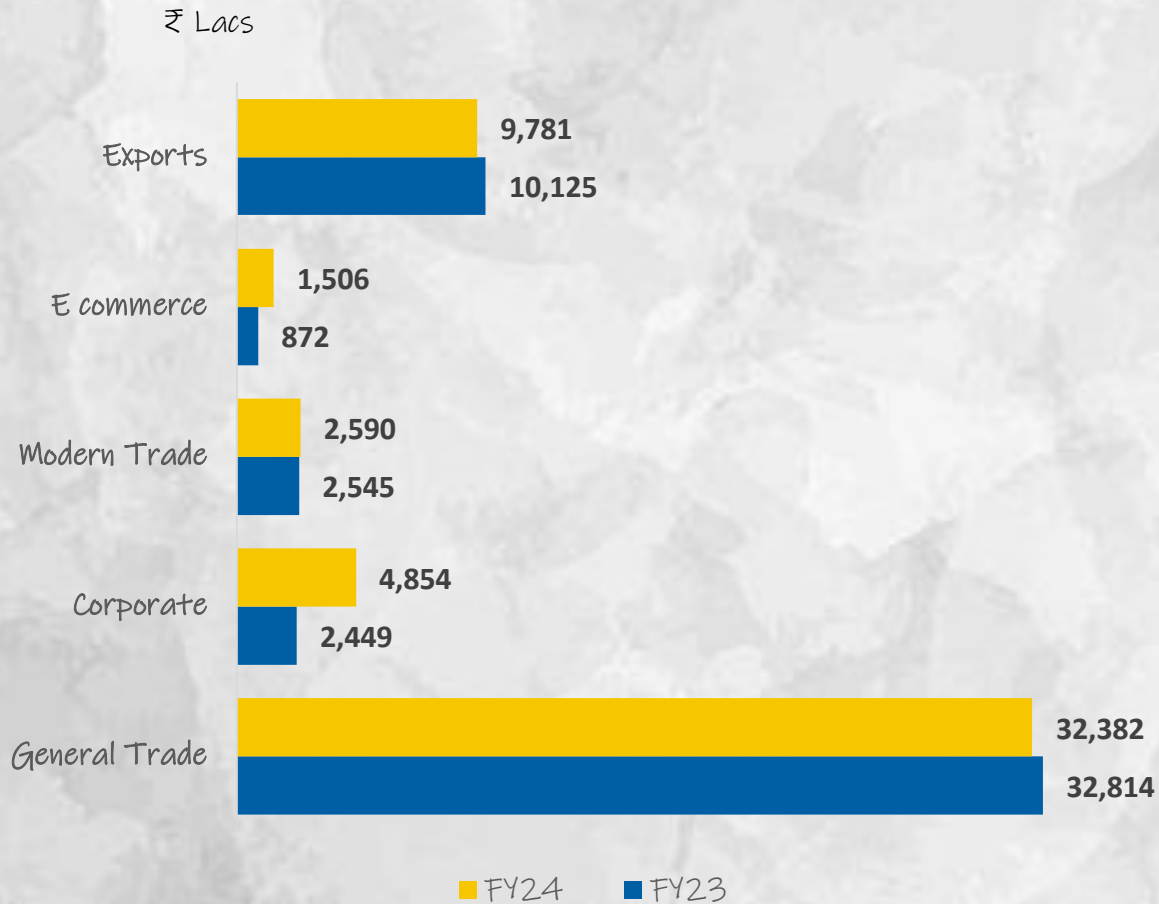
₹ Lacs

Revenue	Writing Instruments			Other Products		
	Own Brands		Licensed Brands	Own Brands		Licensed Brands
	Pentonic	Linc & Others	Uni-Ball	Pentonic	Linc & Others	Deli
<i>FY24</i>	16,387	20,427	7,777	1,124	2,597	2,799
<i>Sales Contribution (%)</i>	32.1%	40.0%	15.2%	2.2%	5.1%	5.5%
<i>FY23</i>	14,079	22,596	6,644	406	2,633	2,448
<i>Sales Contribution (%)</i>	28.8%	46.3%	13.6%	0.8%	5.4%	5.0%
<i>Growth YoY</i>	16.4%	(9.6%)	17.1%	176.9%	(1.3%)	14.3%

Note: 1. Revenue does not include Re-Sale of raw material and export incentive
 2. Linc & Others includes subsidiary revenue

Operational Highlights

Trade Channel Wise Break-up of Operating Revenue



Note: Revenue does not include Re-Sale of raw material and export incentive
Export includes subsidiary revenue

Profit & Loss Summary

Particulars	FY19	FY20	FY21	FY22	FY23	FY24
Operating Income	36,694	39,699	25,666	35,496	48,676	50,785
Gross Profit	7,434	9,805	5,753	8,441	15,197	15,909
Gross Profit (%)	20.3%	24.7%	22.4%	23.8%	31.2%	31.3%
Operating EBITDA	2,539	3,826	1,017	2,153	6,136	5,642
Operating EBITDA Margin (%)	6.9%	9.6%	4.0%	6.1%	12.6%	11.1%
PAT	515	1,925	4	813	3,740	3,421
PAT Margin (%)	1.4%	4.8%	0.0%	2.3%	7.6%	6.6%
Cash Profit	1,561	3,179	1,273	2,095	5,151	4,919
EPS (₹)	3.48	12.94	0.03	5.47	25.15	23.00

₹ Lacs

Note:

1. Prior period figures are restated wherever necessary
2. FY 24 is consolidated, and comparative figures are standalone
3. PAT is PAT attributable to the owners of the parent

Balance Sheet Summary

Particulars	FY19	FY20	FY21	FY22	FY23	FY24
Net Worth	12,337	13,697	13,471	14,285	17,722	20,585
Gross Debt	6,205	4,575	812	299	-	692
Cash & Cash equivalent	11	13	14	9	760	1,456
Net Debt	6,194	4,562	797	290	(760)	(765)
Capital Employed ¹	19,388	19,199	15,025	15,178	18,730	23,867
Net Fixed Assets (incl CWIP)	7,541	7,870	7,106	8,215	9,038	12,359
Net Current Assets ²	6,087	7,219	5,437	6,072	7,748	8,102
Total Assets	23,240	24,535	20,046	20,162	23,746	30,962

₹ Lacs

Note:

1.Capital Employed = Net worth + Gross Debt + Other long-term liabilities + Lease Liabilities

2.Net current assets does not include Cash & cash equivalents

3.FY 24 is consolidated, and comparative figures are standalone

Ratios

Particulars	Ratios	FY19	FY20	FY21	FY22	FY23	FY24
Solvency Ratios	Net Debt/Equity	0.50	0.33	0.06	0.02	(0.04)	(0.04)
	Net Debt/Op EBITDA	2.44	1.19	0.78	0.13	(0.12)	(0.14)
	EBIT/Interest	2.76	5.26	-0.39	15.81	79.78	18.91
Operational Ratios	Current Ratio	1.68	1.85	1.92	2.14	2.56	2.22
	Fixed Asset Turnover	5.15	5.15	3.43	4.63	5.64	4.75
	Total Asset Turnover	1.56	1.66	1.15	1.77	2.22	1.86
	Inventory Days	107	113	154	98	89	105
	Debtor Days	44	39	56	36	27	33
	Payable Days	40	45	86	60	48	57
	Cash Conversion Cycle	111	107	124	74	68	81
Return Ratios	ROE	4.2%	14.8%	0.0%	5.9%	23.4%	18.0%
	ROCE	9.0%	14.9%	-0.6%	7.7%	30.2%	23.1%

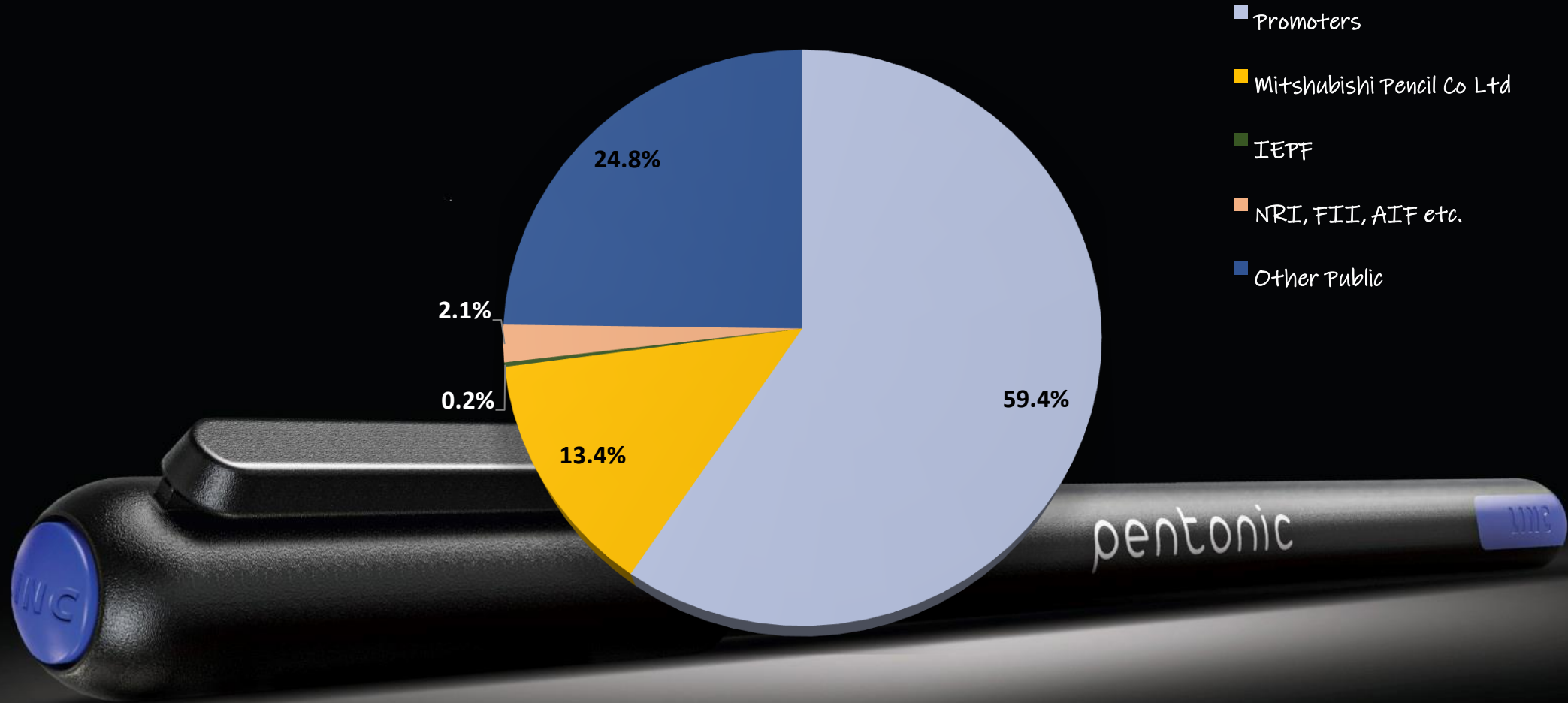
Note:

ROCE = EBIT / Average Capital Employed & ROE = Net Profit / Average Net worth

YTD figures are annualized

Shareholding Pattern

As on March'24



Thank You

For further details please contact

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