

13th December, 2019

The Listing Department, The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700001	The Manager The Department of Corporate Services, BSE Limited, P. J. Towers, Dalal Street, Mumbai - 400001	The Manager, The Listing Department, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
--	--	--

Dear Sir,

Sub: Investors' Presentation

In reference to our earlier letter dated 11th December, 2019, we enclose herewith the Investors Presentation to be made at the Small Cap Investor Summit 2.0 to be held at Mumbai organized by The Investment Lab on 14th December, 2019.

This is for your information and record.

Thanking You

Yours faithfully

For LINC PEN & PLASTICS LTD.



N. K. DUJARI
Chief Financial Officer &
Company Secretary

Linc Pen & Plastics Ltd



LINC

Think it. Linc it.

**INVESTORS' PRESENTATION
SEPTEMBER 2019**

PROMOTERS' BACKGROUND



Linc Pen & Plastics Ltd. was promoted by Shri S.M.Jalan, a first generation entrepreneur, in 1994, along with his three sons, Deepak, Prakash & Alope.

OUR BOARD

- SHRI DEEPAK JALAN (MANAGING DIRECTOR)
- SHRI ALOKE JALAN (WHOLETIME DIRECTOR)
- SHRI ROHIT DEEPAK JALAN (DIRECTOR-SALES & MARKETING)
- SHRI NARESH PACHISIA (INDEPENDENT DIRECTOR)
- SHRI SANJAY AGARWAL (INDEPENDENT DIRECTOR)
- SHRI ANIL KOCHAR (INDEPENDENT DIRECTOR)
- MS. SUPRIYA NEWAR (INDEPENDENT DIRECTOR)



Think it. Linc it.

GLOBAL WRITING INSTRUMENT MARKET

- Rs. 70,000 crore (* Rs.140,000 crore at retail value)
- 4500 crore units

**US \$ 20 Billion @ 70*



Think it. Linc it.

GLOBAL EXPORTS OF PENS

- Exports from CHINA: Rs. 12,370 crore (\$ 1767 million)
- Exports from INDIA: Rs. 1,350 crore (\$ 192 million)

Source: atlas.media.mit.edu

Conversion of U.S Dollars to Indian Rupees @70

OVERVIEW OF THE LEADING GLOBAL PLAYERS-2018

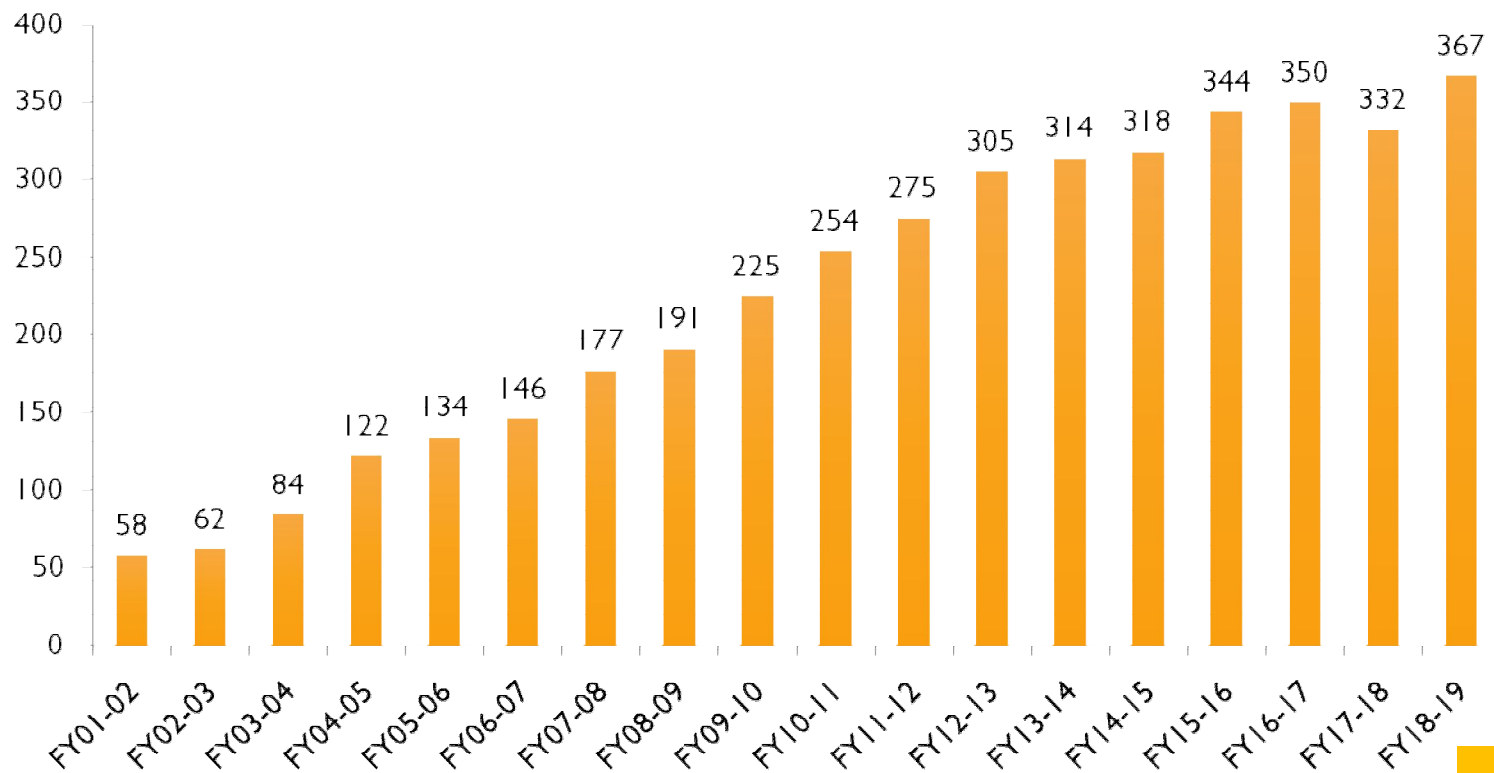
- NEWELL RUBBERMAID – Rs. 12,950 crore (USD1.85 Bn)
- BIC – Rs. 5,328 crore (EURO 0.77 Bn)
- MITSUBISHI PENCIL COMPANY – Rs. 3,938 crore (JPY 62.50 Bn)

Note : Only writing instrument revenue considered

INDIAN WRITING INSTRUMENTS MARKET

- Estimated at Rs. 4,000 crores
- About 75% is organized.
- Other major players –
(With Revenues in FY19)
 - CELLO (548 Cr)
 - RORITO (282 Cr)
 - FLAIR/REYNOLDS (732 Cr)
 - LUXOR (318 Cr)

COMPANY REVENUE HISTORY

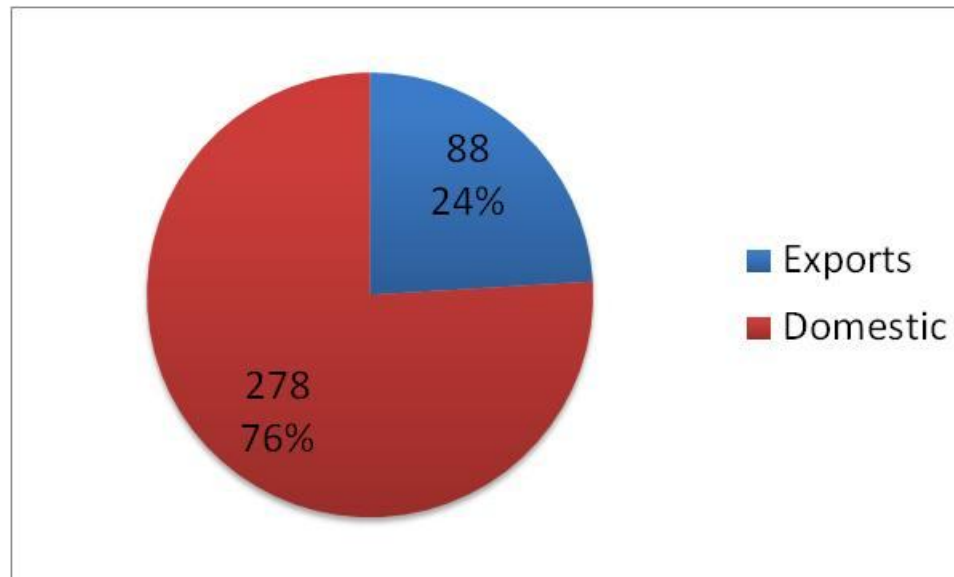


FIGS IN VALUE – Rs
crore

LINC

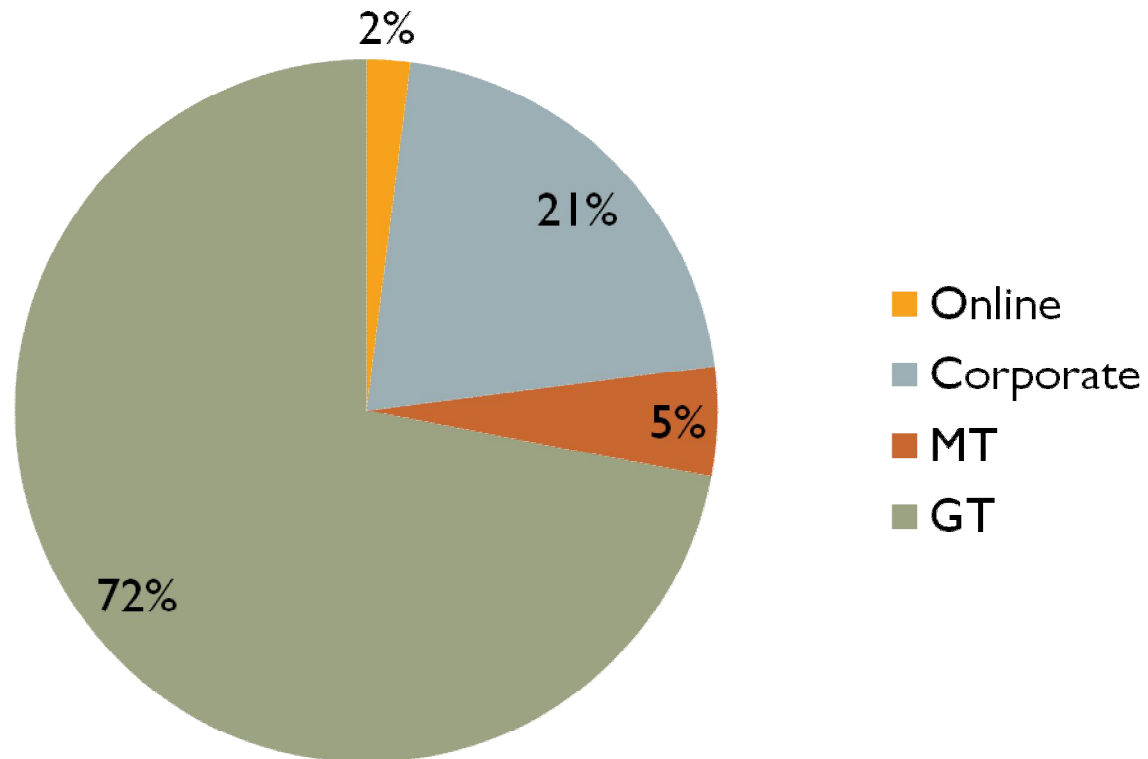
Think it. Linc it.

REVENUE BREAKUP FY 19

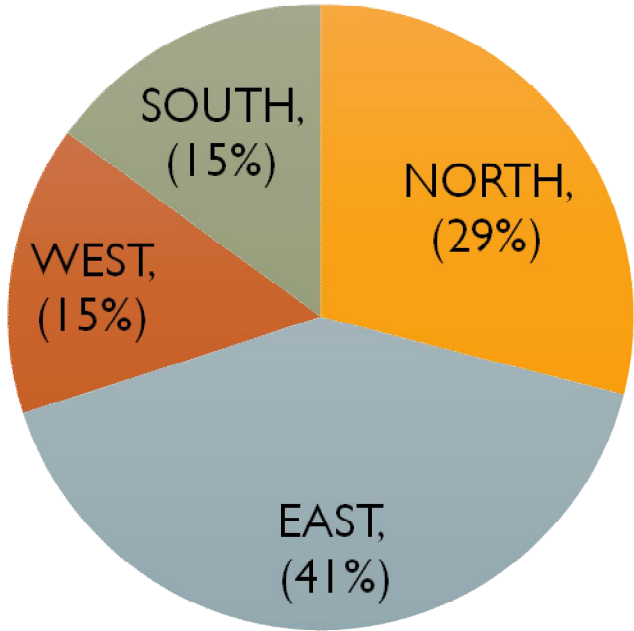


FIGS IN VALUE – Rs
crore

CHANNEL WISE BREAKUP (H1 FY20)

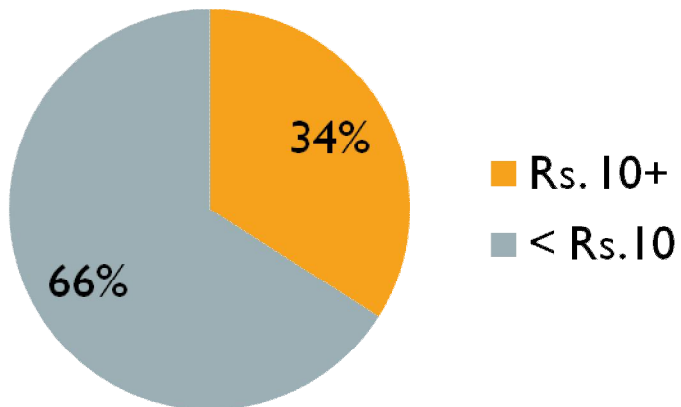


ZONE WISE – DOMESTIC (H1 FY20)

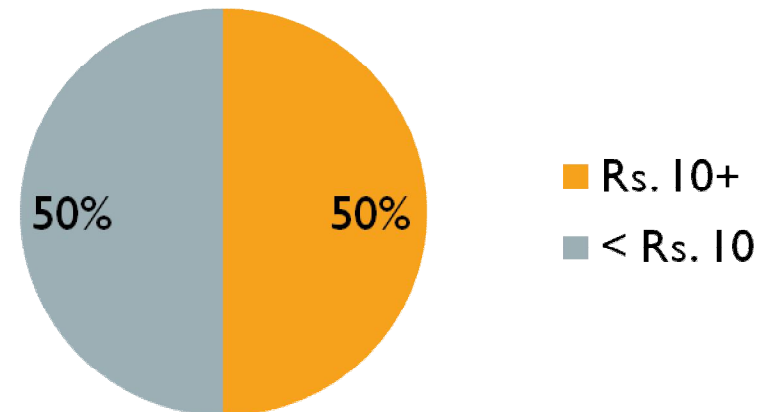


SEGMENT WISE – DOMESTIC GT-H1 FY20 (VALUE)

H1 FY19

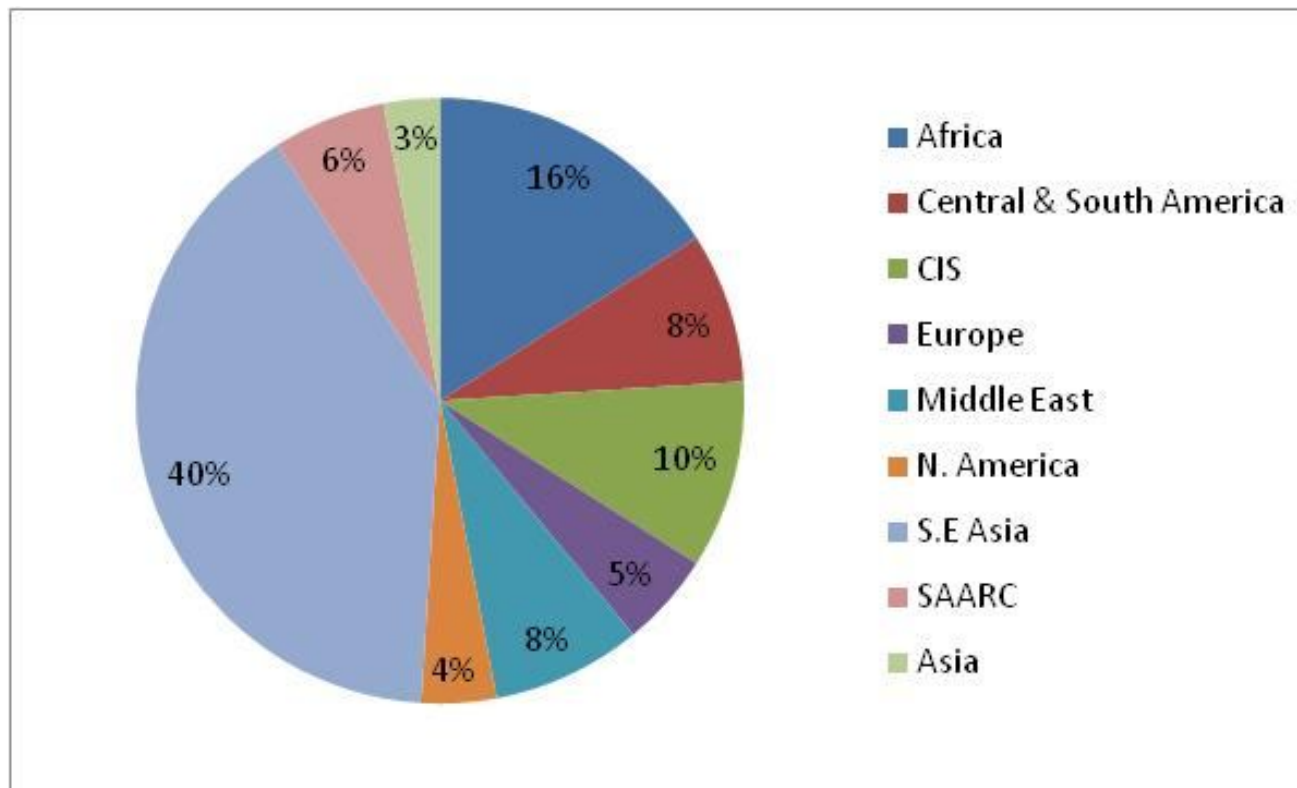


H1 FY20

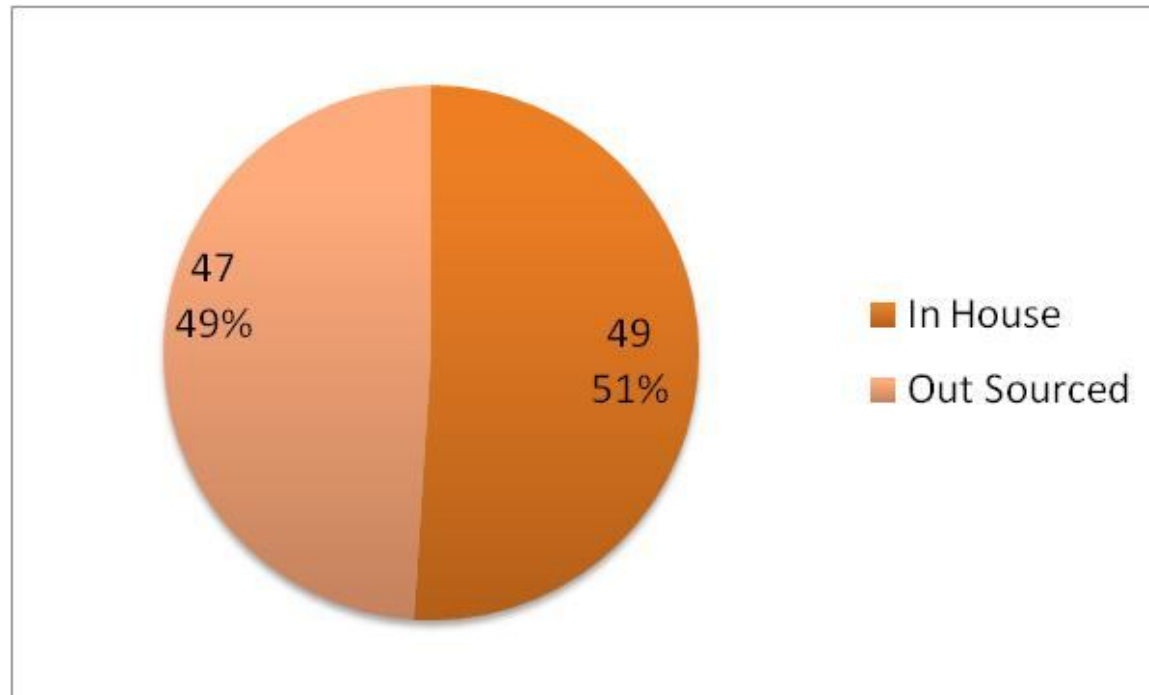


EXPORTS REGION WISE BREAKUP FY19

Total Export – 88 Cr
(In over 50 Countries)

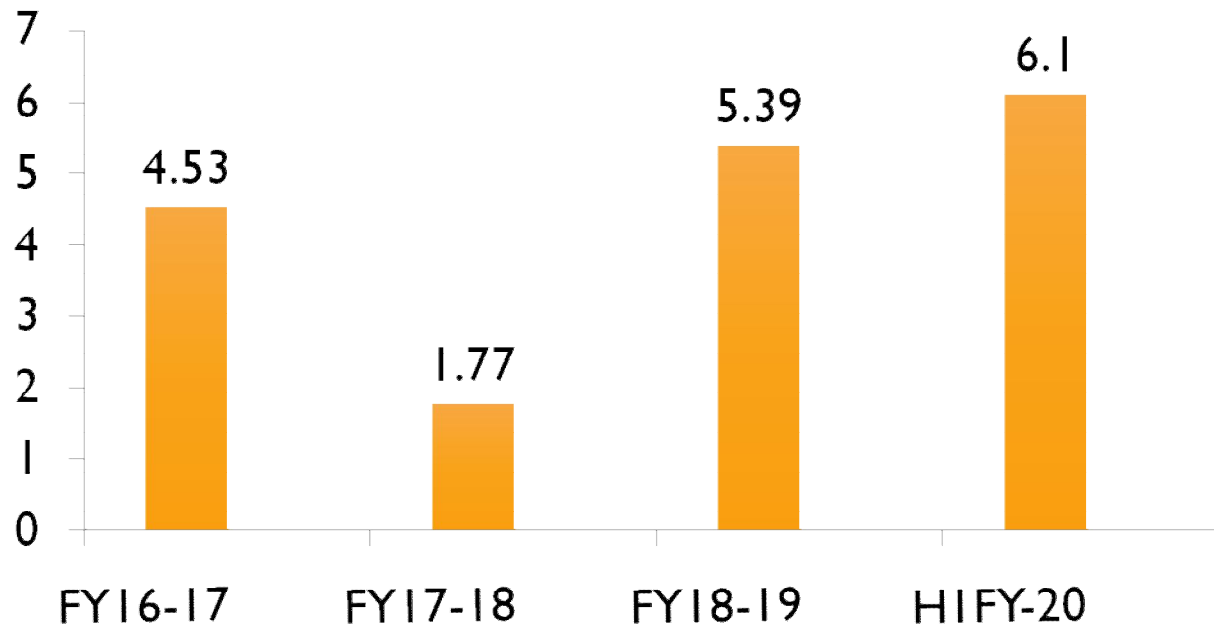


PRODUCTION CAPACITY



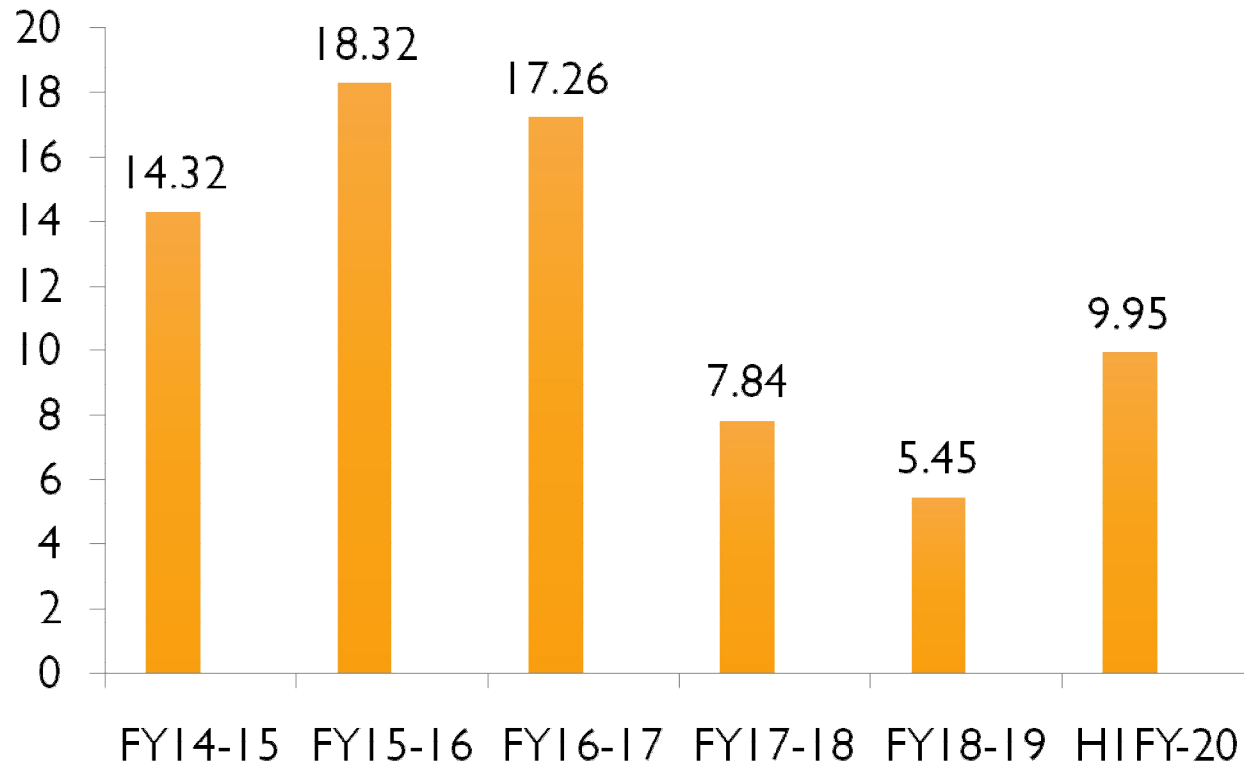
FIGS IN VOLUME – crore units

ADVERTISING EXPENSES – LAST 3 YEARS



FIGS IN VALUE – Rs crore

PAT- LAST 5 YEARS



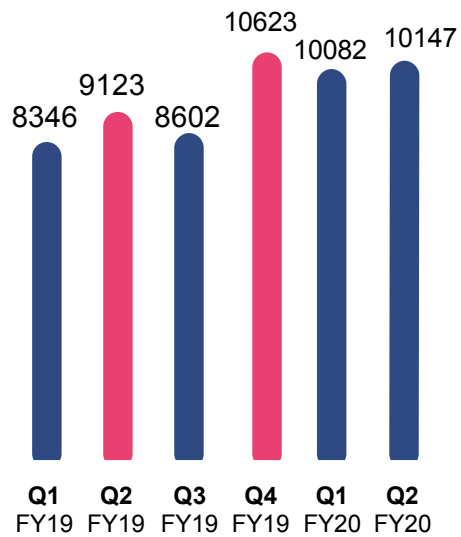
FIGS IN VALUE – Rs crore

LINC

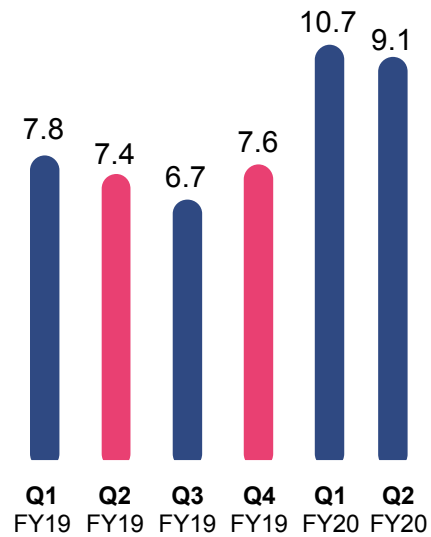
Think it. Linc it.

QUATERLY UPDATE Q2 FY20

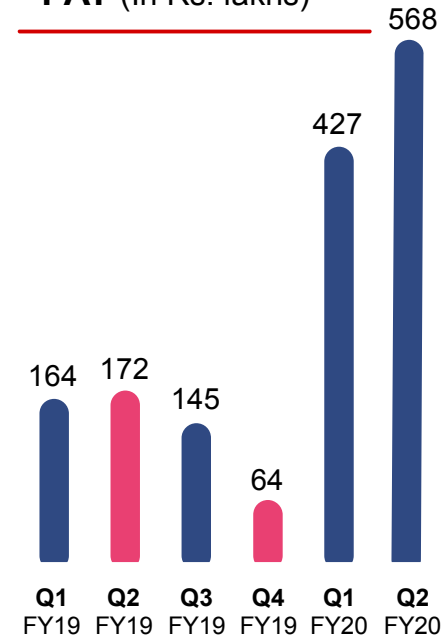
Revenues (In Rs. lakhs)



EBITDA margin (%)



PAT (In Rs. lakhs)

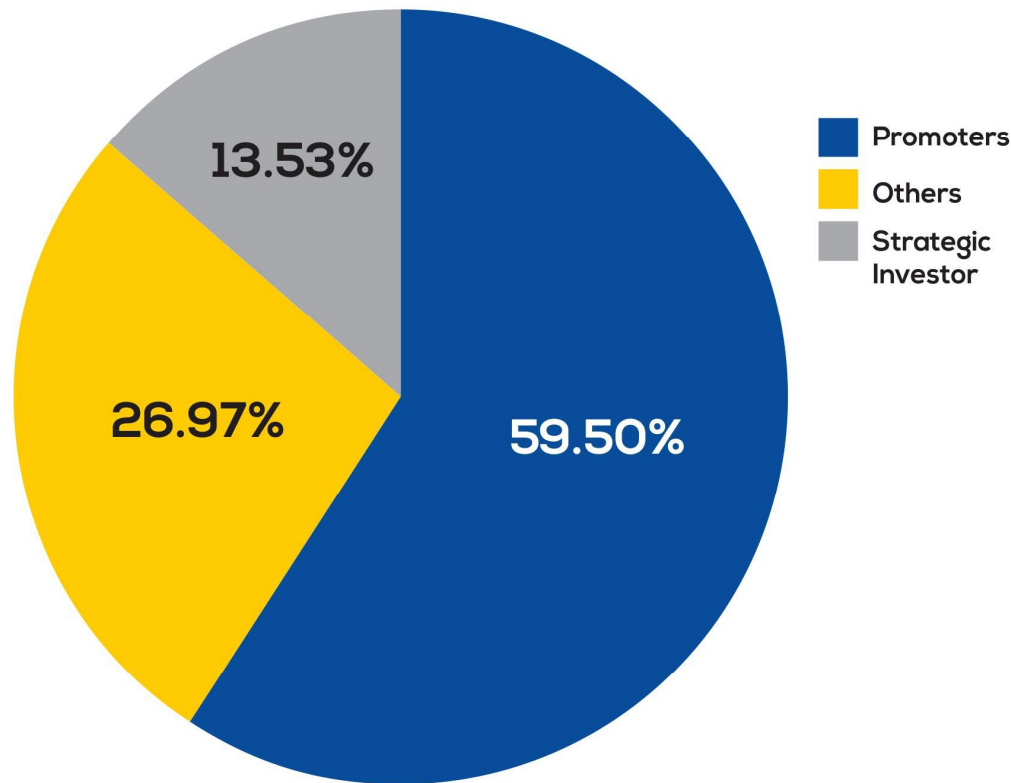


MANUFACTURING FACILITIES

- 4 units based in Kolkata, West Bengal
 1. Serakole (Complete production unit) – 40,000 SQ FT
 2. Falta (Complete production unit) – 26,000 SQ FT
 3. Joka (Packing and Assembly unit) – 20,000 SQ FT
 4. Jungalpur (Complete production unit) – 35,000 SQ FT
- Umbergaon, Gujarat (new unit) – 85,000 Sq ft
(Setup at an investment of Rs 37 Cr. Capacity - 2 Cr / month)

Shareholding Pattern + Capital Market Indicators

Shareholding Pattern as on 30th September 2019



Strategic Investor	MITSUBISHI PENCIL CO LTD	13.53%
--------------------	--------------------------	--------

Price Date (as of 6th December 2019)	INR
Face Value	10
Number of Shareholders	5,918
Market Price	196.00
52 Week H/L	290/168
Market Cap (Inr Mn)	2897
Equity Shares (Mn)	14.78

DISTRIBUTION NETWORK

- DOMESTIC –
 - 36 Channel Partners
 - 2555 Distributors
 - 60,000 Retail outlets & Growing (Direct Coverage)
 - 309 Field Staff
- OVERSEAS –
 - 50 Countries+

Financial Outlook

Management estimates a 10%-12% growth in topline for FY2019-20.

Exports constituted a good ~30% of total sales in FY17, which dropped to ~24% in FY19. Going forward, exports expected to rebound sharply growing at a CAGR of 10% in FY20-22E.

Debt Equity Ratio in FY19 was 0.49 and is expected to decrease going forward, with all major capex program getting over in FY20.

Consistent dividend track record since inception with minimum dividend payout ratio of 30%, which will be maintained going forward.

ROE was down at 4.4% in FY19 from 18.1% in FY16, it is expected to cross 15% levels by FY22.

Forward Looking Strategy

- Focus on higher segments and value added products, priced between from Rs.10/- to Rs.100/-
- Develop unique products and packaging which create differentiation for us.
- Improve profitability by selling products which are affordable for consumers and at the same time rewarding for the company.
- Focus on building strength and infrastructure in international geographies as the margins and realizations are better as compared to domestic.



LINC

Think it. Linc it.

THANK YOU