

19<sup>th</sup> September, 2013

The Secretary,  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range,  
Kolkata- 700 001

Dear Sir,

**Sub:** 19<sup>th</sup> AGM held on 18<sup>th</sup> September, 2013

Please note that at the 19<sup>th</sup> Annual General Meeting of the Company held on 18<sup>th</sup> September, 2013 at Kolkata the following business were transacted / approved:

1. Adoption of Audited accounts for 2012-13 together with Auditors & Directors Report thereon.
2. Declaration of dividend @ Rs. 1.50 (15%) per equity share for the year ended 31.03.2013
3. Re-appointment of Dr. Ranjan Das as Director of the Company.
4. Re-appointment of the Auditors.

A copy of the speech given by Shri Deepak Jalan, Managing Director of the Company is enclosed for your kind perusal and record.

Thanking you,

Yours faithfully,

For LINC PEN & PLASTICS LTD.



N. K. DUJARI  
G.M.- Finance &  
Company Secretary

✓cc: The Executive Director  
The Stock Exchange, Mumbai

Stock Code - 531241

## **MD's Statement**

**My colleagues on the Board, Dear Shareholders, Ladies & Gentlemen**

It gives me immense pleasure to see you all at the 19th Annual General Meeting of your company.

### **Financial Results**

As mentioned in our Annual Report, Linc Pen recorded a top line growth of about 11% to reach a turnover of Rs.305.26 crores. In the Domestic market the growth was 9%, whereas Exports grew by 14.5%. The capital infusion by way of preferential allotment to Mitsubishi Pencil Co Ltd, Japan, helped the Company to reduce its interest cost. The PAT has improved from Rs.1.70 crs to Rs.5.41crs, although still behind the levels achieved in the past years. The Board of Directors of your Company have recommended a Dividend of Rs.1.50 per share.

As a whole, 2012-13 was a challenging year both for domestic as well export markets. The Company took number of initiatives to counter increased input costs as well competition in the domestic market.

Indian exports had hit a turbulent patch due to the downturns in the global economy and there was immense competition from other Indian and Chinese companies in Writing Instruments sector. The Company focused on helping clients, navigate the impact of the global recession through innovative promotions, flexible product mix, etc. Hence in quantitative terms, we have sold additional 3.5 crores pens globally in 2012-13.

The Company continues to export over 90% of its product under "Linc" brand. It is our dream to build "LINC" globally. Our presence, is now, in over 40 countries and we are committed to increasing our presence worldwide by adding new geographies. We expanded our reach to 4 new countries last year and have already added another 5 new countries in the 5 months of the current year.

We continue to invest in our future; in our brand, in our people, in new facilities etc. We have set up a new assembly and packaging unit dedicated to exports to help achieve our mission to offer products globally which delight our customers. We have the right people, strategy and business model and we hope to realize our full potential in the near future.

### **Current Year 2013-14**

During the last 10 years the Company's topline has multiplied 5 times (Export 10 times), whereas PAT has grown by only about 2.5 times. In this period the focus of the Company was more towards growth in topline and market share. This year your Company is changing its focus to the bottomline, maintaining the topline levels. To achieve this objective the Company is strategically revamping its product mix and market presence and improving operational efficiencies.

The efforts have already started yielding some results - the PAT for Q1 of 2013-14 was at 1.67Cr as compared to 0.21 Crs in the corresponding quarter 2012-13.

### **CSR**

Your Company further strengthened its CSR activities, to help the brand reach closer to people.

SPELLINC, the Company's inter school English spelling competition, immensely popular amongst students has entered its 15th year. The SPELLINC contest over the years has grown in stature with increased participation. The competition is now spread across various cities in the country. In total, there will be a participation of more than 6 lakh students from over 1000 Schools. This year, we will also have Renault and Friends FM as our partners to amplify and make the event even bigger. SPELLINC, 2013 will also have its first National Finale in Kolkata.

Before I conclude, I express my appreciation to the Board for their wise counsel and guidance, while adhering to high standards of corporate governance. My sincere thanks to all our channel partners, distributors, vendors and employees for their enthusiasm and dedicated contribution to the Company's performance. We truly value the continued patronage of our esteemed customers. All of them have contributed to our Company in different ways. And my fellow directors join me in thanking you once again, our loyal shareholders for your confidence and support. We look forward to your continued support as your Company embarks on the next phase of its journey.