LINC

13th February, 2018

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

Dear Sir,

Re : Press Release

Please find enclosed herewith the Press Release relating to the Financial Results for the quarter / nine months period ended 31st December, 2017.

Thanking You

Yours faithfully

For LINC PEN & PLASTICS LTD.

N. K. DUJARI
Chief Financial Officer&
Company Secretary

Encl: as above

CC: 1. The Executive Director
The Stock Exchange, Mumbai

Stock Code - 531241

2. The Manager,
Listing Department,
National Stock Exchange of India Ltd.

Press Release

Salient Points on Financial Results for Q3 / 9MNTH of FY2017-18

		Q3 - 17-18	Q3 - 16-17	Increase / (Decrease)
Total Revenue (Net)	₹ In Lacs	8,238	7,935	3.8%
Exports	₹ In Lacs	1,946	2,607	(25.4%)
Profit After Tax (PAT)	₹ in Lacs	257	305	(15.7%)
PAT (as % of Revenue)	In %	3.1%	3.8%	(70 bps)
EBITDA (in %)	In %	9.0%	8.7%	30 bps

		9M-17-18	9M-16-17	Increase / (Decrease)
Total Revenue (Net)	₹ In Lacs	22,854	24,853	(8.0%)
Exports	₹ In Lacs	4,835	7,118	(32.1%)
Profit After Tax (PAT)	₹ In Lacs	472	1161	(59.3%)
PAT (as % of Revenue)	In %	2.1%	4.7%	(260 bps)
EBITDA (in %)	In %	7.9%	9.5%	(160 bps)
Inventory & Debtors	₹ In Lacs	12,299	12,219	(0.7%)
	Days of sale	143	131	

Linc Pen, India's one of the largest writing instruments manufacturing company, clocked a 14% rise in domestic channel sales volume in December quarter from same quarter last year. The overall domestic sales in terms of value, increased by 19% to Rs.6549 Lacs from Rs.5491 Lacs in year ago period.

On the export front, the revenue declined by 25% due to loss of sales in some of the company's major markets in the Middle East and Africa, on account of sudden import restrictions in those countries. As a result, overall reported sales of the Company in the December quarter was Rs.8238 Lacs as against Rs. 7935 lacs in the year ago period, a marginal increase of 3.8%. However, the reported net domestic sales value was not comparable, as turnover in the post GST scenario was calculated net of GST, while earlier it was gross of excise.

Net Profit declined 16% to Rs.257 Lacs from the year ago period as a result of lower export revenue, continued rise in polymer prices and higher Interest and Depreciation on account of commissioning of new production facility at Gujarat w.e.f 15th July, 2017.

Going forward, the Company expects similar momentum in the domestic sales in the remaining period of this fiscal. However, export revenue is likely to continue to be sluggish due to the reasons earlier mentioned, but the Company expects to make up the loss of sales from alternative markets from next fiscal.

On the profitability front, the impact of increased polymer prices is going to continue in the near future, which the Company expects to mitigate by increasing share of value-added products. Currently the value-added products have 18% volume contribution and 30% value contribution in the domestic channel sales, which is expected to increase steadily every quarter. Further, the profitability should also improve with improvement in the capacity utilisation at the new facility in Gujarat.

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