



15th Decmber, 2017

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 / half year ended 30th September, 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.

Salient Points on Financial Results for Q2 / H1 of FY2017-18

		Q2 - 17-18	Q2 - 16-17	Increase / (Decrease)
Total Revenue (Net)	₹ In Lacs	7,867	8,409	(6.4%)
Exports	₹ In Lacs	1,756	2,214	(20.7%)
Profit After Tax (PAT)	₹ in Lacs	162	415	(61.0%)
PAT (as % of Revenue)	In %	2.1%	4.9%	(280 bps)
EBITDA (in %)	In %	8.9%	10.0%	(110 bps)

		H1 - 17-18	H1 - 16-17	Increase / (Decrease)
Total Revenue (Net)	₹ In Lacs	14,616	16,919	(13.6%)
Exports	₹ In Lacs	2,889	4,511	(36.0%)
Profit After Tax (PAT)	₹ In Lacs	216	856	(74.8%)
PAT (as % of Revenue)	In %	1.5%	5.1%	(350 bps)
EBITDA (in %)	In %	7.2%	9.9%	(270 bps)
E P S	Per share	1.46	5.79	
Inventory & Debtors	₹ In Lacs	11,862	12,163	(2.5%)
	Days of sale	145	128	
Working Capital Borrowings	₹ In Lacs	4,677	4,050	15.5%

Linc Pen, India's one of the largest writing instruments manufacturing companies, clocked a 14% rise in domestic volume in Sept Qtr from same qtr last year, signalling a revival in trade after a dip caused by July 1 imposition of GST.

The turbulence in the trade pipeline got near normal, which was severally affected in the previous quarter. However, 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. Consequently the domestic sales in terms of value, declined by 1.4% to Rs.6111 Lacs from Rs.6195 Lacs in year ago period, which the Company attributed to accounting impact.

On the export front, the revenue declined by 20.7% 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 sales of the Company in the September Qtr was Rs.7867 Lacs as against Rs. 8409 lacs in the year ago period, a decline of 6.4%.

Net Profit declined 61% to Rs.162 Lacs from the year ago period as a result of lower export revenue, abrupt 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, there has been a sharp recovery in the domestic sales and more than 20% value growth has been achieved in the first 2 months of 3rd qtr and the Company expects similar momentum in the remaining period of this fiscal. However, export revenues 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 volume share of value added products. Further, the profitability should also improve with improvement in the capacity utilisation at the new facility in Gujarat.

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