



13<sup>th</sup> February, 2024

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Dear Sir,

**Sub:** Post Earnings Call - Submission of Transcript

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Post Earnings (Conference) Call held on Friday, 9<sup>th</sup> February, 2024 which is simultaneously being uploaded on the website of the Company.

The above is for your information and record.

Thanking You

Yours faithfully

For LINC LIMITED

DIPANKAR DE  
Company Secretary

Encl.: As above



“Linc Limited  
Q3 FY24 Earning Conference Webinar”

Friday, February 9th, 2024



**MANAGEMENT:** **MR. DEEPAK JALAN**  
**MANAGING DIRECTOR – LINC LIMITED**

**MR. N.K. DUJARI**  
**DIRECTOR FINANCE – LINC LIMITED**

**MR. SANJEEV SANCHETI**  
**UIRUS ADVISORS LLP (IR ADVISORS)**

**HOST:** **MR. NAVIN AGARWAL**  
**HEAD, INSTITUTIONAL EQUITIES - SKP SECURITIES LIMITED**  
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## Linc Limited Q3 FY24 Earnings Webinar

– **Mr. Navin Agrawal – Head, Institutional Equities, SKP Securities Limited:**

- Good afternoon, ladies and gentlemen. It is my pleasure to welcome you on behalf of Linc Limited and SKP Securities to Linc Limited's Q3 FY24 earnings webinar. We have with us Mr. Deepak Jalan - Managing Director, Mr. N.K. Dujari - Director of Finance and Mr. Sanjeev Sancheti from Uirtus Advisors LLP, the company's IR advisors. This webinar has been recorded for compliance reasons and during the course of the discussion there may be certain forward-looking statements. These must be viewed in conjunction with the risk that the company faces.
- I now hand over the webinar to Mr. Jalan for his opening remarks which will be followed by a Q and A session. Thank you and over to you Deepak ji.

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- Good afternoon ladies and gentlemen, esteemed investors. Thank you for joining us for our Q3 FY24 earnings call. We appreciate your continued support and trust in Linc Limited. In the third quarter, we faced an unusually challenging market environment, yet our performance offers a perspective of stability and strategic foresight. It is important to note that our domestic sales remain stable, a testament to our brand's resilience. This stability is particularly noteworthy given that the third quarter of the previous year, that is, Quarter 3 FY23, saw us achieving an impressive 22% growth over Q3 FY22. Sustaining such high growth rate year-on-year is a little difficult and hence our performance this quarter must be viewed in the context of this higher base. Additionally, this year's festive season, traditionally a period of lower demand for our category, was spread over two months, divergent from last year's concentration within a month. This extended festive period naturally influenced consumer purchasing behaviour, leading to a prolonged phase of subdued sales.
- In response to discounting strategies by competitors during this period, we chose to prioritize the long term wealth of our brand and profitability. We believe in maintaining the integrity of our brand and the long term value we offer to our customers. Therefore, instead of engaging in immediate reactive discounting, we strategically planned our promotions for the fourth quarter. These promotions are designed to enhance our market position thoughtfully without compromising our core values or profitability. We are excited about our upcoming initiatives in the next quarter. These tailored promotions are not merely reactions to short term market fluctuations, but part of our enduring commitment to delivering exceptional value to our customers while preserving our brand's premium position. We are confident that these strategies will address the immediate market challenges effectively and fortify our market presence and financial performance over the long term.
- On the export front - while our overall exports remained 12% below the previous year, Linc saw a remarkable 33% quarter-on-quarter growth. This recovery was driven by the company's agility and strategic diversification. We successfully entered new markets like North America as mentioned in our previous call, mitigating the impact of losses in two of our major markets which were adversely affected by political instability and conflicts. This not only boosted short term performance, but also positions the company for future stability and growth. Expansion into Kenya further enhance our export performance. Our efforts towards actively exploring new export markets and optimizing our presence in the existing ones continue, and we believe, we will be able to attain near full recovery of our export volumes by the end of this financial year.
- Despite the challenges in the quarter, Pentonic displayed resilience, achieving a 5% Y-o-Y as well as sequential revenue growth. This performance is even more impressive considering its revenue contribution expending from

30% in FY23 to 33% in 9 months of FY24. As a higher margin product. For Linc, Pentonic's success fuelled a 244 bps increase in gross margin and 164 bps rise in operating EBITDA margin compared to the previous quarter. As we continue to innovate and expand our product portfolio, I'm excited to share updates on our eagerly anticipated new product launches, which reflect our commitment to quality, consumer needs and market expansion. Firstly, we have the Pentonic GRT, the retractable gel pen priced at Rs. 40. Initially test launched at the beginning of the current financial year, we identified opportunities for further refinement to ensure the product meets our high standards of excellence. After some fine tuning, the commercial rollout commenced in late January and we are now gearing up for an all India launch within the first quarter of the next financial year. Notably, this product has already made its debut international markets with our first export shipment, signalling its potential for global approval. Next, we are preparing to launch the Pentonic Evo, a pocket sized gel pen that combines convenience with the writing quality our customers expect, priced at Rs. 30. Scheduled for introduction in March, we anticipate completing its nationwide rollout within the first quarter of the next financial year. Similarly, the Pentonic CLR, a ball pen at Rs. 20, is also slated for launch in March. This product is designed to deliver superior writing performance at a more affordable price point, with plans to complete its domestic launch within the first quarter of the next financial year. Lastly, we will introduce the Linc Cue ball pen price at Rs. 10, embodying our commitment to providing high quality products at every price segment. Its launch is also planned for March in select markets. These strategic product launches are not just a testament to our innovative capabilities, but also align with our commitment to diversifying our portfolio and strengthening our market presence across various price segments. Despite facing some delays due to teething issues, our team's dedication ensures that each product not only meets but exceeds our expectations before reaching our consumers.

- In addition to the exciting new products, I'm pleased to share that our innovation pipeline extends further into adjacent categories, showcasing our ambition to broaden our portfolio and enter new markets. Our team has been diligently working on developing these products, which we are planning to launch in the next financial year. This expansion is not merely about growing our product range, it's a strategic move to capture new segments, respond to evolving consumer preferences and reinforce our position as a market leader. Our R&D team has focused on ensuring that these products not only embody the quality and innovation Linc is known for, but also address unmet needs in the market. We are optimistic about the potential of these new introductions. Based on our projections and the strategic positioning of these products, we anticipate that they will collectively contribute approximately 10 to 15% to our overall revenue in the new financial year. We look forward to sharing more details about these products as we approach their launch dates and are excited about the impact they will have on our journey forward.
- As we look ahead, our long term growth outlook remains decidedly positive. The core fundamentals driving our growth are robust, underpinning our confidence in the sustainable trajectory of our business. While we acknowledge the possibility of short term fluctuations, it is the long term horizon where our focus and confidence lie. The demand outlook for our products continue to be strong despite occasional headwinds. We are positioned well to navigate through these and emerge stronger backed by our strategic initiatives and the inherent strength of our market offerings. Thank you for your continued support and trust in Linc Limited. We are committed to navigating these market dynamics together, emerging stronger with a focus on sustainable growth and enhancing shareholder value.
- Thank you and now I would like to hand over the call to Mr. Dujari to provide updates on financials. Thank you.
- **Mr. N. K. Dujari – Director Finance, Linc Limited:**
- Thank you Mr. Jalan. Good afternoon ladies and gentlemen. Many thanks for joining the Q3 FY24 Linc Limited earnings webinar. I will give a brief overview of the financial numbers for the quarter gone by before we open for Q and A. During Quarter three FY24, the company's operating income fell by 0.5% year-on-year and 5½% quarter-on-quarter to Rs. 124 crores. The gross profit of the company stood at Rs. 39 crore as against Rs. 41 crore

in Quarter three FY23. Although our gross profit margin fell to 31.5% from 33.1% in the same quarter of the previous year, we view this as a temporary as we experience dip in our higher margin export revenue. Our gross profit margin improved sequentially by 2.4% largely due to increase in share of Pentonic revenue as well as recovery in export.

- Operating EBITDA margin also improved sequentially from 9.6% to 11.2%. Quarter three FY24 PAT stood at Rs. 7.5 crore as against Rs. 11.1 crore in the previous year same quarter and as against Rs. 7.7 crore in the Quarter two FY24. The PAT margin stood at 6.1% in the quarter gone by as against 8.9% in Quarter three FY23 and 5.8% in Quarter two FY24.
- The company continues to use its free cash flow judiciously and in the process able to reduce its net debt significantly in the last 5 years. From a net debt of Rs. 62 crores in FY19, the company now has a free cash of Rs. 21 crore as on 31<sup>st</sup> December 2023. We continue to remain focused on our long term goal of sustainable growth, profitability and a strong delivered balance sheet.

- With this I leave the floor open for Q&A. Thank you.

- **Mr. Navin Agrawal – Head, Institutional Equities, SKP Securities Limited:**

- Thank you. Dujari ji. We will wait for a minute while the questions line up. Friends, anyone wishing to ask a question request you to please raise your hands. We will unmute you.

- The first question is from Zaki Abbas Nasir. Zaki, please unmute yourself and go ahead.

- **Mr. Zaki Abbas Nasir – Participant:**

- Good evening sir. Good evening Deepak Bhai, Sanjeev Bhai and Dujari ji. It is always a pleasure to be on the concall of Linc. It has been a wonderful journey for you and we have been viewers of your success, sir. Deepak Bhai, we were anticipating 2025 to be around Rs. 750 crores. So, could we safely assume that this target has been postponed by a year, sir? Would that be postponed to 2026? That is my question number one, sir.

- And question number two would be our relationship with Deli, sir. What direction would that be taking?

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- Okay Zaki Bhai, thanks for your encouraging words. Definitely looking at the numbers of first 9 months, I think this 750 crore target will be pushed to FY26, which is quite evident. So your estimation I would say is quite reasonable. And secondly, so far Deli is concerned, as I have also mentioned in our previous conference calls, we have an exclusive distribution arrangement with Deli for the Indian market and, we are even talking to produce some products like calculators in India with their help. So the relationship is deepening and both the parties, whether it is Linc or Deli, both are quite happy about the relationship.

- **Mr. Zaki Abbas Nasir – Participant:**

- Fantastic, sir! And another small thing, sir. See, Pentonic being the success that it has, would you be at any time looking at a brand extension of the product, sir?

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- So definitely, as I mentioned in my opening remarks Zaki bhai, to have a sustainable growth, we have to either get into newer categories. So that's why, as I mentioned, that we are already working on some adjacent categories which fall within the broad category of stationary, so we can leverage our existing distribution. So we are actively working upon those categories and within, I would say, first half of next financial year, we will be able to launch some of those products. So, this is how we intend to expand our Pentonic portfolio as well as Linc portfolio. So the contribution of these new products, including the four I mentioned in the ball pen and gel pen category, they are going to have a significant contribution in our next year's revenues.
  
- **Mr. Zaki Abbas Nasir – Participant:**
  
- Thank you, Deepak Bhai, and best wishes to you and the team. Thank you, sir.
  
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
  
- Thank you so much.
  
- **Mr. Navin Agrawal – Head, Institutional Equities, SKP Securities Limited:**
  
- Thank you. Zaki. We take the next question from Pratik Dedhia. Pratik, please go ahead.
  
- **Mr. Pratik Dedhia – Participant:**
  
- So my question is regarding export recovery. You mentioned that Q4 you expect export revenues to bounce back. Do you expect to add a new market or you expect existing export markets to rebound?
  
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
  
- So, as I even mentioned in my earlier conference call also, and even in my opening remarks, we lost two markets in this financial year. And as a consequence, we have a significant deficit because those two are our large markets and that happened due to their political problems, nothing to do with us. So we appointed a distributor in North America, which I also mentioned in my earlier communications. And so we have already started getting orders from the customer and we have actually made one shipment already in the Quarter three, and there are a couple of shipments lined up in the Quarter four. So basically, this deficit is going to be fulfilled with such new customers, more particularly with this new market opening for us.
  
- **Mr. Pratik Dedhia – Participant:**
  
- Okay. And in the new market, do you expect margins to remain the same as what...
  
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
  
- Yes. So, luckily, in the US market we have decent profits. And as I mentioned earlier also that in exports we have at least 5% better margin than the domestic margins. I'm saying at least 5%. So we have quite a decent margin in this market.
  
- **Mr. Pratik Dedhia – Participant:**
  
- Okay. Got it. All right. And my second question would be, in regards to the 750 crore revenue that you had looked at. Do you feel that even with new product launches, you will not be able to achieve that in FY25?

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– So, yes. Definitely we revised our guidance in the last quarter in view of first six months performance. And so the revised guidance indicates that we should be able to achieve that 750 mark by FY26 and I like to stay at that position. And we may like to discuss on this once again when we review the full year performance in the month of May.

– **Mr. Pratik Dedhia - Participant:**

– Ok, got it. Thank you. One last question. You mentioned that you were looking at adjacent categories. Any guidance in terms of what kind of products you are looking to launch. You mentioned FY25.....

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– Pratik, I would like to be little.....because this is an open forum, so I would like to be a little conspicuous on this.

– **Mr. Pratik Dedhia – Participant:**

– No worries, ya.

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– We can discuss about this on a one to one basis.

– **Mr. Pratik - Participant:**

– That is helpful. Thank you.

– **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**

– Thank you Pratik. We take the next question from Vikram Mehta. Vikram, please go ahead.

– **Mr. Vikram Mehta – Participant:**

– Hi! Good afternoon! My question was, do you think we under performed in the industry in Q3 in the domestic market or we have been at par or we have out-performed? That's no.1. And no.2, what was the impact of petroleum prices on this quarter's margins? Thank you.

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– So it is really very difficult for me to comment on your 1<sup>st</sup> question whether we underperformed but so I have actually no idea on how our peers have fared. But of course, we will come to know in the next few days. Although in some of the informal discussions with some of our peers, I understood that quarter 3 has been challenging for most of them. So actually frankly speaking, this is something that we are not really able to pinpoint the exact reasons but as I mentioned, it could be that this quarter was.....the festive season was spread over 2 months so that could be some reason. But ya, definitely, we are not happy with the numbers. I must admit that. Secondly, so far petroleum prices are concerned, so far there is no impact on our falling of prices and they have been luckily

for us, been stable for quite some time now and so we don't have any indications as of now that there would be any upward revision in the prices.

– **Mr. Vikram Mehta – Participant:**

– Ok, thank you very much.

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– Thank you.

– **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**

– Thank you Vikram. I will take the next question from Himanshu Upadhayay. Himanshu, please go ahead.

– **Mr. Himanshu Upadhayay – Participant:**

– Hi! Good afternoon! So my first question was, in that last call you stated that we have gained a lot of insights by expanding our touch points to 2.5 lakhs and we are trying to improve the quality of our touch points and not just the quantity. Ok, so can you give your insights on what you are doing now because at the end this quarter also, we see that touch points remain at 2.5 lakhs? So what is your thought process? And secondly, I was doing some study or channel checks in places of Rajasthan and MP. Even at stationery stores, I found that we were not present. How this channel expansion of what we were trying to do is that at retail point or general stores but when we are not present at a lot of stationery stores itself, what is your thought process in some of the states?

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– Himanshu, actually it's quite a surprise to know this that you did not our products in these stationery shops in Rajasthan & MP because we claim that most of the stationery shops and more particularly in the prominent cities and towns, Linc or Pentonic will be available. So I would like to speak to you on this one to one, which were the places where you did not find it, so that I can do the investigation. But it's actually a surprise. We claim very proudly that you can actually find a Pentonic anywhere and everywhere, at least in the stationery shops. So ya, this is .....we would like to speak to him on one to one. And so far as touch points are concerned, as I mentioned in my previous call that rather than expanding touch points, we would first like to ensure the activeness of these 2.5 lakhs outlets. So right now, the activeness is actually less than 100,000 outlets on a 3 months' basis. So we really need to improve drastically on this front and we are continuously working on this because this is the basis of one of our pillars of growth. So that's the reason that we did not increase any new touch points and you know, focusing on making them active.

– **Mr. Himanshu Upadhayay – Participant:**

– One more question - the existing relationship which we had 3 years back, the retail touch points. But your stores, how have the realizations improved per store? Are we seeing continuous double digits or single digits? Some thoughts on that?

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– I couldn't understand.....



- **Mr. Himanshu Upadhayay – Participant:**

- I am saying that out of 2.5 lakh retail touch points, there would be initial 1 lakh stores where we would be working on or which are older? How have their through-put increased for us in the last 3-4 years? Some thoughts on that?

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- Definitely, you know in 3-4 years, there has been handsome increase in the through-put which is also reflected in our domestic revenue growth but ya, you can say that in these 9 months of this year, there has been very, I would say a mediocre improvement in the through-put but definitely until first quarter of this year, there has been a good improvement in the through-put. So ya, of course we have 2 ways to increase our revenue. One is, continue to increase through-put from these 100,000 more active retail outlets and also start penetration or making the remaining 1.5 lakh outlets active. So this is how we are going to go forward.

- **Mr. Himanshu Upadhayay – Participant:**

- One question more – on the Deli relationship, they have a large basket of products and we have experimented and being doing felt for their products now for nearly 2 years. Do you think, how many SKUs currently we are carrying out there? And how many SKUs do you think we would like to carry for them or sales?

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- So actually their SKUs are in thousands of numbers but we are handling about 100 SKUs which we have selected carefully which can actually be competitive in the domestic market because there are many SKUs and many products which are not competitive in the Indian market. So we have carefully selected some SKUs and working with actually less than 100 SKUs of Deli and this is an ongoing process. We identify some products which we feel that they can do well in this market and so we keep trying with some newer SKUs and some work and some don't work. So I would say that this is an ongoing process.

- **Mr. Himanshu Upadhayay – Participant:**

- Any SKU you expect to reach 1 crore every year? Is there any SKU we are seeing.....?

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- There are certain SKUs, I must have mentioned in our earlier calls also that currently the main categories I would say would be the calculators which is our highest revenue generator in Deli. And 2<sup>nd</sup> is the scissors and apart from that, there are files and folders. There are sticky notes and some adhesive categories. So ya, these are some categories and definitely we identify only such SKUs, all categories which have the potential to be at least a crore kind of a revenue, ya.

- **Mr. Himanshu Upadhayay – Participant:**

- Ok, thank you from my side.

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**

- Thank you Himanshu.

- **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**
- Thank you Himanshu. We have a follow-up question from Pratik Dedhia. Pratik, please go ahead.
- **Mr. Pratik Dedhia – Participant:**
- Hi, am I audible?
- **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**
- Yes Pratik, please go ahead.
- **Mr. Pratik Dedhia – Participant:**
- So I see that you added debt this quarter. Can you throw some light on what is the use of that?
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Pratik, can you be a little louder please?
- **Mr. Pratik Dedhia – Participant:**
- Is this better?
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Ya, ya, ok.
- **Mr. Pratik Dedhia – Participant:**
- I see that you added debt this quarter. Can you throw some light on the use of the same?
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**
- We don't have any debt right now..
- **Mr. Pratik Dedhia – Participant:**
- I see 504cr.....
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**
- That is actually we have given a loan to Kenyan subsidiary.
- **Mr. Pratik Dedhia – Participant:**
- Ok.
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**

- And the Kenyan subsidiary also has an outside debt.
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- How much is that?
- **Mr. Sanjeev Sancheti – Uirtus Advisors LLP:**
- That is 5cr. It has got knocked off (Internal discussion).
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**
- It has got knocked off (internal discussion).
- **Mr. Sanjeev Sancheti – Uirtus Advisors LLP:**
- So the debt that you are seeing in the balance sheet is actually Kenyan subsidiary debt which got consolidated this quarter.
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**
- That will continue.
- **Mr. Pratik Dedhia – Participant:**
- Ok, got it, alright. Sorry, that amount is around 5 cr.
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**
- Ya.
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Ya, you are right.
- **Mr. Pratik Dedhia – Participant:**
- So that was more of a start-up?
- **Mr. Sanjeev Sancheti – Uirtus Advisors LLP:**
- Last to last quarter, we invested in a company that has become a subsidiary. It's a pen manufacturer in Kenya.
- **Mr. N.K. Dujari – Director, Finance, Linc Limited:**
- We have invested in a pen factory in Kenya and taken a 60pc stake. It is a subsidiary now of our company.
- **Mr. Pratik Dedhia – Participant:**

- Ok, got it, alright. And the other question I had, if you can throw some light on market share.....?
- **Mr. Sanjeev Sancheti – Uirtus Advisors LLP:**
- Can you speak louder? It becomes very difficult to hear you.
- **Mr. Pratik Dedhia – Participant:**
- Ok, sorry. Can you throw some light on the market share if you .....some percent on where you are placed with the other competition and if you have gained some market share this quarter or probably over the 9 months?
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Our market share is estimated to be about 7pc and as you saw that there has been no revenue growth in the quarter 3, so I would say that yes, definitely we have not increased any market share in the last quarter but definitely this is the ultimate agenda – we have to increase our market share as rapidly as possible and of course, ya, the new products will definitely help us achieve our that objective.
- **Mr. Pratik Dedhia – Participant:**
- Ok, got it. that’s helpful and one more question. So in terms of Pentonic, how do you see the average selling price is increasing with the new product launches? Some estimates say 1 year down the line. What do you see the average selling price?
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- It will be difficult to give a number but as you would see that we are launching 4 products, out of which 3 are under Pentonic portfolio and they all are Rs.20, Rs.30 and Rs.40 price points. So definitely it’s going to help increase the average selling price of Pentonic. So we have to see how they fare in the market and which one sells more. So maybe another 1 or 2 quarters, we can have a better estimation.
- **Mr. Pratik Dedhia – Participant:**
- Ok, alright, got it. So you launched the Rs.40 pen, right?
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- We launched it now finally, after a lot of delay, it was finally launched in January end and we are in the process of launching it all India so we will complete it by next quarter.
- **Mr. Pratik Dedhia – Participant:**
- Ok and just initial feedback on.....
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- It’s a very good feedback and as I mentioned that we have already made one export shipment also of this product. So yes.

– **Mr. Pratik Dedhia – Participant:**

– Ok. got it, alright. Thank you.

– **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**

– Thank you Pratik. Friends, anyone with a question, request you to raise your hand. We will unmute you and take your question. We have a question from Bhavya Sunawan. Bhavya, please go ahead.

– **Mr. Bhavya Sunawan – Participant:**

– Hi! Am I audible?

– **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**

– Yes Bhavya, please go ahead.

– **Mr. Bhavya Sunawan – Participant:**

– Sir, in your initial remark, you spoke about some kind of discounting that the competitor took place....went ahead with. So is this an industry norm in Q3 or was it a one-off thing we have seen in this year?

– **Mr. Deepak Jalan – Managing Director, Linc Limited:**

– Actually, of course, most of the brands or companies, they keep on doing some promotions now and then but in the last 2 quarters, I saw some higher intensity of the promotions and more particularly in the 3<sup>rd</sup> quarter. So the intensity was high definitely but I think it is only temporary. There would be some particular reasons behind that but ya, it is not sustainable and never the less, we have our, as I mentioned that we have planned some proportions which will able to address such discounting.

– **Mr. Bhavya Sunawan – Participant:**

– Ok, understood, thank you.

– **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**

– Thank you Bhavya. Anyone with a question, request you to please raise your hand. While we wait for some participants in case they have any question, ok, there is one. There is a question from Varun. Varun, please go ahead. Varun, please unmute yourself and go ahead. Varun.....there is some technical issue at his end. While he fixes it, Deepakji, in case you have something more to add although your opening remarks were quite exhaustive. Varun, there is a lot of disturbance in the background.

– **Mr. Varun – Participant:**

– Can you hear me?

– **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**

- Yes, I can but there is a lot of disturbance in the background.
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- He is at some public place I guess.
- **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**
- Yes.
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Actually Navin, I tried to cover as much as possible in my opening remarks so that I can clarify in advance the challenges that we faced and how we are going to address them and the update on the new products so more or less, I have covered but definitely, we are....despite the mediocre quarter, we are quite optimistic because we have a long line-up of new products in the pen category as well as in the adjacent categories as I mentioned. So we are quite excited about those products. So yes.
- **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**
- Deepak, Pratik has a follow-up question which he has posted in the Q&A board - Q4 promotion impact on margins?
- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Not really, not so much. So we planned the promotion in such a way that it will not really have much impact on margins. It may be really quite insignificant and as I mentioned, we are trying to near recover our exports in quarter 4 because we have a good order book and export margins are higher than the domestic margins. So overall I think, we should have a good quarter.
- **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**
- We will try Varun one more time in case we can get through to you. Please unmute yourself. In case this doesn't work, request you to send your question to us and we will forward it to the management and we will revert to you.
- Thank you Deepakji for taking all the questions. I now hand over the webinar to Sanjeev for closing remarks. Sanjeev?
- **Mr. Sanjeev Sancheti – Uirtus Advisors LLP:**
- Thanks Navin. Thanks everybody for joining this call. If you have any more queries, please feel free to reach out to me or to Mr. Dujari. Thanks a lot and have a great evening. Thank you.
- **Mr. Navin Agarwal – Head, Institutional Equities, SKP Securities Limited:**
- On behalf of all of us at SKP, thank you Mr. Jalan, Mr. Dujari and Mr. Sancheti for taking time to interact with the investors. Thank you ladies and gentlemen for joining us this evening. Thank you very much and have a lovely day.

- **Mr. Deepak Jalan – Managing Director, Linc Limited:**
- Thank you all of you. bye, bye.
- **END OF TRANSCRIPT**