

**Camlin**



62nd Annual Report 2008-09

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Forging a new path



BACK TO SCHOOL, HOBBY AND ARTISTS RANGE







EXAM WRITING PRODUCTS



MARKER PENS AND INK



EXAM INSTRUMENT BOX



0.5mm FINE PENCILS AND HI PAR LEADS



KRAFTY GLUE



PERMANENT MARKERS AND HIGHLIGHTERS

OFFICE STATIONERY AND WRITING INSTRUMENTS





The spirit of **expression!**  
Signature Fountain Pen.

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WRITING INSTRUMENTS



## CHAIRMAN'S MESSAGE



Dear Shareholders,

Warm Greetings to you from me and my team!

Having pioneered, Camlin has represented the Colour & Stationery industry for more than 75 years. Our leadership and brand equity have grown year after year and has been part of each Indian family for several generations. In 2008-09, despite the slowdown being experienced, the loyalty of our customer got further strengthened and Camlin witnessed an unprecedented revenue growth of more than 30%. The net profits have also grown 59% over previous year. This impressive performance has helped our Balance Sheet grow stronger and the Board has recommended a higher dividend of 30% for the year gone by.

Camlin has always emphasized on delivering technologically advanced & qualitatively superior products to its customer. Moving further in this direction, in 2008-09, we have set up a new state of the art production facility at Jammu. This plant is ISO 9001:2008 compliant and has increased the installed capacity, of our colours, significantly. We have also invested sizably in developing new office products and writing instruments for the domestic market. A fully integrated manufacturing set up of such products has become functional at Vasai near Mumbai. Substantial funds were also invested in creating additional manufacturing capacities for our fast moving - high margin products such as high polymer leads, mechanical pencils & markers. In our premium customer segment, the Company launched 'sd'; a fountain pen which has transcended all the earlier benchmarks of performance, quality & style.

Apart from building infrastructure, Camlin further strengthened its distribution network across the length &

breadth of the country. Going forward, the Company has taken a number of strategic decisions to fuel growth with added impetus on rural markets where we are experiencing rising demand. Also, the Company shall increase its focus on Tier II and Tier III towns & plans to reach out to all these fast growing towns within a short span of 18-24 months. The distribution network of the Company is being revamped accordingly. To reinforce the relationship with our most prestigious customer, the school kid, the Company has future plans to get into pre-school activity. We wish these school kids assimilate into our Camlin family at an early age. The Company through its 100% subsidiary is in the process of setting up a pilot pre-school shortly, in Mumbai.

The Company's performance and success is to a large extent owed to its employees who we consider are our strongest assets. I wish to thank them whole heartedly for their unstinted commitment. With a view to partnering employees in the growth, the Board has offered stock options to each one of them; right from the factory worker to employees in senior management.

We are confident of continuing such performance in future and hope to deliver on your expectations. I thank every shareholder for their support and conviction in the Company and assure you of the best always.

Yours Sincerely,

Dilip Dandekar

Chairman & Managing Director



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# 15 THINGS YOU MUST KNOW ABOUT CAMLIN

1

Camlin Limited is the pioneer in Art Material & Stationery in India and a leader in this field since inception. We are one of the largest FMCG companies in India.



We began our journey in the year 1931 when inspired by the Swadeshi movement; Mr. D. P. Dandekar plunged into manufacturing stationery products as an alternative to foreign goods.

3

We got listed on the Bombay Stock Exchange in 1988 and on the National Stock Exchange in 2008.

4

While our journey through the years has taken us along many paths including the manufacture of Fine Chemicals and Bulk Drugs, besides marketing of Pharmaceutical Formulations, at present we are a single segment company, in the business of manufacturing a wide range of Stationery and Colour Products.

5

We have a talented team of 770 employees, as of 31st March, 2009.

Aishwarya Rai Bachchan's first ad campaign was for Camlin pencils when she was in the 9th grade.



Our reach extends across the length and breadth of India.

- Direct coverage -  
1,200 distributors
- Total coverage -  
150,000 retail outlets
- Market reach -

50 million households



This is our range of stationery products:

- Technical Products - meant for School, Science & Engineering College students
  - o Mathematical & Engineering Instruments Boxes
- Writing Instruments - meant for School & College students, Office users
  - o Wooden Pencils, Erasers, Scales & Sharpeners
  - o Fountain Pens, Gel Pens, Ball Pens & Inks
  - o Mechanical Pencils & High Polymer Leads
- Office Products - meant for Offices, Factories, Commercial establishments, Educational institutions
  - o Markers, Highlighters, Stamp Pads & Carbon Papers
- Adhesives - meant for Offices, Factories, Commercial establishments, Educational institutions
  - o Gum, Pastes, Glue & Glue Stick



This is our range of colour products

- Fine Art - meant for Professional and Amateur artists, Fine Art School students
  - o Oil, Acrylic & Water Colours
  - o Canvas Rolls, Brushes
  - o Painting Media, Tools and Accessories
- Hobby Art - meant for Hobby artists of all age group
  - o Fabric, Glass & Ceramic Colours
  - o Fabric Glues
- Scholastic Art - meant for School students
  - o Crayons, Pastels, Colour Pencils, Sketch Pens, Wax and Plastic Crayons
  - o Poster, Water & Glass Colours
  - o Water Colour Cakes



We have factories in Tarapur, Taloja and Vasai in Maharashtra and Jammu in Jammu & Kashmir. 50% of the Company's products (in terms of turnover) are manufactured here.

Camlin features in the Limca Book of World Records for the maximum number of entries (30 lakh) in any school drawing contest. Cricketer S. Sreesanth was the winner in one such contest.



It is said that every student in India, at some point or the other, has used a Camlin product.



Remaining products are procured from various SSI units who exclusively cater to our requirements under strict supervision and quality control.



**Our Mission:** "We will focus our efforts on building a learning organisation that encourages participation at all levels. Each function will be organised into a cohesive and well co-ordinated activity, resulting in an improved quality of products, processes, services and people. New challenges await us in the global market. While we continue to maintain our leadership in artists' materials and writing instruments in India, we will grow and develop our market share in the international arena. Opening the doors to fast track growth."

We have contributed substantially to the growth of art, artists, art appreciation and art education in India through the Camlin Art Foundation (CAF). Launched in 1998, the objective of this non-profit organization is to provide a platform for young amateur and professional artists to display their talent. CAF holds four regional exhibitions each year, playing host to more than 12,000 professionals and art students.



We are moving into the pre-school education arena. Our first pre-school Alphakids will begin in July 2009 in Andheri, Mumbai with 100 students. This is a pilot project which we plan to roll out nationally in the next 1-2 years.



Our product "Krafty Glue" liquid adhesive has been voted 'Product of the Year' by A. C. Neilson's National Consumer Survey for 2009 under the Adhesive Category.



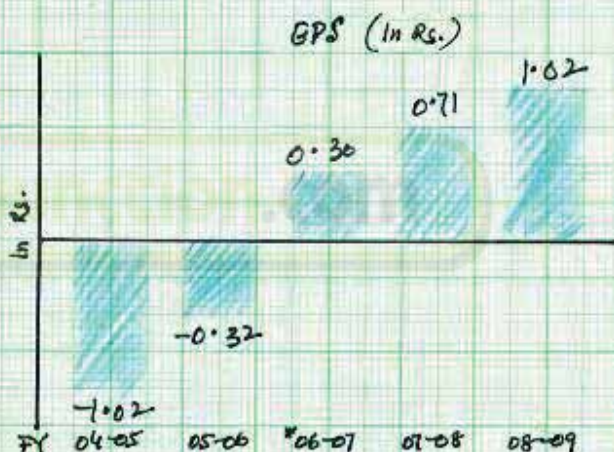
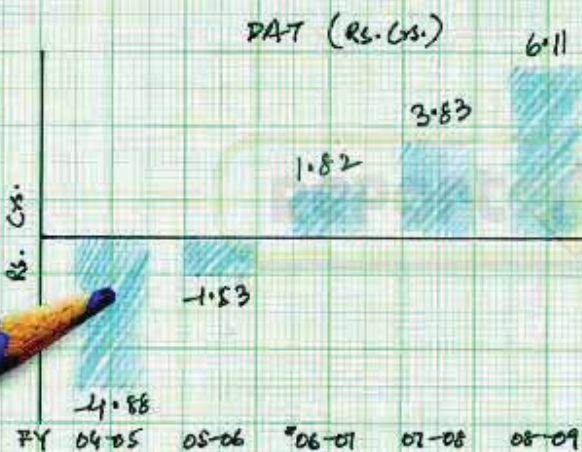
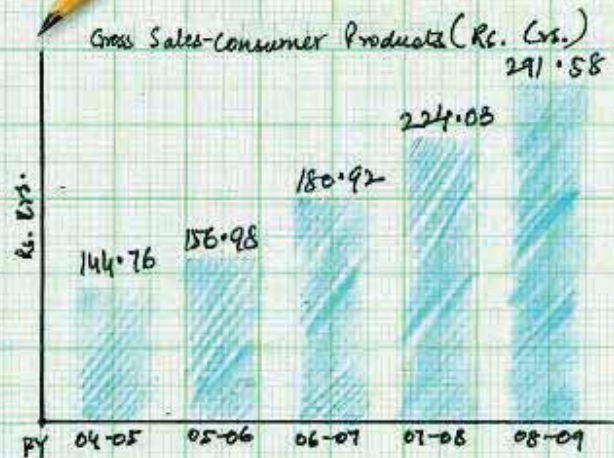
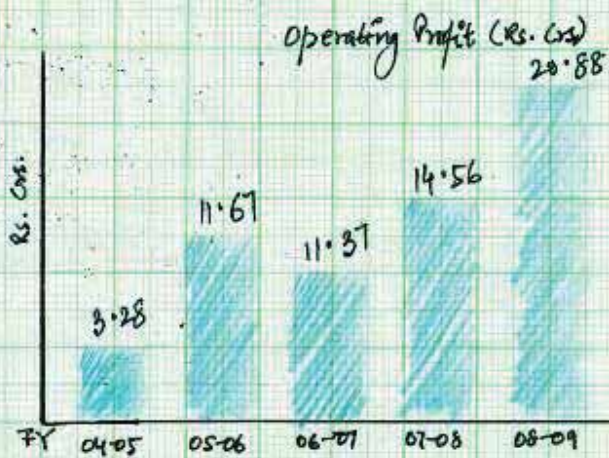
Our newly set up factory in Jammu has been awarded ISO 9001:2008 Quality Certificate accredited by NABCB.



Topic

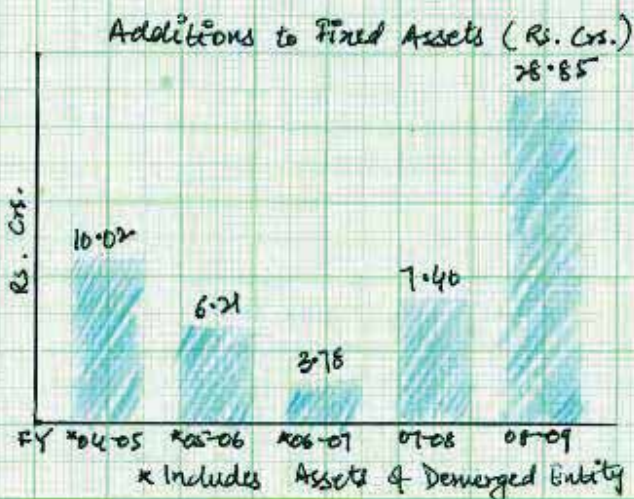
## FINANCIAL SNAPSHOT

Date



\* - Sale of Land Excluded

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\* Includes Assets of Demerged Entity

## Shareholding Pattern

- Bodies Corporate - 6.48%
- Public - 54.09%
- Promoters - 38.85%
- Non Resident - 0.05%
- Foreign Institutional Investors - 20.52%
- Financial Institutions / Banks - 0.01%

