

COSMO** **CONNECT

Quarterly Newsletter

Q3 FY 2018-19 | Vol. 4.3



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Company Updates

Quarter Results Q2 FY18-19

In Rs. Crores	Q2 FY19	Q1 FY19	Q2 FY18
Net Revenue	531.4	517.6	467.2
EBITDA	43.2	43.4	**54.5
PAT	10.1	10.1	**20.4
EPS (in Rs.)	5.3	5.3	10.6

Cosmo Films Limited declared its financial earning results for the quarter ended September 30, 2018 on 12th November 2018.

During Q2 FY19, net revenue increased by 14% YOY due to partial pass through of increase in raw material prices, increase in sales volume and better sales mix. Domestic commodity film margins declined further on YOY basis, the Company could however, maintain EBITDA (excluding one-time item) primarily from enhanced operational efficiencies, better sales mix and tax incentives on new investment.



Product Updates

Cosmo Films launches sterilisable conduction sealing film



Cosmo Films recently launched the launch of sterilisable conduction sealing film for wad and lidding applications for PP and PE containers. This film can withstand high temperatures* during sterilization process, which is used to increase the shelf-life of the product.

The newly developed sealing film is a clear, one side corona treated and other side heat sealable film. The film offers exceptional seal integrity while it also offers improved convenience to the consumers because it is easy to open and peel cleanly without slitting. Apart from offering excellent optical properties and printability, this film is safe for direct food contact.

This film can be used as a mono layer or as a sealant layer in a laminated structure with other substrates like aluminium foil. It can be used in roll or pre-cut form (after lamination with other substrates) based on the requirements of the customers. The film is used primarily in dairy industry for flavoured milk; food & beverage segment for juices, energy drink, bakery products; pharmaceutical industry; agro chemicals and cosmetics industry.

*The temperatures and duration varies according to the product category as well as the sterilisation process & parameters.

Cosmo Films launches metalized velvet lamination film

Cosmo Films recently launched the metalized velvet lamination film for luxury packaging segment. The newly developed film has been engineered to offer intense silver colour along with rich velvet touch to the laminated paper/paperboard or package.

Silver colour is not easy to handle especially when used as a background during printing. It takes longer to dry and also has a risk of ink set off during print stacking. Due to these challenges, printers usually avoid using silver as a background colour. However, graphic art designers prefer silver background as it allows them to make attractive artworks, facilitating use of many other shades and the impact it generates with gold foil stamping and UV spot coating. To bridge this gap, Cosmo Films introduced the metalized velvet touch film which is glueable, stampable and printable. The matte silver coloured BOPP based velvet touch lamination film needs to be laminated to the unprinted paper before going for printing or post lamination embellishments.

The film is available for both thermal and wet lamination in 32 and 20 microns respectively and offers excellent printability with offset, UV offset, screen, UV inkjet and laser printing. Apart from providing excellent scuff resistance, the film is perfect for post lamination operations like UV spot coating, foil stamping & embossing. The film is ideal for lamination of premium products like perfume cartons, liquor & wine cartons, gift & jewellery boxes, shopping bags for luxury brands and graphic arts industry.



Success Stories

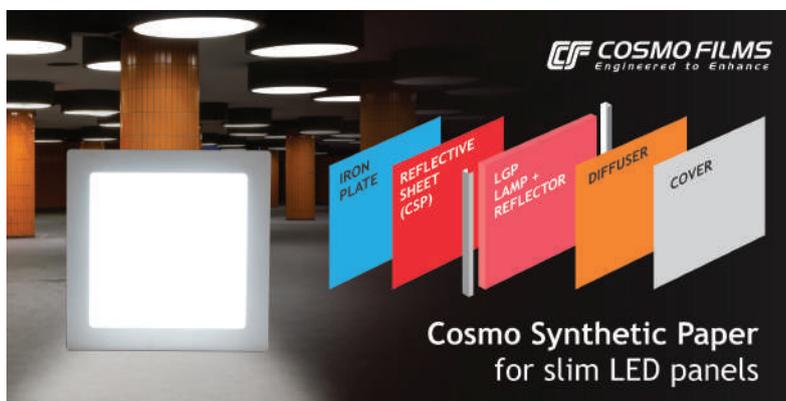
Cosmo Synthetic Paper for Hang Tag Application



Cosmo Synthetic Paper (CSP) has been recently used by a leading retailer for the hang tag application. Prior to CSP, they were using pulp based paper for this application. CSP became a preferred choice owing to its durability. Apart from this, the substrate also offers enhanced printability, tear resistance, moisture and chemical resistance. The substrate is first printed through UV inks based offset process with special inks and then printed with a Ricoh B&W laser printer for variable data printing.

Cosmo Synthetic Paper for Slim LED Panels

Cosmo Synthetic Paper (CSP) has been used recently by a leading slim panel LED manufacturer based in India as a reflective sheet for transmitting excess light back on to the LGP screen to improve light intensity and conserves power. They were earlier using a conventional paper for this application which was not fulfilling their requirements. They selected the standard CSP in 175 micron thickness due to its optimized opacity level as compared to conventional paper. Along with



this, the substrate also offers distinct features of non-tearability, weather resistance and temperature resistance to enhance repeated product usage.

Media Coverage



Coverage in FlexoTech

FlexoTech featured an article titled, “Fantastic Plastic” in its December 2018 edition. The article focussed on various innovations taking place in the packaging industry. It included some of the recently developed speciality products by Cosmo Films.

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Coverage in CIO Review

In its November 2018 edition, CIO Review published an article authored by Mr Jagdip Kumar, Head-IT at Cosmo Films. The article talked about how Robotic Process Automation is revolutionizing the manufacturing industry.

[Read More](#)



Coverage in Insights Success

Insights Success published an exclusive interview of Mr Neeraj Jain, CFO, Cosmo Films in its October 2018 edition. Apart from giving an insight about Cosmo Films and its high value services, he also talked about his journey as a CFO by elaborating on his achievements and the challenges he faced.

[Read More](#)

CSR Updates

Presentation at CSR Summit 2018



Ms Mamta Baxi delivering the presentation

Cosmo Foundation participated in the Gujarat CSR Summit 2018 in December 2018, which is a gathering of 600+ like-minded doers from around Gujarat who share a common interest in practical solutions for reaching the marginalized sections of the society through CSR. Ms Mamta Baxi, Programme Coordinator of Cosmo Foundation delivered a presentation on "Educating Rural Children, Empowering Rural Communities", which covered philanthropic vision of Cosmo Films, its initiatives and outcomes.



Menstrual hygiene session with rural school girls

Training of Rural Girls on Menstrual Hygiene

Cosmo Foundation with the support of CII- Young Indians conducted a training program on Menstrual Health & Hygiene for the girls studying in a government school of Methi village, Gujarat. Senior Gynecologist Dr. Sushma Dalal (Chairperson- Obstetrics & Gynecology Association, Vadodara) conducted an insightful session followed by one-on-one counseling.



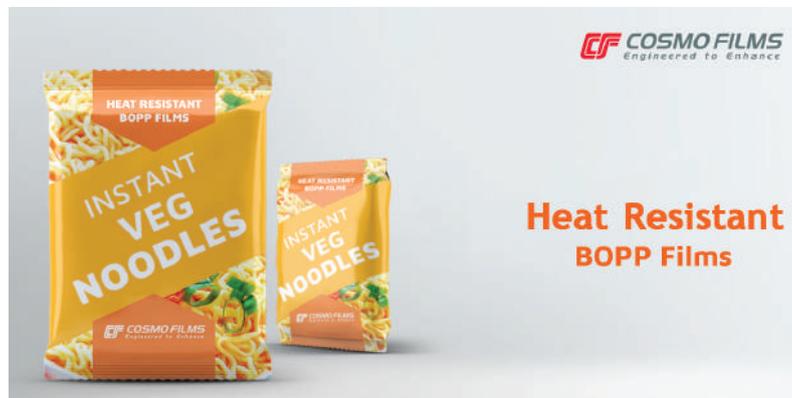
Inauguration of water tank Z.P Primary School, Aurangabad

Under ground water tank facility for rural schools

To curb water crisis in the rural schools of Aurangabad, Cosmo Foundation has been constructing underground water tank for last two years. This would help the schools to manage daily needs like drinking water for students, water for mid-day meals and toilets. The Foundation plans to construct water tanks in three schools this year and has inaugurated water tank at Z.P Primary School in Asegaon village of Aurangabad.

Technical Column

Heat Resistant BOPP Films



Innovation is at the heart of everything we do at Cosmo Films. Our innovation is driven by the desire to cater to the current requirements and stay ahead of the times. In today's times, ease of recycling of packaging laminates has become highly critical, and our heat resistant (HR) films facilitate mono-material structures and in turn recycling. Apart from recyclability, barrier heat resistant films also help with laminate structure rationalization without compromising on aesthetics, printability, machinability and user friendliness.

Let's take a quick look at what makes our latest product so special and why we are so proud of it.

- **Recyclability** - Recyclability and sustainability are the future of packaging industry and if as a brand, enough stress is not laid on these two factors, then it might impact consumer outlook. Cosmo has specifically designed this film to replace BOPET film as printing layer in multi-layer laminates. With heat resistant films, we can now have BOPP/CPP structures or BOPP/PE structures which are part of the same family and therefore more conducive to recycle than PET/PE structure.
- **Barrier features** - For packaged food, the barrier features of a film are paramount. The BOPP based heat resistant films are also available in a barrier variant. The end pack made with barrier heat resistant film can be used for all food and personal care applications where moisture & oxygen barrier is of utmost importance.
- **Grease resistance** - The grease resistance offered by the films makes this category an ideal choice for oily snack food. It offers a clean grease barrier for greasy or oily food products.
- **Versatility** - The new heat resistant films are clear, non-heat sealable and both sides treated films with excellent printability and go mostly for reverse printing. The thermally stable films have excellent hot slip properties and good machinability, and therefore work well on high speed FFS packaging machines.
- **Structure rationalization** - The heat resistant films can be used for both two and three ply laminates. Since the barrier version of the film enables both printing as well as barrier, it enables construction of even 2 ply laminates. BOPP/CPP structures are common with the use of this film.

Let's take a look at other key values.

- Our new films are generally used as a printing layer in a duplex/triplex laminate structures either as BOPP/MET BOPP/PE or BOPP/CPP.

Properties	18 PCT-2 HB HR	12 Mic PET
OTR @ 0% RH	< 80 cc/m ² -day	>100 cc/m ² -day
WVTR @ 90% RH	<10 gm/m ² -day	>45 gm/m ² -day

- The heat resistant BOPP films are available in 15, 18, and 20 microns.
- The films are well suited for both adhesive as well as extrusion lamination.