

COSMO** **CONNECT

Quarterly Newsletter

Q2 FY 2019-20



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Company Updates

Consolidated Results

Cosmo Films reports 184% increase in quarterly PAT

In Rs. Crores	Q2 FY20	Q2 FY19
Net Revenue	555.9	531.4
EBITDA	64.5	43.2
PBT	37.7	13.7
PAT	28.7	10.1
EPS (in Rs.)	15.0	5.3

Cosmo Films Limited, a global leader in films for packaging, labeling & lamination applications and synthetic paper today declared its financial results for the quarter ended Sept, 2019.

Q2 FY20 net revenue increased 5% YOY mainly on the account of growth in sales volumes. The company achieved EBITDA of Rs. 64.5 crores during the quarter. Higher speciality sales (up 14%), increased sales volumes, improvement in US operations and better BOPP film margins contributed to an improved EBITDA.

The company has started to upgrade one of its largest BOPP film line into a speciality film line, which is expected to be completed by H1, FY21. This will facilitate further growth of speciality films.

During the period, the company received the CII National Excellence Award 2019 for 5S Implementation at its Waluj plant (the oldest plant). Building on the strong R&D focus, the company has applied for multiple patents in the current year, adding to the already strong pipeline of specialty films. These high value-add specialty films will be commercially launched in the coming months and will generate incremental profits with minimal capital expenditure.



Product Updates

Cosmo Films adds new products to the Synthetic Paper portfolio



COSMO SYNTHETIC PAPER

Cosmo Films has recently added two new products to its synthetic paper portfolio. One of the products is a digitally printable synthetic paper and other one is a high tear resistant synthetic paper.

The product launched for commercial digital printing can print with both powder toner based laser printers as well as liquid toner based printers. Laser printing is a newly introduced feature for the digital product and has been added keeping the huge potential of photo-album & coffee table book printing segment in mind. It is printable with almost any production printer-HP Indigo, Xerox, Konica Minolta, Ricoh, Canon to name a few.

High Tear Resistant Synthetic Paper - The product has been engineered to be non-tearable, displaying excellent tear resistance and has been designed specifically for tag applications. It is printable on both sides by UV offset, water & UV Flexo, and thermal transfer printing processes. Some of the typical tag applications include garment hang tags, horticulture identification tags, tree tags, cattle identification tags and airport transfer tags.

Read More here- <https://www.cosmofilms.com/uploads/releases/csp-new-dev-press-release-9-2019.pdf>

Recognition and Awards



Cosmo Films' plant in Waluj, Aurangabad, bagged the second position in the 'CII National Excellence Award 2019 for 5S'. A total of 61 companies were selected for the final participation post audit. Our plants- two in Aurangabad and one in Karjan, Vadodara also received GOLD ratings in the manufacturing category as per CII National 5S Excellence rating system.



Cosmo Films was awarded the Best Employer Award 2019 at the 14th Employer Branding Award organized in Aurangabad.



Mr. Pankaj Poddar, CEO, Cosmo Films Ltd bagged the "CEO With HR Orientation" Award on 28th of September 2019 in New Delhi, organized by Zee Business and World HRD Congress.



CosmoFilms has bagged the "Aurangabad Manufacturing Leadership Award 2019" by World Quality Congress.

Success Stories

Recyclable Laminate For Soap Packaging



The traditional non-recyclable 3 ply structure for soap wrapper consisted of BOPET, Paper & Hot Melt Adhesive (HMA). Cosmo Films was approached by a FMCG giant to develop a recyclable structure for their soap wrappers. We not only made the structure recyclable but also rationalized the structure, therefore reducing the overall laminate cost.

In order to develop this laminate, clear BOPP was used for outer printing layer while white

BOPP was chosen for the sealant layer. Also, the white film was a specially engineered film designed to withstand envelope sealing typical of a soap wrapping application.

The new 2 ply laminate not only matched the properties of the existing structure but also enhanced many other properties. Some important improvisations achieved with the new structure are as follows-

1. Enhanced moisture barrier attained helps maintain consistent soap weight for a longer time
2. Almost 25% reduction in laminate gsm over existing laminate
3. Enhanced aesthetic appeal
4. Cost effective because of gsm reduction
5. No need of poly coating on inner paper stiffener
6. Stiffener paper gsm could be reduced
7. BOPP laminate requires less temperature for heat sealing on flow wrap machine hence cutting down electricity cost & also improving heaters shelf- life
8. Inner sealant white opaque BOPP film results in elimination of applying white colour as a base coat to paper to save it from yellow titch on aging
9. BOPP structure improved the runnability of laminate and therefore resulting in better productivity on high speed flow wrap machines
10. New laminate eliminated the HMA coating operation; thus reducing the conversion cost & faster delivery of the finished product

Key Media Coverage

Pankaj Poddar: Making flexible Packaging More Sustainable



Covered in- [Printweek India What Packaging?](#)

In this conversation with What Packaging? Team in Mumbai, Mr. Pankaj Poddar, CEO, Cosmo Films discusses how sustainability is changing the way in which flexible packaging is designed.

[Read More](#)

SAP Implementation Transforming Plastic Packaging Industry



Covered in- [Print & Publishing](#)

Mr. Jagdip Kumar, CIO, Cosmo Films talks about how the digital technology is shaping businesses and reducing conventional ways of structuring and conducting them.

[Read More](#)

Smarter Snack Packaging in India



Covered in- [Asia Pacific Food Magazine \(Singapore\)](#)

Consumer expectations are becoming increasingly high, and industries across the spectrum are upgrading their products and systems to become smarter and provide exceptional customer experience.

[Read More](#)

Cosmo Films adds two new products to its synthetic paper portfolio



Covered in- [Labels Flexible & More](#)

Laser Printing is the newly introduced feature for the digital product.

[Read More](#)

CSR Updates

Giving Back to the Society



Cosmo Foundation celebrated Diwali with rural children of Kurali village near Cosmo Films' manufacturing plant in Karjan, Vadodara, with the support of Young Indians Rural Development vertical of CII. 150 children and community based teachers of Cosmo Foundation participated in painting Diyas, making Rangolis, singing festive songs and discussions on celebrating an eco-friendly Diwali.



Cosmo Foundation celebrated the 150th birth anniversary of Mahatma Gandhi with locals, gram panchayat and school children of Karjan, Gujarat and Aurangabad, Maharashtra by organizing cleanliness drives and single-use plastic disposal campaigns. A total of 7 bags of plastic waste were collected in Aurangabad, while Karjan Cleanliness Drive collected more than 80 kgs of plastic waste. Drawing competitions and rallies were also organized in the villages by Balmitras in partnership with schools. The day was truly memorable for each one of us.



Cosmo Foundation, the philanthropic wing of Cosmo Films celebrated Ganesh Mahotsav by organizing blood donation camps in Aurangabad, Maharashtra and Karjan, Gujarat; in collaboration with Dattaji Bhale and Indu Blood Bank respectively. 207 employees of the company also became proud blood donors.