

COSMO **CONNECT**

Quarterly Newsletter

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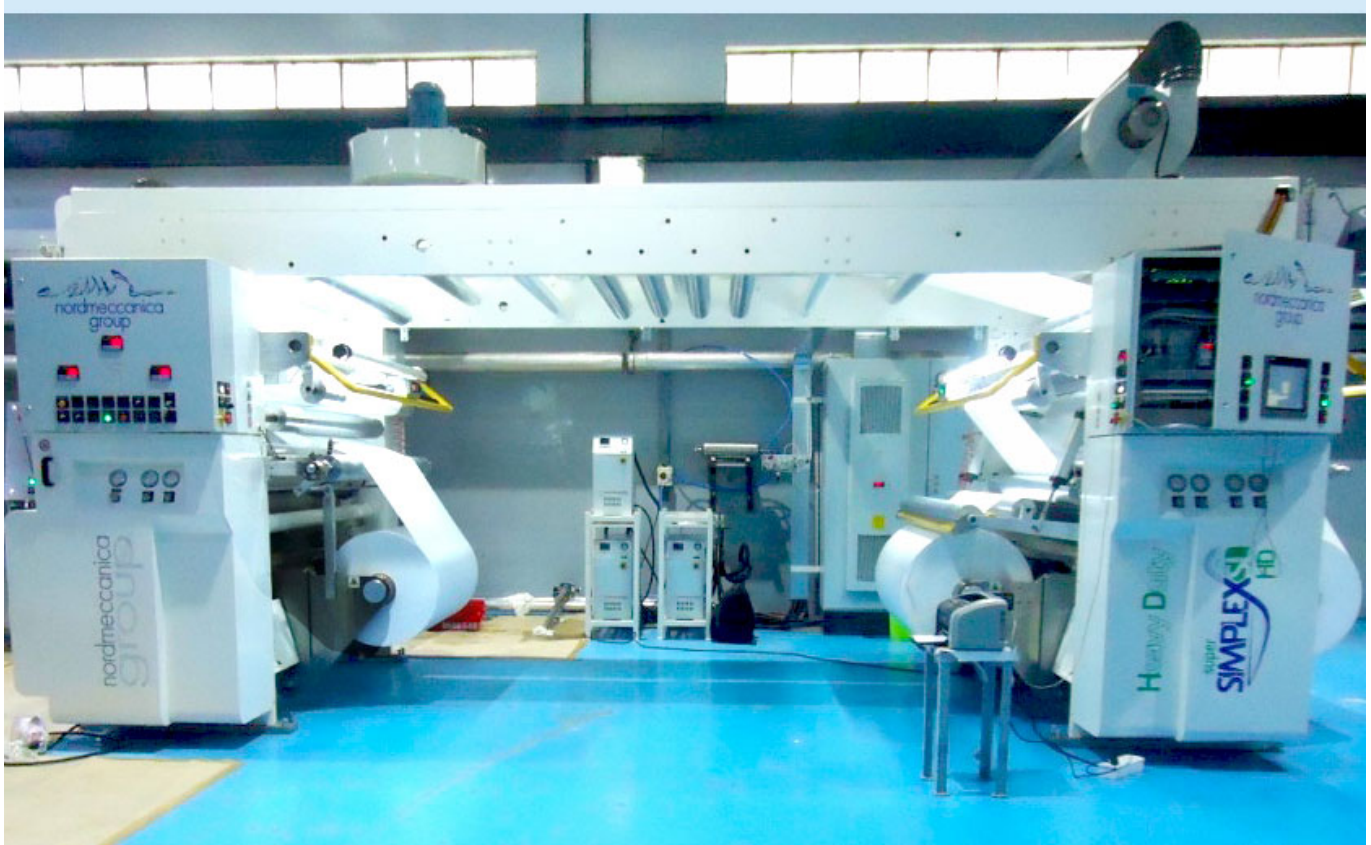
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Company updates

Cosmo Films launched wide format lamination machine



Cosmo Films installed a new solvent less lamination machine in September 2018 at its Karjan plant, Vadodara.

Cosmo Films installed a new solvent less lamination machine in September 2018 at its Karjan plant, Vadodara.

The new machine has been commissioned at company's existing facility at Karjan, near Vadodara, India which already houses BOPP lines, extrusion coating & chemical coating lines and a metalizer. The installed machine is a Nordmeccanica product which is 1.8 meter wide and can run upto 450m/min speed. The machine can produce multilayer film laminates in any thickness and go as thick as 450 microns. The laminate could be a combination of different materials such as PP, PET, PE, Nylon, Aluminium foil or paper. A dedicated sheet cutter of the same width has also been installed next to the machine to process its output.

As the machine can laminate structures as thick as 450 microns, it would help the company serve customers requiring thick film laminates. Some of the applications areas of thick laminates include graphic arts, baggage tags, retort & stand-up pouches, high-strength hanging labels, aseptic boxes & luncheon trays, composites for construction & auto-segment etc. The machine could also help company with the R&D testing during new product development process.

Company updates

Quarter Results Q1 FY18-19

In Rs. Crores	Q1 FY19	Q1 FY18
Net Revenue	517.6	418.9
EBITDA	43.4	36.6
PAT	10.1	9.2
EPS(in Rs.)	5.3	4.8

Cosmo Films Limited declared its financial results for the quarter ended June 30, 2018 on 10th August 2018.

In Q1 FY19, net revenue increased by 24% due to pass through of increase in raw material prices, increase in sales volume and better sales mix. While commodity film margins remained subdued, the company achieved higher EBITDA from enhanced operational efficiencies, volume increase and a better sales mix.



Product Updates

Cosmo Films launched CPP metalized film with high metal bond



Cosmo Films recently launched a cast polypropylene (CPP) metalized film with high metal bond strength. This film has been specially designed to offer superior inter layer bond strength for making multi-layer laminate structures, which in turn enhances barrier properties.

Apart from CPP's inherent nature of excellent seal strength, good thermal stability, good yield economics and good puncture resistance, the film provides exceptional metal bond strength of around 450 gm/inch. Available in standard thicknesses ranging from 20 to 30 microns, the newly developed metalized film has a high hot tack and low SIT of 96 to 98 degree celsius, which enables FFS machines to run at a higher speed, thus helping improve productivity.

This film also exhibits superior heat seal strength of 2.5 kg/inch. Some of the typical applications of the film include biscuits & snacks, bakery products, chocolates, chewing gums, dairy products, spices etc.

CPP film is growing in popularity as a more attractive packaging material owing to its versatility. Cosmo offers different variants of CPP films like transparent, white opaque and metalized for multiple applications. It provides excellent seal strength as well as good moisture and gas barrier making it a material of choice for converters and brand owners.

Cosmo Films launched heat resistant films

Cosmo Films recently introduced BOPP based heat resistant (HR) films. The films have been engineered to work as printing layer replacing BOPET film in multi-layer laminates for various packaging applications in both food and non-food segments.

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 slip properties and good machinability and therefore work well on high speed FFS packaging machines. Available in 15, 18, 20 microns; the films are well suited for both adhesive as well as extrusion lamination and offer good lamination bond.

The company has also launched a barrier version of the film. The transparent BOPP based barrier HR film has excellent oxygen barrier properties and offers OTR of less than 100cc/m²/day. The film has good grease resistance that comes in handy for oily snack food packaging; which is a big application area of this film.



Success Stories

Cosmo Synthetic Paper for Patient Identification Bands



Cosmo Synthetic Paper (CSP) has been used by a leading hospital chain as a substrate for application of patient identification bands. Prior to CSP, they were using a PVC based material for this application. CSP became a preferred choice over PVC based material because of its environment friendliness. Apart from this, the substrate also offers enhanced printability, durability, tear resistance, moisture and chemical resistance.

The substrate is first printed through UV inks based offset process and then through thermal transfer ribbons for tracking patient-specific information.

Cosmo Synthetic Paper for Caution Labels

Cosmo Synthetic Paper has been used by a global leader in the elevators and escalators industry for printing warning labels for construction sites. Prior to CSP, they were using conventional paper for this application. CSP became a preferred choice over conventional paper due to its amplified durability. The substrate is first printed through a conventional offset process with the help of special fast drying inks and then converted into a form of self-adhesive labels as per client's requirements. Other than this, CSP also offers enhanced print quality, non-tearability, moisture resistance and chemical resistance.



Success Stories

Cosmo Synthetic Paper for Maps



Cosmo Synthetic Paper has been used by a newly formed State Government in India for printing maps of their various districts. Prior to CSP, they were using a film based laminated paper for this application. CSP became a preferred choice over film based laminated paper due to its enhanced print quality, durability, non-tearability and moisture resistance.

The substrate is first printed through conventional offset process with the help of special fast curing inks and then converted into various sizes of maps as per client's requirements.

Cosmo Synthetic Paper for Menu Cards

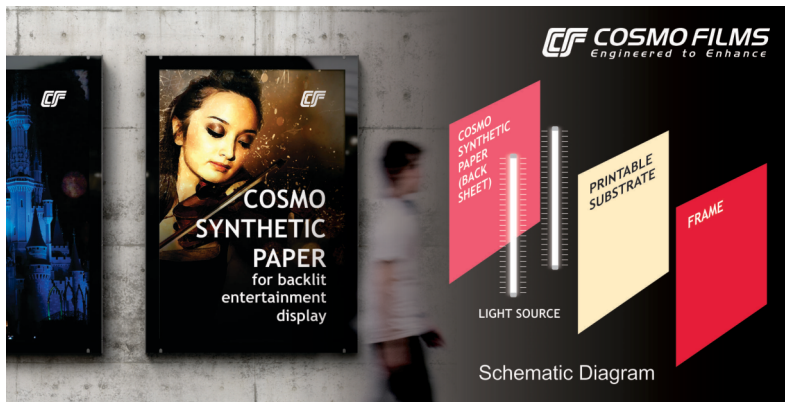
Cosmo Synthetic Paper has been used by a renowned food chain as a substrate for printing menu cards. Prior to CSP, the chain was using laminated paper board which used to get damaged easily due to repeated usage at the outlets. CSP became a preferred choice over laminated paper due to its enhanced durability, non-tearability and moisture resistance. The substrate is printed on both sides through UV offset process and then converted into the form of a menu card.



Owing to its successful application, the chain also intends to use CSP for various indoor promotional applications.

Success Stories

Cosmo Synthetic Paper for Backlit Entertainment Display



Cosmo Synthetic Paper has been used by a leading film entertainment company based out of India as a back sheet for their backlit entertainment displays. The substrate helps transmit light from the source onto the display panel in an effective way and improves the visibility of the printed images on the display panels. The Both Sides Coated Cosmo Synthetic Paper was selected in 175 micron thickness due to its optimized opacity level as compared to conventional paper.

Along with this, our substrate also offers distinct features of non-tearability, moisture and chemical resistance to enhance repeated product usage.

Cosmo Synthetic Paper for Wire Harness Tags

Cosmo Synthetic Paper is now being used by a renowned automobile component manufacturer for wire harness tags. It has become a preferred choice over tafta fabric owing to its superior print quality and scuff resistance. The substrate can be printed through thermal transfer printing through wax-resin ribbons and then converted into a self-adhesive label product. It can be then stamped with special inks for variable data numbering.



In addition, Cosmo Synthetic Paper offers distinct benefits of non-tearability, electrical resistance and durability.

Media Coverage



Coverage in DNA

DNA (Daily News & Analysis) featured Mr Pankaj Poddar, CEO, Cosmo Films Limited on his bagging the Young Business Leader Award at the Dare to Dream Awards 2018, presented by ZEE Business in collaboration with SAP.

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Coverage in Outlook Business

Outlook Business magazine published the profile of the company's CEO, Mr Pankaj Poddar in its September 2018 edition. The article titled "c'est la vie" highlighted his special interests.

[Read More](#)



Interview in Dalal Street Investment Journal

In its August 2018 edition, Dalal Street published an interview of the CFO, Mr Neeraj Jain. The CFO talked about his strategic priorities for the company and the overall industry outlook.

[Read More](#)

CSR Updates



Swachta ki or ek kadam- Cleanliness Campaign

Celebration of Independence Day

Cosmo Foundation celebrated the 72nd Independence Day by organizing a rally and a play, Swachta ki or ek kadam in three villages of Aurangabad, Maharashtra. Over 1,200 students participated in the rally to promote self and environmental cleanliness.



Ms. Shalini Agarwal (IAS), District Collector, Vadodara

Nanhi Awaz- Cleanliness Campaign

Cosmo Foundation launched a campaign called Nanhi Aawaz to mark the occasion of World Literacy Day. Under this campaign, government school children were trained on how to write letters. Over 600 post cards were written by students on Swachhta i.e. cleanliness campaigns carried out in their school and village. Cosmo Foundation made an album of these postcards along with some photographs of utilization of toilets and waste bins.

On the occasion of Gandhi Jayanti, which was marked as the Swachhta Day, students along with their teachers handed over this album to Ms. Shalini Agarwal (IAS), District Collector, Vadodara. She not only appreciated the CSR effort, but also urged students to continue doing such efforts in their respective neighborhoods to promote cleanliness and hygiene.



Launch of Urdu Gyan Vihar Kendra at Aurangabad

Cosmo Gyan Vihar Kendra- Urdu Medium

Cosmo Foundation supports the right to acquire basic fundamental literacy in native language and runs Cosmo Gyan Vihar Kendras (CGYKs) across Gujarat and Maharashtra. CGYKs are aimed at strengthening reading, writing and arithmetic skills of students in their native language. The foundation has now launched CGYKs in Urdu medium at various government schools of Aurangabad district.

Technical Column

CPP Films- The Versatile Polymer

Polypropylene film or PP is a low density plastic film. The most important types of PP are cast polypropylene (CPP) and bi-axially oriented polypropylene (BOPP). While BOPP is a more commonly known polypropylene film, the use of CPP in the food, pharmaceutical, flower, textiles and several other industries are consistently gaining popularity.



Some of the differences between CPP and BOPP are listed below for better understanding:

- CPP is a soft film like polyethylene, whereas BOPP is a bit stiff and crinkly
- CPP does not dead-fold well due to its natural living hinge, whereas BOPP has better dead-fold characteristics.
- CPP can be ultrasonically or thermally sealed without the use of any specialty coatings, whereas BOPP does not heat seal well without the use of specialty heat seal coatings.
- While BOPP films have better barrier properties than CPP, CPP has better barrier properties than most other polyethylene and PVC films.

Cast polypropylene film is gaining favour as the material of choice in both traditional flexible packaging as well as non-packing applications. CPP has a higher tear and impact resistance, and better cold temperature performance and heat-sealing properties as compare to BOPP. There are various type of CPP films like general CPP, retort grade CPP, metalized CPP, solid white CPP and several other applications depending on the requirement and end application.

Some of the major benefits of CPP are listed below:

- Excellent heat seal strength, high puncture and tear resistance
- Excellent packaging integrity at extreme temperatures and high heat resistance
- No impact on the coefficient of friction (COF) control
- High yield per unit area and low specific weight (0.91 g/cm³)
- Offers good moisture barrier
- High transparency

The health care and pharmaceutical industries use CPP films for packaging of drugs for extended periods of time since CPP films can protect against contamination. Application in other industries includes stand-up re-closable pouches, multi layered laminations, side-weld seal bags, flower and twist wraps.

Technical Column

Some of the major applications of CPP films are:

- Food Wraps or Candy/Confectionery packaging
- Bakery Products
- Lamination
- Garment Bags
- Retort Packaging
- Stationery Packaging
- Vacuum Metallization
- Deep Freeze Application
- Over Wrap
- Floral Wraps

Metalized and general CPP films are the two leading types of CPP films used in the market. While the demand for CPP is higher in more developed countries like U.S, Canada, UK, Germany, the two countries that dominate in the use of CPP in the Asia Pacific region are India and China.