

# ***COSMO** **CONNECT***

Quarterly Newsletter

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**CF** **COSMO FILMS**  
Engineered to Enhance

[www.cosmofilms.com](http://www.cosmofilms.com)

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# Company updates

## Cosmo Films: Winner at SAP Ace Awards 2018



Cosmo Films was awarded the prestigious SAP ACE Award 2018 in the special recognition category in April 2018. The honour bestowed by INDUS (SAP India User Group) is in recognition for being the front-runner in cloud adoption.

Cosmo Films has been at the forefront of adopting new technologies by leveraging innovation for digital transformation. The company has adopted cloud technologies like - SAP HANA Enterprise Cloud for mission critical applications and advance data processing, SAP Success Factors (HCM) for empowering and improving employee experience, Salesforce (CRM) for enhancing customer experience.

The SAP ACE Awards are an industry benchmark to recognise the best-run businesses in the Indian subcontinent. It recognises and lauds IT innovation across businesses who have achieved business excellence and showcased consistent innovation by using cloud computing as the key competitive differentiator. This year, SAP ACE awards 2018 received over 300 project nominations competing across 16 major award categories, with a distinct focus on large and mid-sized companies.

# Company updates

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## Annual Results 2017-18

In Rs. Crores	Q4 FY18	Q4 FY17	FY18	FY17
Net Revenue	527.1	469.6	1966.7	1696.3
EBITDA	43.9	44.0	167.6	169.2
PAT	25.1	27.8	64.4	85.7
EPS(in Rs.)	13.1	10.1	33.6	44.7

Cosmo Films declared its financial results for the quarter ended March 31, 2018 on May 23, 2018.

In Q4 FY18, the Company achieved the highest ever quarterly sales volume (up 14% YoY) primarily on the back of near to full capacity utilization of the BOPP line commissioned in February 2017. Commodity film margins remained subdued negating the favourable impact of volume increase.

For the full year, sales volume grew by 25% but lower commodity films margins wiped out more than whole of the gains of the volume increase. PAT and EPS dropped further due to higher interest and depreciation of the new BOPP line commissioned last year. One-time tax reversal due to recent change in Income Tax Act enabled to partially mitigate the drop in PAT and EPS.

# Media Coverage

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## Coverage in Business India

Business India, in its June edition, featured an article titled “Life after GST” and took inputs from leaders of various organisations including Mr. Neeraj Jain, CFO, Cosmo Films on tax reforms. The article talked about how implementation of GST has impacted supply chain business.

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## Coverage in PC Quest

PC Quest published an article titled “Empowering Sales Performance” in its June 2018 edition. The article talked about the initiatives taken by Cosmo Films to improve consumer experience with the implementation of Salesforce. It also took inputs from the company's IT Head, Mr. Jagdip Kumar.

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## Interview in Insight Success

In its May 2018 edition, Insight Success published an interview of the CEO, Mr. Pankaj Poddar. He talked about the company, its product offerings and future developments.

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# CSR Updates



Yoga Day celebration at one of the government schools

## Celebration of Festivals and National Days

Cosmo Foundation (CF) in partnership with government schools celebrates festival and national days with a view to promote respect for diverse faiths & culture and instill national spirit amongst school children. For instance, CF celebrated World Environment Day with a sapling plantation drive in Karjan and an environment awareness rally in Aurangabad; International Yoga Day with yoga sessions in schools and the month of Ramadan by organizing Iftaar parties.



Mr. Sanjay Chincholikar, Head-Operations, Cosmo Films addressing the students

## Summer English Course

Considering the local sanitation and health needs, Cosmo Foundation extended its support by constructing 31 toilets with hand washing facility across eight rural government primary and grant in aid schools in Karjan. This initiative would benefit around thousand girls and women teachers of the schools. Cosmo has also provided cleanliness material, hygiene kit and maintenance manual to the school authorities to maintain hygiene in the toilets.



Students showcasing their work at the camp

## Children's Camp

Cosmo Foundation successfully organized a month long summer camp for children in 11 villages of Karjan, Vadodara. The event received an active participation of over 1000 students of these villages and an overwhelming support from parents, village leaders and local institutions. Fun and learning activities like village rallies, block printing, puppetry and visits to various local institutions were organized for the students during the camp.

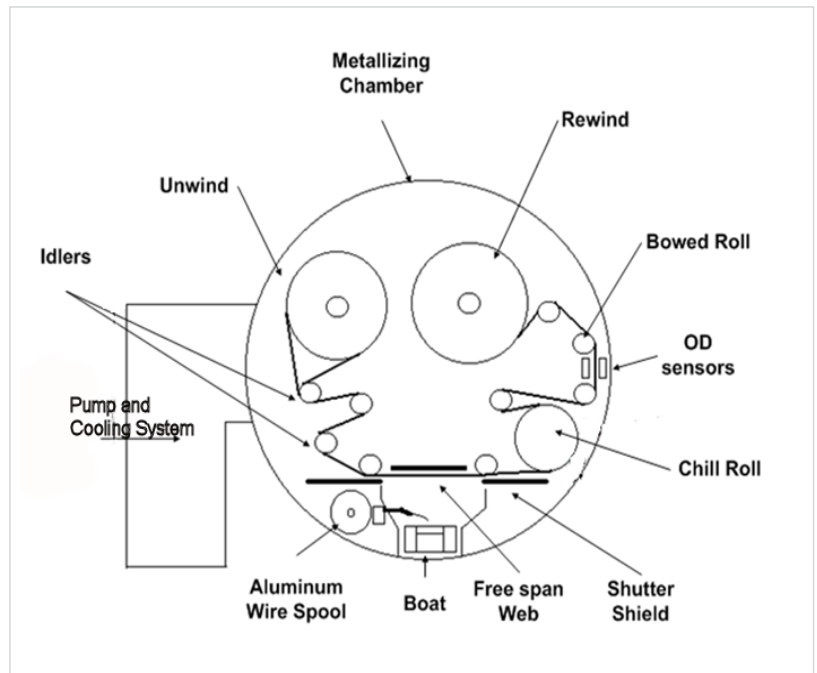
# Technical Column

## Vacuum Metalization Process

Vacuum metalization is a form of physical vapour deposition, a process of evaporating metals (commonly aluminium) inside a vacuum chamber and its deposition on to a non-metallic substrate. Aluminium is often used in vacuum metalizing due to myriads of reasons such as cost, thermodynamics, and reflective properties. Evaporation takes place by feeding aluminium onto heated sources or boats, which operate at approximately 1500°C (2700°F). The vacuum metalization chamber's atmosphere is evacuated to a vacuum level suitable for the evaporation of the aluminium wire. Upon contact with the substrate being processed, the aluminium vapour condenses and creates a uniform layer of vacuum deposited aluminium.

### Vacuum Metalization Improves Barrier Properties

Vacuum metalization process improves barrier properties like moisture vapour transmission rate (MVTR) & oxygen transmission rate (OTR) of plastic films. This delivers improved packaging performance, extends pack shelf life and maintains the quality of the packaged product. Major applications segments include food & beverage packaging and medical applications. The process can also be used to produce substrate with effective light barrier. The light transmission is controlled by the amount of vacuum deposited aluminium. Generally 2 to 2.2 optical density (OD) deposition is more common for BOPP metalized films.



### Vacuum metalization for Aesthetics

Vacuum metalization is done to deliver aesthetic improvements to the substrate and add unique appearance to it. The metalized substrate can have a highly reflective mirror like finish or can be used in conjunction with other processes, like coating or laminating, to create a decorative effect. Film that has undergone vacuum metalization can also be dyed and/or coated to give the substrate a unique colour. Additionally, any vacuum metalized film can be laminated to a variety of other substrates, such as leather and synthetic fabrics, to give the material a unique and high-end appearance.

### Vacuum Metalization for Insulation Applications

A vacuum metalized surface is ideal for insulation, mostly because of its increased reflectance/ radiant properties. Commercial and residential radiant barrier reflective insulation materials get their functionality from the vacuum metalization process. BOPP based thermal metalized films are used for thermal insulation by a laminate with expanded polystyrene (EPS) sheets used in buildings construction.