

From the Chairman's Desk

At Uflex, the past financial year was a year of new momentum, emphasis on continuous innovations and technological developments, notable acknowledgements especially for our solutions in sustainability and focussed cost discipline.



The year came with its own set of challenges – lack of clarity in use of plastic packaging, erratic movement in crude oil prices and rise in other raw material costs. However, we worked diligently towards combating the headwinds and remained successful in leading the market with our innovations and product offerings.

From developing a **satellite thermal radiation insulation film for ISRO** to being certified by the **Indian Banks' Association** as a security printer for printing MICR instruments for its member banks; from **Asepto marking its entry into retail shelves with Fresca holographic packs** to the grant of US Patent for our **breakthrough BOPET Film used for manufacturing eco-friendly Alu-Alu blister pack**; from developing **100% bio-degradable premium lens transfer paper using Fresnel Lens** to launching **Industrial Internet of Things enabled converting machines** - Uflex flooded the flexible packaging industry with these and many more revolutionary products, to suit customer demand.

We have been highly focussed on the challenge of recyclability of Multi-layer plastic and have **developed a technology that converts different layers of multi-layer packaging waste (printed, laminated and metallized) into granules**. We installed our latest technology enabled recycling machine at our Noida plant and also showcased it at IndiaPlast 2019 exhibition where the delegates visiting us were amazed by the results of this machine and the daily utility items that can be manufactured with these granules.

Through concerted efforts, **our total production and sales volume for FY2018-19 grew 6.1% and 6.7% to 397492 MT and 395634 MT respectively**. In FY2018-19, the Films Business achieved highest ever production of 316923 MT. For full year 2018-19, the consolidated net revenue grew 18.5% to INR 7974.8cr and EBITDA increased by 11.6% to INR 1007.5cr. The improved financial performance has resulted in **CRISIL assigning higher credit rating of 'A' to long-term debt of the company**.

The flexible packaging industry continues to evolve with changing consumer expectations and among the most prominent are sustainability and customization. **With solutions for waste plastic being created, we are confident of the demand for flexible packaging growing further, in the coming years**. We have ambitious goals and big plans for new financial year and we are going after them with deliberate planning and apt execution!

Ashok Chaturvedi
Chairman & Managing Director

From the Vice Chairman's Desk

With recent calls to create a circular economy, sustainable packaging is being looked at with much interest and seriousness by manufacturers, brands and consumers alike globally. Reports indicate that the demand for sustainable packaging is estimated to grow at over 5 percent annually by 2025.

The push for completely green packaging has definitely spurred innovations among flexible packaging industry. Being a trendsetter in sustainable innovation, like its parent company, **FlexFilms is now offering an entire bouquet of BOPET films containing minimum 90% post-consumer recycled (PCR) waste, under the brand name Asclepius™**. This high PCR content film, for which the raw material is derived from used PET bottles that are collected, pelletized and then converted into green films, represent 75% reduction in carbon footprint versus virgin BOPET grades and comes with enhanced sustainability. The prestigious **'Kingfisher' Certification from SCS Global Services** corroborates to its customers and to the flexible packaging films market, the integrity of its supply chain and claims regarding PCR content based film technology. Recently, **AIMCAL recognized the film with 'Excellence in Sustainability'** due to the inventive technology, it offers to the market.



Anantshree Chaturvedi
Vice Chairman & CEO - FlexFilms International

Financial Summary

(Consolidated)

(in INR Million)

	4 th Quarter (1 st January - 31 st March 2019)			Full Financial Year (1 st April 2018 - 31 st March 2019)		
	Net Revenue	EBITDA	Net Profit	Net Revenue	EBITDA	Net Profit
FY 2018-19	20606	2601	701	79748	10075	3138
FY 2017-18	18188	2293	711	67317	9026	3105
% Change	(+) 13.3%	(+) 13.4%	(-) 1.4%	(+) 18.5%	(+) 11.6%	(+) 1.07%

 The Board has recommended 20% Dividend

Launched Metallic Dies for Hot Foil Stamping & Embossing on Printed Labels & Packs: Cylinder Business launched Metallic Dies manufactured at its latest CNC Die manufacturing lines, in the form of metallic plates and rollers with embossed 3D image engraved on it, commonly used in the label industry.



FlexFilms India had its Pockets Full of Numerous Ground-breaking Products: The Indian arm of film manufacturing business of Uflex launched a host of films with cutting edge technology and properties, embedded in each

a. F-PRP, a 12 Micron BOPET film meets the critical needs of bulk packaging and is ideal to use for low density, high volume packaging like large bags of flour, sugar or rice packaging.

b. F-FTC, the Fast to Tear film applicable for sachets and one-time use food packaging like ketchup, confectionaries and snack, is easily tearable in both directions, enabling consumer ease of accessing the product.

c. Ultra-High Oxygen Barrier Metallized BOPP film B-TUO-M and Ultra High Barrier & High Seal Strength Metallized BOPP film B-TUH-M was developed with outstanding barriers with less than 10 oxygen transmitting rate (OTR) and 15 OTR respectively. B-TUO-M comes with excellent metal bond strength & metal cracking resistance; and B-TUH-M comes with excellent hermetic seal, better metal bond strength & nitrogen flushing capabilities.

d. Ultra-High Barrier with robust seal performance & high metal bond Metallized CPP film C-CLM addresses the challenge of sustainable extrusion bond, barrier & seal performance faced by the flexible packaging industry by replacing three layers with two, thereby enabling advantages of lesser carbon foot print.



e. PETG Resin, an amorphous polymer that does not crystallize, making it an excellent replacement for transparent polymer, was launched for the Indian markets. Echoing Make in India, Uflex is the first and only producer of PETG in India and has an opportunity to substitute PETG Resins that are currently imported into the country.

PETG Resin offers high performance properties including transparency, clarity, gloss, glaze and printability in applications; and is used in applications like personal care, signage, sheet extrusion, LED profile, medical devices, home appliances, consumer goods and 3D print technology.

f. F-TFP, a thermofoming film with 15, 23 and 36 micron developed for semi-rigid packaging is suitable for ready-to-eat food packaging, take away food items like trays; so that the brand identity of the packaging is retained till the last piece of food item is consumed.



IIOT Enabled Converting Machine Introduced: Delivering on its promise to pave the way to Industry 4.0, Engineering Business of Uflex launched several Industrial *Internet of Things (IIOT)* enabled Converting Machines.



a. Extrusion Coating & Lamination Machine EX LAM 400, the modified machine with European design features made suitable to Indian conditions, is equipped with high line speed of 400 meters per minute (mpm) to handle thin and thick laminate. EX LAM 400 is spread over various variants i.e Mono and Co-extruder.

b. Uflex is the **first ever Indian company** to make gearless **CI Flexo model Elisa** designed with maximum operating speed of 400 mpm with high automation level, in the form of sleeves and anilox removal system. CI Flexo offers many value additions including efficient Ink Washing system that saves time as well as cost.

c. Solventless Laminator Machine Super-S-1300 offers microprocessor based thermo-regulation system and can run metalized structures upto a speed of 300mpm, while others can run upto a speed of 450mpm.

New Adhesive for High Speed Lamination Machines Launched: Solvent-free Adhesive **777 A/C** offers excellent performance on various substrates including plastics and has an exceptional compatibility with NC-PU inks, when mixed in the ratio of 1:1. Aimed especially for high-speed lamination machines, it is indigenously created by Chemical Business R&D Team.

A New Substrate Holography PVC/ PVDC Coated Film for Pharma Industry: A new substrate Holography PVC/ PVDC coated film was commercially launched for pharmaceutical industry as an anti-counterfeiting solution and supplied to leading drug-makers *Sanofi* and *Alkem*.

Accolades

Uflex continued its winning streak all through the third quarter of FY 2018-19. We were acknowledged for product innovation and excellence in flexible packaging both on national as well as international platforms.

1. 2019 'Excellence in Sustainability Award' to 90% PCR -content BOPET film by AIMCAL

2. 2019 'Technical Excellence Award' to PET-F-HBP-M film by AIMCAL

3. 2019 'Product Excellence Award' to F-TBF-M-08 film by AIMCAL

4. The Economic Times Polymers Awards 2019 to Asepto Spark Fresca for 'Excellence in Packaging – Beverages'



5. Oshea Herbals - Premium Tube for Personal Products

- SIES SOP STAR & IFCA STAR AWARDS 2018

6. Rasna Fruit Juice Concentrate - Shaped Profile Pouch with Spout & Handle

- SIES SOP STAR & IFCA STAR AWARDS 2018

7. Beach Magic - High barrier Tube for Sunblock Lotion

- SIES SOP STAR & IFCA STAR AWARDS 2018

8. Kurkure Shahi Twistkeen - Easy Open Feature with Laser Scoring

- IFCA STAR AWARD 2018

9. Forest Essential Shampoo - Premium Matte Finish with Hot Stamping

- SIES SOP STAR & IFCA STAR AWARDS 2018

10. Purina Pro Plan - Pet Food Bag with K Seal and Laser Cut

- IFCA STAR AWARD 2018

11. Cimmo Petrochem Carbon Black - Block Bottom Valve Bag

- SIES SOP AWARD 2018

12. Teenager Bra - Inner Garment Packaging with Anti Counterfeit Feature

- SIES SOP STAR AWARD 2018

13. Richie Plus Ajwain - Metallic Effect in 2 Ply Transparent Laminate

- SIES SOP STAR AWARD 2018




'Father of Flexible Packaging' Award to **Mr. Ashok Chaturvedi, CMD of Uflex Ltd.** at **Global Conference on Plastic & Packaging.**



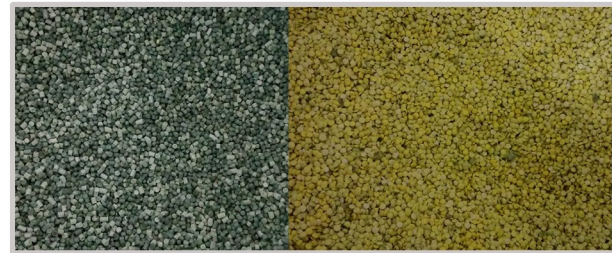
Sustainability

Creating a Circular Economy-Making Multi-Layer Packaging 100% Recyclable



As concerns about plastic waste management are starting to gain prominence, one issue that often comes to the forefront is the difficulty in conventional recycling process of Multi-Layer Packaging (MLP), as polymers in different layers of the packet have different melting points. The challenge is to bring these multi-layers to a homogeneous form which can be melted to flow together and form recyclable pellets. Due to the failure to properly recycle MLP, they usually get incinerated or landfilled losing billions of dollars globally each year and negating the need to create a circular economy.

Uflex strongly believes that our pledge to make our packaging 100% recyclable will support the long-term growth story of the world economy and in our pursuit to find a solution to this global concern, we have developed a technology that renders multi-layer packaging recyclable & makes it possible to recover high-quality granules, despite the presence of different layers of polymer having different characteristics. The best part is that this entire recycling process does not emanate any toxins.



The latest technology enabled recycling machine that converts MLP waste into granules, was installed at Uflex Noida plant. The recycled plastic granules from MLP waste can be used in injection moulding applications to make flower-pots, dustbins, tumblers, core plugs, road dividers, door panels, paver tiles, low-cost furniture, park benches and many other daily use items.

With the support of the government and local authorities, Uflex is working towards setting up post-consumer MLP waste collection and recycle centres that will also generate employment to rag-pickers. Uflex will also offer technology support and manpower training to flexible packaging industry to set up similar recycling units.



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