

COMSYN/BSE/2019-20

Date: 15<sup>th</sup> November, 2019

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To,  
The General Manager,  
DCS-CRD  
BSE Limited  
PhirozeJeejeebhoy Towers  
Dalal Street Mumbai- 400001(MH)

**BSE Scrip ID: COMSYN BSE Scrip Code: 539986**

**Subject: Submission of 'H1/Q2-F.Y. 20 Earnings Presentation pursuant to Regulation 30(4) read with Part A of Schedule III of the SEBI (LODR) Regulations, 2015 as amended from time to time.**

Dear Sir/Madam,

Pursuant to Regulation 30(4) read with Part A of Schedule III of the SEBI (LODR) Regulations, 2015 as amended from time to time, please find enclosed herewith '**Commercial Syn Bags Limited- H1/Q2-F.Y.20 Earnings Presentation.**

A copy of aforesaid Investor Presentation is also hosted on the website of company [www.comsyn.com](http://www.comsyn.com).

You are requested to please take on record the above said document for your reference and further needful.

Thanking You,  
Yours Faithfully,

FOR, COMMERCIAL SYN BAGS LTD.

*Anamika Gupta*  
CS ANAMIKA GUPTA  
COMPANY SECRETARY &  
COMPLIANCE OFFICER

Encl. As above



## Commercial Syn Bags Limited

CIN : L25202MP1984PLC002669

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# COMMERCIAL SYN BAGS LIMITED

H1 / Q2 - FY20 Earnings Presentation

**COMSYN**

# EXECUTIVE SUMMARY

## Company Overview

- Commercial Syn Bags Limited (COMSYN), one of the oldest players in the packaging industry, manufactures bulk flexible packaging products and industrial traps and covers.
- It mainly caters to the B2B segment and its products cater to various industries like bulk packaging, agriculture, chemical, cement, food, construction, etc.
- The company offers a huge product portfolio and a wide range within each product category to best suit their client needs.

## Revenue Mix

- FIBC (Flexible Intermediate Bulk Container) constitutes 70% of the revenue and is mainly used for bulk packaging in chemicals, agriculture, food, cement, construction industries, etc.
- Other products include Tarpaulin, BOPP Bags, Woven Sacks/Bags, PP Fabric, Garden Bags, Waste Bags, Box Bag, Ground covers, Pond Liners, Mulch Films, Spiral Tubing and Vermi Beds.

## Manufacturing and Distribution Network

- The company's manufacturing units are located at Pithampur near Indore, India.
- The company produces 5 – 6 Mn Big Bags annually.
- The company have a strong clientele across all the 6 continents.

## Financial Highlights (FY19)

**OP. REVENUE**



INR 2,067 Mn  
YoY 28.4%  
5 Year CAGR 16.6%

**EBITDA**



INR 253 Mn  
YoY 68.7%  
5 Year CAGR 16.6%

**PAT**



INR 110 Mn  
YoY 77.4%  
5 Year CAGR 22.8%

## EXPORTS TO



Over 25 countries

## MTPA



17,000

## EMPLOYEES



Over 1,900



TARPAULIN

# H1/Q2 - FY20 HIGHLIGHTS

## Q2-FY20 Financial Performance:

- Operational Income: INR 542 Mn
- EBITDA: INR 61 Mn
- EBITDA Margin: 11.25%
- Net Profit: INR 29 Mn
- PAT Margin: 5.35%
- Diluted EPS: INR 2.47

## H1-FY20 Financial Performance

- Operational Income: INR 951 Mn
- EBITDA: INR 115 Mn
- EBITDA Margin: 12.09%
- Net Profit: INR 52 Mn
- PAT Margin: 5.47%
- Diluted EPS: INR 4.41

## Q2-FY20 Operational Performance:

- Production during the quarter was ~ 4,117 MT and for the half ended as on 30<sup>th</sup> September, 2019 the same was ~ 8,082 MT, translating into a capacity utilisation ~ 95%.
- While there has been an overall slowdown in the economy, the company's growth prospects, continue to remain stable.
- While revenues increased on a sequential basis due to higher volumes, realisations on a per unit basis fell as polymer prices declined by ~ 5% in Q2-FY20 as compared to Q1-FY20.
- EBITDA margins have declined by 218 Bps, primarily due to increase in employee costs because of annual increments. Further, other expenses have increased due to higher insurance expenses, outside jobwork charges and increase in power costs. Going forward, with increased utilization levels at the SEZ unit, such expenses will get absorbed and hence margins are expected normalise.
- Since the company's incremental production are from its SEZ facility, the same has resulted in lower tax rate. It also claims deduction for wages paid to new employees under the section 80JJAA.

# Q2-FY20 INCOME STATEMENT

PARTICULARS (INR Mn)	Q2-FY20	Q2-FY19	Y-o-Y	Q1-FY20	Q-o-Q
Operational Revenue	542	581	(6.7)%	408	32.8%
Total Expenses	481	503	(4.4)%	353	36.3%
EBITDA	61	78	(21.8)%	55	10.9%
<i>EBITDA Margins (%)</i>	<i>11.25%</i>	<i>13.43%</i>	<i>(218) Bps</i>	<i>13.48%</i>	<i>(223) Bps</i>
Other Income	3	(1)	NA	5	(40.0)%
Depreciation	17	16	6.3%	17	NA
Finance Cost	12	17	(29.4)%	11	9.1%
PBT	35	44	(20.5)%	32	9.4%
Tax	6	12	(50.0)%	9	(33.3)%
PAT	29	32	(9.4)%	23	26.1%
<i>PAT Margins (%)</i>	<i>5.35%</i>	<i>5.51%</i>	<i>(16) Bps</i>	<i>5.64%</i>	<i>(29) Bps</i>
Diluted EPS (INR)	2.47	2.73	(9.5)%	1.94	27.3%

# H1-FY20 INCOME STATEMENT

PARTICULARS (INR Mn)	H1-FY20	H1-FY19	Y-o-Y
Operational Revenue	951	<b>978</b>	(2.8)%
Total Expenses	836	859	(2.7)%
EBITDA	115	<b>119</b>	(3.4)%
<i>EBITDA Margins (%)</i>	<i>12.09%</i>	<i><b>12.17%</b></i>	<i>(8) Bps</i>
Other Income	8	2	NA
Depreciation	34	29	17.2%
Finance Cost	22	24	(8.3)%
PBT	67	<b>68</b>	(1.5)%
Tax	15	21	(28.6)%
PAT	52	<b>47</b>	10.6%
<i>PAT Margins (%)</i>	<i>5.47%</i>	<i><b>4.81%</b></i>	<i>66 Bps</i>
Diluted EPS (INR)	4.41	4.00	10.3%



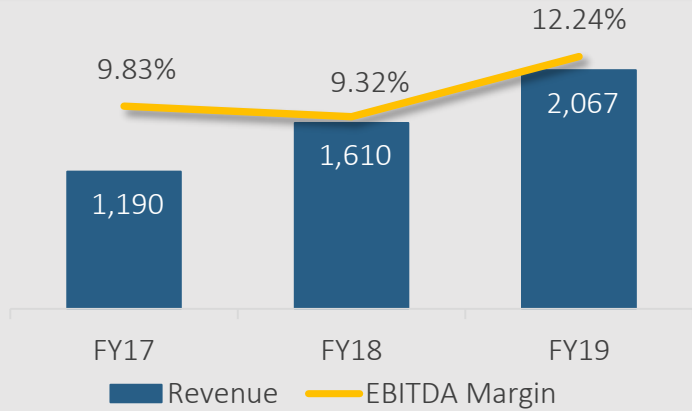
# INCOME STATEMENT

PARTICULARS (INR Mn)	FY17	FY18	FY19	H1-FY20
Operational Revenue	1,190	1,610	2,067	951
Total Expenses	1,073	1,460	1,814	836
<b>EBITDA</b>	<b>117</b>	<b>150</b>	<b>253</b>	<b>115</b>
<i>EBITDA Margins (%)</i>	<i>9.83%</i>	<i>9.32%</i>	<i>12.24%</i>	<i>12.09%</i>
Other Income	20	6	11	8
Depreciation	36	40	62	34
Finance Cost	25	26	56	22
<b>PBT</b>	<b>76</b>	<b>90</b>	<b>146</b>	<b>67</b>
Tax	23	28	36	15
<b>PAT</b>	<b>53</b>	<b>62</b>	<b>110</b>	<b>52</b>
<i>PAT Margins (%)</i>	<i>4.45%</i>	<i>3.84%</i>	<i>5.32%</i>	<i>5.47%</i>
Other Comprehensive Income	-	-	2	-
<b>Total Comprehensive Income</b>	<b>53</b>	<b>62</b>	<b>112</b>	<b>52</b>
Diluted EPS (INR)	4.87	5.21	9.30	4.41

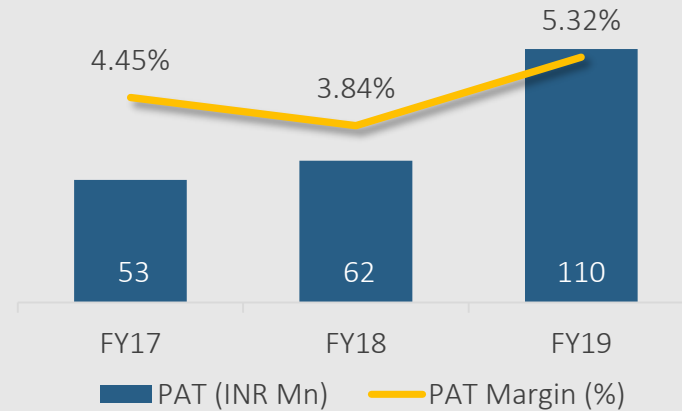
# BALANCE SHEET

PARTICULARS (INR Mn)	FY18	FY19	H1-FY20	PARTICULARS (INR Mn)	FY18	FY19	H1-FY20
<b>EQUITIES &amp; LIABILITIES</b>				<b>ASSETS</b>			
Shareholder Funds				<b>Non-current Assets</b>			
(A) Share Capital	118	118	118	(A) Fixed Assets			
(B) Reserves & Surplus	361	468	509	(i) Tangible assets	315	595	602
(C) Share application money pending allotment	-	-	-	(ii) Capital work-in-progress	157	17	44
<b>Non-current Liabilities</b>				(B) Long-term loans and advances	12	32	32
(A) Long-term Borrowings	148	205	241	(C) Other Non-Current Assets	-	4	44
(B) Other Financial Liabilities	-	11	10				
(C) Deferred Tax Liabilities (Net)	29	31	31				
(D) Long-term provisions	-	-	-	<b>Current Assets</b>			
<b>Current Liabilities</b>				(A) Inventories	205	192	323
(A) Short term Borrowings	222	287	321	(B) Trade Receivables	231	360	294
(B) Trade Payables	98	147	136	(C) Cash & Cash Equivalentents	54	34	58
(C) Other Financial Liabilities	-	75	102				
(D) Other Current Liabilities	130	11	36	(D) Short-term loans & advances	142	72	76
(E) Short-term provisions	13	14	8	(E) Other Current Assets	3	61	39
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>1,119</b>	<b>1,367</b>	<b>1,512</b>	<b>GRAND TOTAL – ASSETS</b>	<b>1,119</b>	<b>1,367</b>	<b>1,512</b>

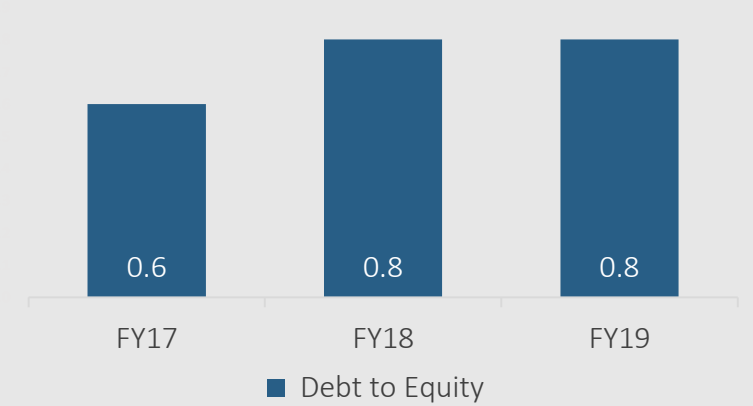
## REVENUE (INR MN) & EBITDA MARGIN (%)



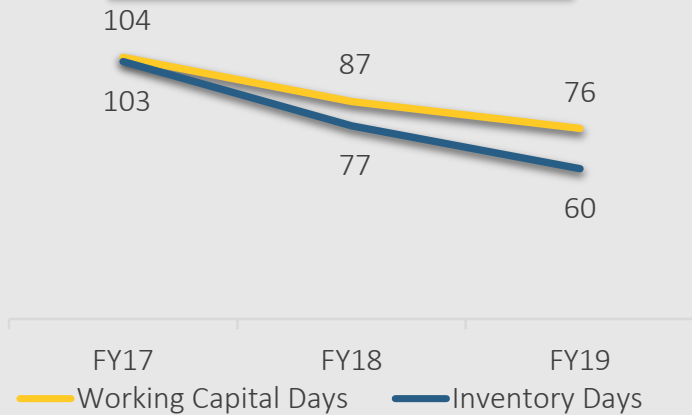
## PAT (INR MN) & PAT MARGIN (%)



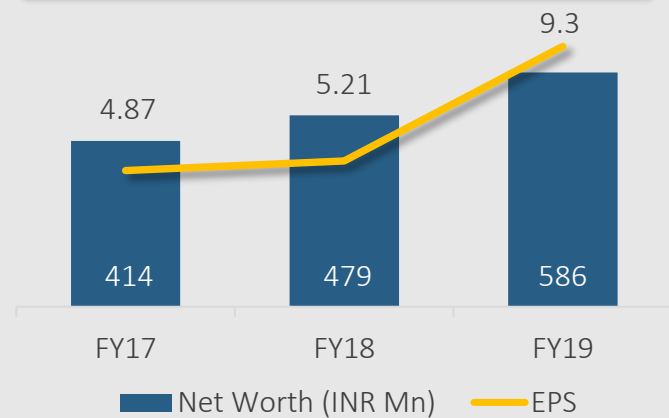
## DEBT TO EQUITY (x)



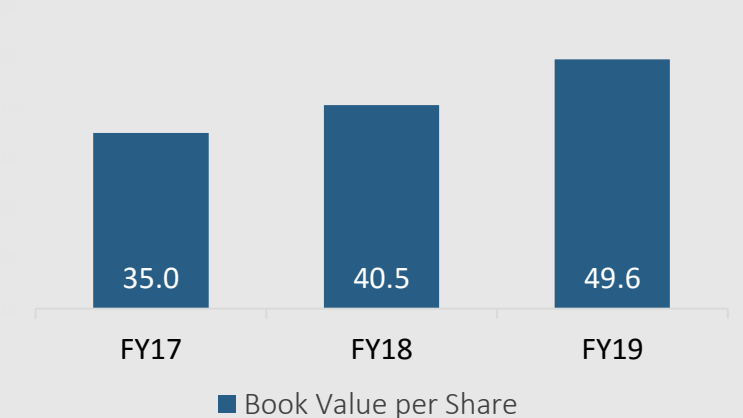
## WORKING CAPITAL CYCLE



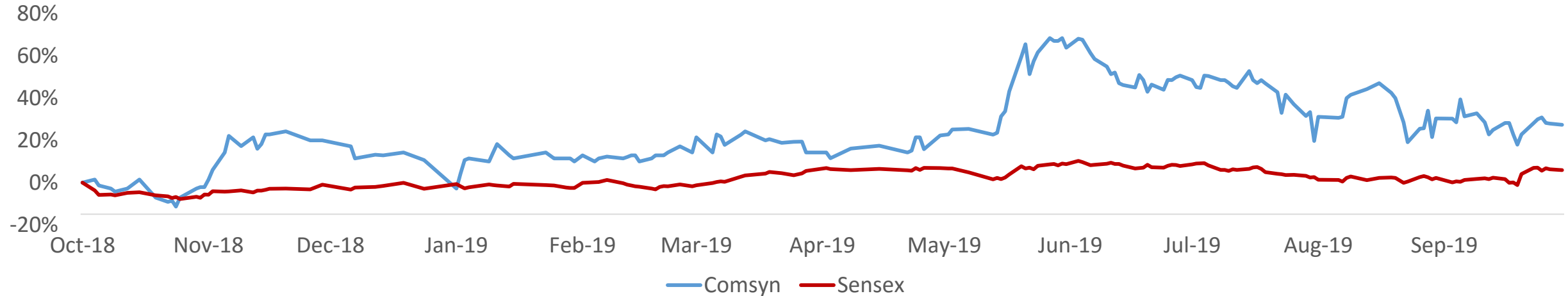
## NET WORTH (INR Mn) AND EPS (INR)



## BOOK VALUE PER SHARE (INR)



## Share Price Data as on 30th September, 2019

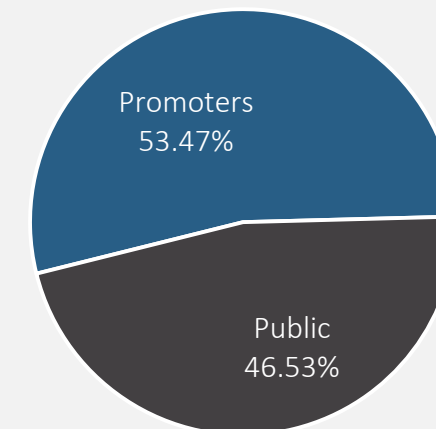


### Price Data as on 30th September, 2019

INR

Face Value	10.00
CMP	44.6
52 Week H/L	67.1/ 30.2
Market Cap (INR Mn)	527.1
No. of Share outstanding (Mn)	11.8
1 Year Avg. Trading Volume ('000)	7.2

### Share Holding Pattern as on 30th September, 2019



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THANK YOU

**COMSYN**