

IPO Note

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Apply for Long Term Investments



Cello World Limited

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Cello World Limited

- IPO NOTE



ABOUT COMPANY:

- Cello World is associated with Cello Plastic Industrial Works ("CPIW") and the "Cello" brand since 1962. Their promoters (through their family) have since diversified their product range and brand portfolio over the last 6 decades.
- Cello World Limited caters to a diverse range of consumer requirements and offers a broad range of contemporary products across different ranges, types of product categories.
- Cello World offers their consumer products across 3 categories: **Consumer Houseware, Writing Instruments and Stationery, and Moulded Furniture and Allied Products.**
- The consumer-ware market is broadly divided into 2 categories, consumer houseware and consumer glassware and Cello World is the prominent player in the consumer-ware market in India with presence in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products and consumer glassware categories.
- While the company was incorporated only in 2018, their promoters were involved in the launch of the glassware and opal-ware business in 2017 under the "Cello" brand. They also launched their writing instruments and stationery product category in 2019 under the "Unomax" brand. Further, they were involved in the launch of the cleaning aids business in 2017 under the "Kleeno" subbrand (under the "Cello" brand).
- The company **owns/lease and operate 13 manufacturing facilities across 5 locations in India**, as of June 30, 2023, and they are currently establishing a glassware manufacturing facility in Rajasthan.
- The private equity investors, India Advantage Fund S4-I and India Advantage S5-I have supported through multiple business initiatives to the company.

ISSUE BREAK-UP

Investor	No. of Eq Shares		₹ In Cr	% of Allocation
	@Lower	@upper		
QIB	15,316,044	14,583,332	945.00	50%
NIB	4,594,814	4,375,000	283.50	15%
-NII 1	3,063,209	2,916,667	189.00	-
-NII 2	1,531,605	1,458,333	94.50	-
Retail	10,721,232	10,208,334	661.50	35%
EMP	179,856	170,357	10.00	
Total	30,811,946	29,337,023	1,900.0	100%

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Anchor Bid on: Friday, 27th October 2023

Issue opens on: Monday, 30th October 2023

Issue closes on: Wednesday, 1st November 2023

Issue Details	Offer for Sale of upto ₹ 1,900 Cr
Face value:	₹ 5/-
Price band:	₹ 617 – 648
Bid Lot:	23 Eq. Shares and in multiple thereof
Post Issue Implied Market Cap:	₹ 13,095~ - 13,753^ Cr
Issue size:	₹ 1,900 Cr
Listing on:	BSE & NSE
No. of Share	30,811,946 – 29,337,023 Share
BRLM	Kotak Mahindra Capital, Citigroup Global, JM Financials, JP Morgan Indian
Registrar:	KFin Technologies Ltd

INDICATIVE TIMETABLE:

Activity	On or about
Finalization of Basis of Allotment	06-11-2023
Refunds/Unblocking ASBA Fund	07-11-2023
Credit of equity shares to DP A/c	08-11-2023
Trading commences	09-11-2023

SHAREHOLDING (APPROX. NO. OF SHARES):

	Pre & Post Issue
No. of Shares	212,231,034

SHAREHOLDING PATTERN(%)

Particulars	Pre-Issue	Post-Issue
Promoters	55.13%	44.22%
Promoters Group	36.75%	33.84%
Public	8.12%	21.94%
Total	100.00%	100.00%

MINIMUM BIDS APPLICATION:

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII – Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	23 Shares	322 Shares	1,564 Shares
Minimum Bid Lot Amount (₹)	₹ 14,904^	₹ 2,08,656^	₹ 10,13,472^
No. Of Applications For 1x	443,841 Applications	4,529 Applications	9,058 Applications



Cello World Limited - IPO NOTE

BACKGROUND:

Company and Directors

The Company was incorporated as "Cello World Private Limited" on July 25, 2018. The Promoters of the company are Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod. Currently, the promoters collectively hold 116,999,994 Equity Shares, equivalent to 55.13% of the issued, subscribed and paid-up Equity Share capital of the company.

Group Restructuring Process

Cello Plastic Industrial Works ("CPIW") was a partnership firm formed in 1958. Late Mr Ghisulal Dhanraj Rathod, father of two of their promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, joined CPIW as a partner in 1962. While in the past CPIW was engaged in the business of manufacturing and dealing of thermoware household articles and plastic materials or articles, it is currently not active in these businesses. CPIW is the exclusive owner of the "Cello", "Unomax" "Kleeno", "Puro" trademarks and their respective logos. Since the trademarks for these key brands were owned by CPIW from prior to the incorporation of Cello World Ltd, the trademarks continue to be held by CPIW.

Pursuant to the group restructuring process undertaken in the Financial Year 2022:

- The business of Cello Plast was acquired by one of their subsidiaries, Cello Industries Pvt Ltd;
- The business of Cello Plastotech was acquired by one of their subsidiaries, Cello Household Products Pvt Ltd;
- Cello Industries was converted into Cello Houseware Pvt Ltd, and is now one of their subsidiaries.

KEY FINANCIALS:

(₹ in Cr)

	As at Jun' 30,		As at Mar' 31,		
	2023(03)	2022(03)	2023(12)	2022(12)	2021(12)
Share Capital	97.50	0.10	97.50	0.10	0.10
Instruments entirely equity in nature	14.38	-	-	-	-
Reserves	785.41	149.74	238.95	87.64	(106.76)
Net Worth	1,226.66	495.76	665.73	444.04	289.59
Revenue from Operations	471.78	432.61	1,796.70	1,359.18	1,049.46
Revenue Growth (%)	9.05%	-	32.19%	29.51%	-
EBITDA	127.30	100.74	437.28	349.50	286.87
EBITDA Margin (%)	26.98%	23.29%	24.34%	25.71%	27.34%
Profit before Tax	114.92	88.67	385.20	299.10	235.69
Net Profit for the period	82.83	66.03	285.06	219.52	165.55
Net Profit Margin (%)	17.56%	15.26%	15.87%	16.15%	15.77%
EPS – Basic & Diluted (₹)	3.65^	3.17^	13.65	10.46	7.75
RONW (%)	6.31%^	12.48%^	39.98%	45.94%	52.21%
Net Asset Value- Basic (₹)	57.79	25.42	34.14	22.77	14.85
ROCE (%) as stated	8.06%^	11.28%^	44.48%	40.92%	58.73%

Source: RHP; *Restated Summary, EPS and NAV calculated on increased capital

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Fresh issue and Offer for sale of Shares	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter	116,999,994	55.13%	23,160,808	93,839,186	44.22%
Promoters Group	78,000,006	36.75%	6,176,215	71,823,791	33.84%
Total for Promoter and Promoter Group	195,000,000	91.88%	29,337,023	165,662,977	78.06%
Public	17,231,034	8.12%		46,568,057	21.94%
Total for Public Shareholder	17,231,034	8.12%		46,568,057	21.94%
Total Equity Share Capital	212,231,034	100.00%	29,337,023	212,231,034	100.00%

* Shares at Upper Band

OFFER DETAILS:

The Offer for Sale by:	₹ 1,900 Cr	Upto 29,337,023 Equity Shares	Weighted Average cost of acquisition (₹)
The Promoter Selling Shareholders:			
Pradeep Ghisulal Rathod	₹ 300 Cr	Upto 4,632,162 Equity Shares	-
Pankaj Ghisulal Rathod	₹ 736 Cr	Upto 11,364,236 Equity Shares	-
Gaurav Pradeep Rathod	₹ 464 Cr	Upto 7,164,410 Equity Shares	-
The Promoter Group Selling Shareholders:			
Sangeeta Pradeep Rathod	₹ 200 Cr	Upto 3,088,107 Equity Shares	-
Babita Pankaj Rathod	₹ 100 Cr	Upto 1,544,054 Equity Shares	-
Ruchi Gaurav Rathod	₹ 100 Cr	Upto 1,544,054 Equity Shares	-

(~ at lower price band and ^ upper price band); # shares are rounded/adjusted to the nearest.



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BUSINESS OVERVIEW:

Incorporated in 2018, Cello World Limited (“Cello World”) was associated with Cello Plastic Industrial Works (“CPIW”) and the “Cello” brand since 1962. Their promoters (through their family) have since diversified their product range and brand portfolio over the last 6 decades. The 6 decades of experience of their promoters (through their family) in the consumer products industry has enabled the company to better understand the preferences and needs of consumers in India, diversify the product portfolio and grow the multi-channel distribution network. This has enabled them to curate an extensive product portfolio that caters to a diverse range of consumer requirements and offers a broad range of contemporary products across different ranges, types of product categories.

The consumer-ware market is broadly divided into 2 categories, consumer houseware and consumer glassware and Cello World is the prominent player in the consumer-ware market in India with presence in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products and consumer glassware categories.

The brands, sub-brands and range of products offered across 3 product categories:

Product Categories	Entities through which product categories are manufactured/sold	Brands	Sub-Brands	Overview of range of products offered
Consumer Houseware	<ul style="list-style-type: none"> Cello World Ltd Cello Industries Pvt Ltd Cello Houseware Pvt Ltd Cello Household Products Pvt Ltd Cello Consumerware Pvt Ltd 	Cello	Puro, Chef, H2O, Modustack, Kleeno, Maxfresh and Duro	<ul style="list-style-type: none"> Houseware Insulatedware Electronic appliances and cookware Cleaning aids Opalware Glassware Porcelain
Writing Instruments and Stationery	<ul style="list-style-type: none"> Unomax Stationery Pvt Ltd 	Unomax	Ultron2X and Geltron	<ul style="list-style-type: none"> Writing instruments Stationery
Allied Products	<ul style="list-style-type: none"> Wim Plast Ltd 	Cello	-	<ul style="list-style-type: none"> Moulded furniture Allied products

Cello World has a track record of scaling up new businesses and product categories. While the company was incorporated only in 2018, their promoters were involved in the launch of the glassware and opalware business in 2017 under the “Cello” brand, and increased their revenue from operations from this business from ₹148.36 crore in the FY 2021, to ₹228.99 crore in the FY 2022 and ₹276.02 crore in the FY2023, at a CAGR of 36.40%.

The revenue from operations from this business was ₹59.13 crore for the 3 months ended June 30, 2022, and ₹73.98 crore for the 3 months ended June 30, 2023. They also launched their writing instruments and stationery product category in 2019 under the “Unomax” brand, and increased the volume of products sold from this product category from 23.03 crore units in the FY2021, to 26.43 crore units in the FY2022 and 45.81 crore units in the FY23, at a CAGR of 41.03%. Further, they sold 10.12 crore units in the 3 months ended June 30, 2022 and 12.80 crore units in the 3 months ended June 30, 2023. For the FY2021, 2022 and 2023 and the 3 months ended June 30, 2022 and June 30, 2023, revenue from writing instruments and stationery product category was ₹111.38 crore, ₹169.34 crore, ₹285 crore, ₹62.83 crore and ₹83.41 crore, respectively. Their “Unomax” brand had the highest EBITDA margin for the FY2021, 2022 and 2023.

Company’s Promoters were involved in the launch of the cleaning aids business in 2017 under the “Kleeno” sub-brand (under the “Cello” brand). They have been able to scale up this business by increasing the volume of products sold from this business from 0.54 crore units in the FY2021, to 0.69 crore units in the FY2022 and 0.71 crore units in the FY2023, at a CAGR of 15.36%.

Further, they sold 1.67 million units in the 3 months ended June 30, 2022 and 2.14 million units in the 3 months ended June 30, 2023. For the FY2021, 2022 and 2023 and the 3 months ended June 30, 2022 and June 30, 2023, revenue from their cleaning aids business was ₹49.15 crore, ₹60.78 crore, ₹66.77 crore, ₹16.60 crore and ₹18.65 crore, respectively.

The company owns/lease and operate 13 manufacturing facilities across 5 locations in India, as of June 30, 2023, and they are currently establishing a glassware manufacturing facility in Rajasthan. Their manufacturing capabilities allow them to manufacture a diverse range of products in-house. The revenue derived from their in-house manufacturing operations aggregated to 78.65%, 82.63%, 79.37%, 82.08% and 79.67% of their total revenue from operations for the FY2021, 2022 and 2023 and the 3 months ended June 30, 2022 and June 30, 2023 respectively. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture these products with their branding pursuant to arrangements with them.

Cello World has a strong pan-India distribution network. From the distribution network established by CPIW for its thermos- ware household articles and plastic materials business, their promoters (through their group of entities which were subsequently restructured have further expanded the distribution network of the company over the last 6 decades.



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The nationwide sales and distribution network across 3 product categories:

Product Categories	Distribution Network* (as of June 30, 2023)
Consumer Houseware	717 distributors and approx. 58,716 retailers located across India
Writing Instruments and Stationery	29 super stockist, approx. 1,509 distributors and 60,826 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

*The data is not unique to the individual product categories, and may overlap with the other product categories.

Company's nationwide sales and distribution network is supported by their 721 member sales team, as of June 30, 2023. Further, their products also reach consumers through modern trade and export channels, e-commerce marketplaces and their own websites. In addition, they also sell their products in bulk quantities to corporate clients and government departments.

To enhance brand awareness and strengthen brand recall for the brands and sub-brands that they use, utilizes a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. They have developed a strong brand identity through effective brand advertisements and marketing campaigns, including **"Cello – Companion for Life"**, **"Cello – Rishta Zindagi Bhar Ka"**, **"Hot Chahive Toh Cello"** and **"Don't Just Write, Glide"**. All their marketing efforts are initiated and coordinated by their marketing team of 24 employees, as of June 30, 2023.

The Promoters of the company have over 80 years of combined experience in the consumer products industry in India. Pradeep Rathod and Pankaj Rathod have nearly 40 and 34 years, respectively, in the business of manufacturing and trading in, among others, plastic articles, insulated-ware articles and raw materials. Gaurav Rathod is instrumental in the successful launch of opal-ware range of products, and the growth of the online and e-commerce sales of the company.

KEY OPERATING AND FINANCIAL METRICS

Metric	As at /For the 3 Months ended June 30		As at/For the Year Ended March 31,		
	2023	2022	2023	2022	2021
Revenue from Operations (₹ in Cr)	471.78	432.61	1,796.70	1,359.18	1,049.46
Gross Profit (₹ in Cr)	248.12	201.32	901.18	680.62	528.03
Gross Profit Margin (%)	52.59%	46.54%	50.16%	50.08%	50.31%
EBITDA (₹ in Cr)	127.30	100.74	437.28	349.50	286.87
EBITDA Margin (%)	26.98%	23.29%	24.34%	25.71%	27.34%
EBIT (₹ in Cr)	115.49	89.03	386.95	301.95	237.97
EBIT Margin (%)	24.48%	20.58%	21.54%	22.22%	22.68%
Restated profit for the period/year (₹ in Cr)	82.83	66.03	285.06	219.52	165.55
Restated profit for the period/year margin (%)	17.56%	15.26%	15.87%	16.15%	15.77%
ROCE (%)	8.06%	11.28%	44.48%	40.92%	58.73%
Product Category Revenue Contribution					
Consumer Houseware (₹ in Cr)	310.44	288.85	1,181.08	871.09	669.84
Consumer Houseware (%)	65.80%	66.77%	65.74%	64.09%	63.83%
Writing Instruments and Stationery (₹ in Cr)	83.41	62.83	285.00	169.34	111.38
Writing Instruments and Stationery (%)	17.68%	14.52%	15.86%	12.46%	10.61%
Moulded Furniture and Allied Products (₹ in Cr)	77.93	80.94	330.62	318.75	268.23
Moulded Furniture and Allied Products (%)	16.52%	18.71%	18.40%	23.45%	25.56%
Product Category EBIT					
Consumer Houseware (₹ in Cr)	78.30	62.69	265.75	217.52	169.69
Writing Instruments and Stationery (₹ in Cr)	21.19	14.12	65.51	37.52	25.69
Moulded Furniture and Allied Products (₹ in Cr)	15.99	12.23	55.69	46.91	42.59

BRANDS & PRODUCTS

Cello World offers their consumer products across 3 categories: **Consumer Houseware, Writing Instruments and Stationery, and Moulded Furniture and Allied Products.**



Consumer Houseware						Writing Instruments and Stationery	Moulded Furniture and Allied Products
Company's products under the consumer houseware product category are offered and sold by them under the "Cello" brand. The popular sub-brands under the "Cello" brand include "Kleeno", "Puro", "Chef", "H2O", "Modustack", "Maxfresh" and "Duro".						Company's products under the writing instruments and stationery product category are offered and sold by them under the "Unomax" brand. The popular sub-brands under the "Unomax" brand include "Ultron2X" and "Geltron".	Company's products under the moulded furniture and allied products category are offered and sold by them under the "Cello" brand.
Houseware	Insulatedware	Electronic appliances and cookware	Cleaning aids	Opalware	Glasswareaids		
<ul style="list-style-type: none"> Plastic bottles Containers Jugs Buckets Drums 	<ul style="list-style-type: none"> Casseroles Bottles Flasks Lunch boxes Water Jugs Tiffin 	<ul style="list-style-type: none"> Mixers Sandwic h makers Irons Hot plates Pots Pans 	<ul style="list-style-type: none"> Brushes Wipers Brooms Mops Gloves Dustbins 	<ul style="list-style-type: none"> Dinner sets Cups, saucers, mugs Bowls Lunch packs Gift sets Dessert sets Condiment sets Quick bite sets Vegetable bowl sets Pudding sets Hot snacks sets Coffee sets Noodle bowl sets Dry fruit sets 	<ul style="list-style-type: none"> Tumblers Jugs Bottles Lunch packs Storage containers Mixing bowls Bakeware Tea and Coffee sets Gift sets 	<ul style="list-style-type: none"> Ball point pen Gel pen Roller pen Fountain pen Metal pen Mechanical pencil Highlighters Markers Correction Pens 	<ul style="list-style-type: none"> Chairs Tables Trolleys Stools Cabinets Ladders Moulds Bubble-guards Crates Pallets Dustbin Storage items

MANUFACTURING FACILITY:

Company's facilities include 13 manufacturing facilities in India, including 8 facilities in Daman in the Union Territory of Daman and Diu; 2 facilities in Haridwar, Uttarakhand; 1 facility in Baddi, Himachal Pradesh; 1 facility in Chennai, Tamil Nadu; and 1 facility in Kolkata, West Bengal.

Company's revenue derived from their in-house manufacturing operations aggregated to 78.65%, 82.63%, 79.37%, 82.08% and 79.67% of their total revenue from operations for the FY2021, 2022 and 2023, and the 3 months ended June 30, 2022 and June 30, 2023, respectively. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture products with their branding pursuant to contracts with them.

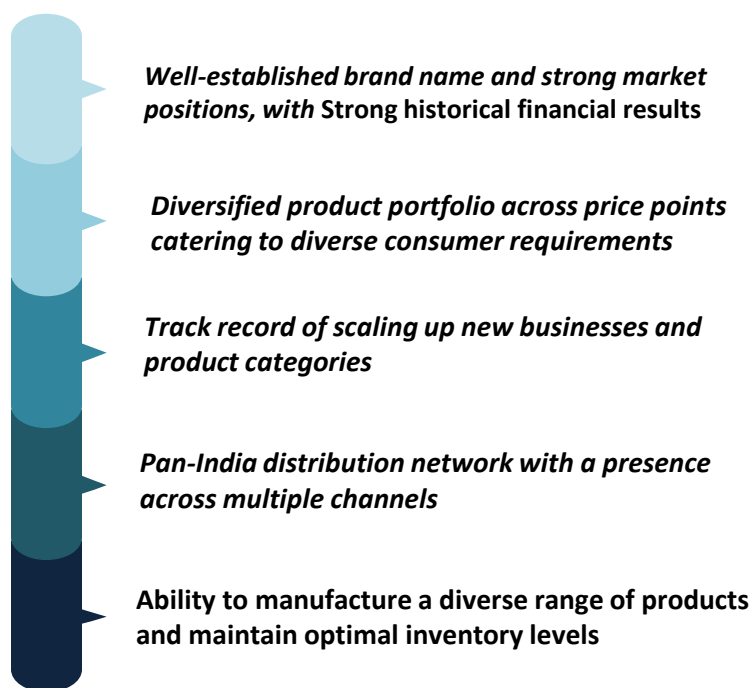
The details with respect to their current manufacturing facilities:

Unit			Description	Nature of Interest	Certifications
Daman Unit-I ("Daman Unit-I")	Wim Plast Ltd	Plastic moulded furniture and other articles	Location: Daman, Daman and Diu Commencement of production: FY 2002 - 2003	Licensed since FY 2022 - 2023	ISO 9001:2015
Daman Unit-II ("Daman Unit-II")	Wim Plast Ltd	Plastic moulded furniture and other articles	Location: Daman, Daman and Diu Commencement of production: FY 1999 - 2000	Owned since FY 1998-1999	ISO 14001:2015 ISO 50001:2018 ISO 45001:2018 ISO 90001:2015
Daman Unit-III ("Daman Unit-III")	Wim Plast Ltd	Plastic Extrusion Sheet	Location: Daman, Daman and Diu Commencement of production: FY 2011 - 2012	Licensed since FY 2022 - 2023	ISO 9001:2015
Daman Unit-IV ("Daman Unit-IV")	Cello Household Products Pvt Ltd	Household and Insulatedware	Location: Daman, Daman and Diu Commencement of production: FY 2014 - 2015	Licensed since FY 2023 - 24	ISO 9001:2015
Daman Unit-V ("Daman Unit-V")	Cello Household Products Pvt Ltd	Household and Insulatedware	Location: Daman, Daman and Diu Commencement of production: FY 1997 - 1998	Licensed since FY 2023 - 2024	ISO 9001:2015
Daman Unit-VI ("Daman Unit-VI")	Cello Industries Pvt Ltd	Opalware and Glassware	Location: Daman, Daman and Diu Commencement of Production: FY 2016 - 2017	Licensed since FY 2023 - 2024	ISO 9001:2015
Daman Unit-VII ("Daman Unit-VII")	Unomax Stationery Pvt Ltd	Stationery and allied products	Location: Daman, Daman and Diu Commencement of production: FY 2022 - 2023	Licensed since FY 2022 - 2023	ISO 9001:2015
Daman Unit-VIII ("Daman Unit-VIII")	Unoxmax Writing Instruments Pvt Ltd	Stationery and allied products	Location: Daman, Daman and Diu Commencement of production: FY 2020 - 2021	Licensed since FY 2022 - 2023	-
Haridwar Unit-I ("Haridwar Unit-I")	Wim Plast Ltd	Plastic moulded furniture and other articles	Location: Haridwar, Uttarakhand Commencement of production: FY 2011 - 2012	Owned since FY 2011 - 2012	ISO 9001:2015
Haridwar Unit-II ("Haridwar Unit-II")	Cello Houseware Pvt Ltd	Houseware, insulatedware, melamine and allied products.	Location: Haridwar, Uttarakhand Commencement of production: FY 2009 - 2010	Licensed since FY 2021 - 2022	ISO 9001:2015
Baddi Unit-I ("Baddi Unit-I")	Wim Plast Ltd	Plastic Extrusion Sheet	Location: Baddi, Himachal Pradesh Commencement of production: FY 2005 - 2006	Owned since FY 2004 - 2005	ISO 9001:2015
Chennai Unit-I ("Chennai Unit-I")	Wim Plast Ltd	Plastic moulded furniture, other articles and tooling unit	Location: Chennai, Tamil Nadu. Commencement of production: FY 2011 - 2012	Licensed since FY 2011 - 2012	-
Kolkata Unit-I ("Kolkata Unit-I")	Wim Plast Ltd	Plastic moulded furniture and other articles	Location: Kolkata, West Bengal Commencement of production: FY 2012 - 2013	Licensed since 2012 - 2013	-

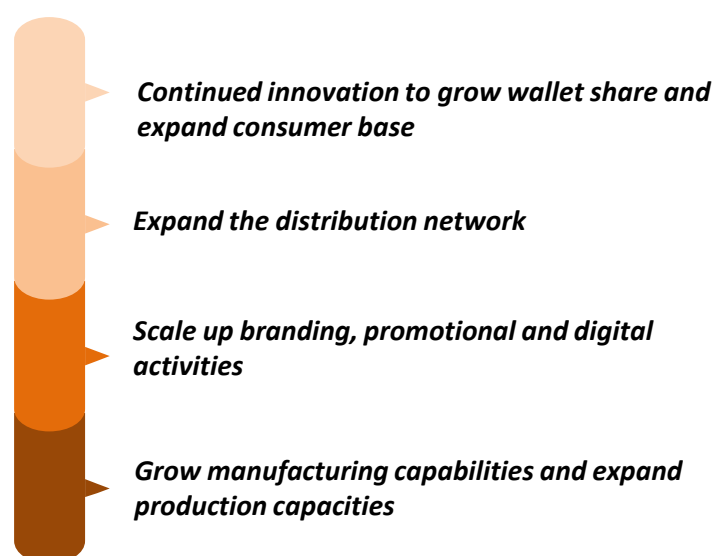
CAPACITY UTILISATION:

Capacity Utilisation	3 Months ended June 30		For the Year Ended March 31,		
	2023	2022	2023	2022	2021
Consumer Houseware	21.60%	20.45%	79.16%	61.36%	43.30%
Opalware and Glassware	22.57%	22.97%	88.19%	94.41%	69.91%
Writing Instruments and Stationery	19.51%	17.53%	68.12%	50.33%	40.22%
Moulded Furniture and Allied Products	16.23%	15.43%	69.67%	70.49%	66.93%

COMPETITIVE STRATEGIES:



KEY BUSINESS STRATEGIES



COMPETITIVE LANDSCAPE

Segmentation of Indian Consumer Glassware Market basis Price

Players	Product	Economy	Mid-Premium	Premium
Cello	Melamine	-	✓✓✓	✓
	Opalware	✓✓✓	✓	-
	Porcelain	-	✓✓	-
	Glassware	✓✓	✓	✓
Milton	Melamine	✓✓	✓	-
	Opalware	-	-	-
	Porcelain	-	-	-
	Glassware	✓✓✓	✓	✓
Borosil	Melamine	-	-	-
	Opalware	✓✓✓	✓	✓
	Porcelain	-	-	-
	Glassware	✓✓✓	✓✓	✓
La Opala	Melamine	-	-	-
	Opalware	✓✓	✓✓✓	✓
	Porcelain	-	-	-
	Glassware	✓✓	✓	-



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COMPARISON OF THE KPIS WITH THE LISTED PEERS:

	Revenue from Operations (₹ Cr)					Return on Capital Employed (%)				
	As on June'30,		As of March 30,			As on June'30,		As of March 30,		
	2023	2022	2023	2022	2021	2023	2022	2023	2022	2021
Cello World	471.78	432.61	1,796.7,0	1,359.17	1,049.46	8.06	11.28	44.48	40.92	58.73
Borosil	250.56	216.23	1,027.12	839.86	584.77	NA	NA	11.98	18.36	9.68
Kokuyo Camlin	235.79	196.16	774.94	508.47	403.12	NA	NA	12.47	(0.15)	(2.96)
La Opala RG	86.22	82.15	452.32	322.69	211.28	NA	NA	20.63	16.26	9.26
Stove Kraft	297.75	275.07	1,283.85	1,136.36	858.96	NA	NA	11.37	16.86	28.76
TTK Prestige	587.62	629.05	2,777.13	2,722.45	2,186.93	NA	NA	18.11	24.17	21.99
Linc	111.88	97.94	486.76	345.96	256.66	NA	NA	28.21	7.78	(0.72)
Howkins Cooker	203.43	197.74	1,005.80	958.01	768.46	NA	NA	41.55	46.46	55.15
	Gross Profit Margin (₹ Cr)					Gross Profit Margin (%)				
	As of June'30,		As of March 30,			As of June'30,		As of March 30,		
	2023	2022	2023	2022	2021	2023	2022	2023	2022	2021
Cello World	248.12	201.32	901.18	680.62	528.03	52.59	46.54	50.16	50.08	50.31
Borosil	167.96	137.08	614.71	531.94	341.46	67.03	63.39	59.85	63.34	58.39
Kokuyo Camlin	88.21	69.12	283.71	196.01	166.81	37.41	35.24	37.00	38.55	41.38
La Opala RG	82.60	75.18	373.35	259.50	154.29	95.80	91.52	82.54	80.42	73.03
Stove Kraft	109.92	90.53	420.42	362.95	300.72	36.92	32.91	32.75	31.94	35.01
TTK Prestige	252.12	263.59	1116.39	1127.53	918.04	42.91	41.90	40.20	41.42	41.98
Linc	46.39	33.28	192.16	117.47	83.94	41.46	33.98	39.48	33.10	32.70
Howkins Cooker	99.08	103.00	494.40	469.19	403.26	48.70	52.09	49.15	48.98	52.48
	EBITDA (₹ Cr)					EBITDA Margin (%)				
	As of June'30,		As of March 30,			As of June'30,		As of March 30,		
	2023	2022	2023	2022	2021	2023	2022	2023	2022	2021
Cello World	127.30	100.74	437.28	349.50	286.87	26.98	23.29	24.34	25.71	27.34
Borosil	28.25	29.16	151.13	168.18	99.13	11.28	13.49	14.71	20.02	16.95
Kokuyo Camlin	29.18	13.69	56.45	17.22	9.17	12.38	6.98	7.28	3.39	2.27
La Opala RG	46.20	33.49	193.95	141.41	76.47	53.58	40.77	42.88	43.82	36.19
Stove Kraft	25.59	20.16	95.50	93.27	114.59	8.59	7.33	7.44	8.21	13.34
TTK Prestige	81.68	86.00	404.18	460.95	367.89	13.90	13.66	14.55	16.93	16.82
Linc	14.49	9.32	64.84	24.41	11.63	12.95	9.51	13.32	6.88	4.53
Howkins Cooker	31.20	34.09	139.49	125.62	118.13	15.34	17.24	13.87	13.11	15.37



Cello World Limited - IPO NOTE

MAJOR RISK FACTOR:

Name of the Company		Consolidated/ Standalone	Face Value	Closing Price as on Oct'19, 2023	Total Income for FY 2023 (₹ Cr)	EPS		NAV [^]	P/E*	RoNW (%)
						Basic	Diluted			
	Cello World Ltd	Standalone	5	NA	1,796.70	13.65	13.17	56.84	[·]	56.84
	Borosil Ltd	Consolidated	1	397.60	1,027.12	7.86	7.86	67.97	50.59	67.97
	Kokuyo Camlin Ltd	Consolidated	1	141.45	774.94	2.44	2.44	26.18	57.97	26.18
	La Opala RG Ltd	Consolidated	2	452.20	452.32	11.08	11.08	69.81	40.81	69.81
	Stove Kraft Ltd	Consolidated	10	559.20	1,283.85	10.87	10.86	122.13	51.49	122.13
	TTK Prestige Ltd	Consolidated	1	802.95	2,777.13	18.34	18.34	139.85	43.78	139.85
	Linc Ltd	Consolidated	10	839.80	486.76	25.15	25.15	123.39	33.39	123.39
	Hawkins Cooker Ltd	Consolidated	10	7,210.95	1,005.80	179.24	179.24	522.20	40.23	522.20

Source: RHP; *P/E Ratio has been computed based on the closing market price of equity shares on NSE (BSE in case of Hawkins Cookers Ltd since listed only on BSE) as on October 19, 2023

HENSEX OUTLOOK: "SUBSCRIBE"

Rating: Apply for Long Term Investment

Considering company's well-established brand name and strong market position, diversified product portfolio, Pan India distribution network, their ability to manufacture a diverse range of products and maintain optimal inventory levels, and strong historical financial result, company portrays good growth prospects. We recommend a 'SUBSCRIBE' to the issue with long term investment perspective

Points to consider:

- ✓ The IPO is fairly priced at a PE Multiple of 44.4x on the upper band based on Financial of FY23, compared to the peer with an average PE Multiple of 45.5x
- ✓ The company's revenue from operations grew at a CAGR of 30.8% during the FY21-23 period to reach Rs.17,96.69Cr in FY23.
- ✓ Company operates in a wide and diversified product range
- ✓ Cello world Limited's profit grew at a CAGR of 31.2% during the FY21-23 period to reach Rs. 2,85.05 Cr in FY23

MAJOR RISK FACTOR:

- ✓ Fluctuation in prices of Raw Material
- ✓ Company is highly dependent on the distribution network
- ✓ Company faces a significant competition which may lead to reduction in market share
- ✓ The company's business is subject to seasonality



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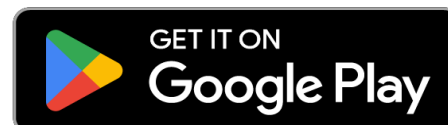
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