



## CELLO WORLD LIMITED

Our Company was incorporated as “Cello World Private Limited”, as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated July 25, 2018, issued by the Registrar of Companies, Central Registration Centre. Thereafter, the Registered Office of our Company was changed from the State of Maharashtra to the Union Territory of Daman and Diu and a certificate of registration of the regional director order, for change of State dated April 8, 2020, was issued by the RoC. Subsequently, upon the conversion of our Company into a public limited company, pursuant to a special resolution passed by our Shareholders on June 12, 2023, the name of our Company was changed to “Cello World Limited” and a fresh certificate of incorporation dated July 18, 2023 was issued by the RoC. For further details regarding changes in the name and Registered and Corporate Office of our Company, please refer to the section titled “General Information” on page 265.

**Registered Office:** 597/2A, Somnath Road, Dabhel, Nani Daman 396 210, Daman and Diu, India  
**Corporate Office:** Cello House, Corporate Avenue, B Wing, 8th Floor, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra, India  
**Contact person:** Hemangi Trivedi, Company Secretary and Compliance Officer  
**Telephone:** +91 22 6997 0000; **E-mail:** grievance@celloworld.com; **Website:** www.corporate.celloworld.com; **CIN:** U25209DD2018PLC009865

Issue of 86,54,000 equity shares of face value ₹ 5 each of our Company (“Equity Shares”) at a price of ₹ 852.00 per Equity Share (the “Issue Price”), including a premium of ₹ 847.00 per Equity Share, aggregating to ₹ 73,732.08 lakhs (the “Issue”). For further details, please refer to the section titled “Summary of the Issue” on page 38.

**THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”) AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE “COMPANIES ACT”) AND RULES FRAMED THEREUNDER FOR THE PURPOSE OF ACHIEVING MINIMUM PUBLIC SHAREHOLDING IN TERMS OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (“SCRR”).**

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION “RISK FACTORS” ON PAGE 47 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE, EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT AND/OR THIS PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”). The closing price of the outstanding Equity Shares on BSE and NSE as on July 5, 2024 was ₹ 967.95 and ₹ 969.40 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), for listing of the Equity Shares to be issued pursuant to the Issue from BSE and NSE, each on July 3, 2024. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

A copy of the Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) have been delivered to the Stock Exchanges. Our Company shall also make requisite filings with the RoC (as defined hereinafter), within the stipulated timeframe prescribed under the Companies Act and the PAS Rules. The Preliminary Placement Document and this Placement Document have not been reviewed by the Securities and Exchange Board of India (“SEBI”), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). The Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to the Preliminary Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (as defined hereinafter). For further details, please refer to the section titled “Issue Procedure” on page 211. The distribution of the Preliminary Placement Document and this Placement Document or the disclosure of its contents, without our Company’s prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (“U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act (“Regulation S”) and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, please refer to the section titled “Selling Restrictions” on page 227. Please refer to the sections titled “Selling Restrictions” and “Purchaser Representations and Transfer Restrictions” on pages 227 and 236, respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The information on our Company’s website or any website directly or indirectly linked to our Company’s website or the websites of the BRLMs (as defined hereinafter) or any of its affiliates does not constitute or form a part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

This Placement Document is dated July 5, 2024

BOOK RUNNING LEAD MANAGERS			
MOTILAL OSWAL INVESTMENT ADVISORS LIMITED	JEFFERIES INDIA PRIVATE LIMITED	JM FINANCIAL LIMITED	KOTAK MAHINDRA CAPITAL COMPANY LIMITED

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## NOTICE TO INVESTORS

The information contained in this Placement Document has been provided by our Company and from other sources identified herein. Our Company has furnished and accepts full responsibility for all the information contained in this Placement Document and confirms that to the best of our Company's knowledge and belief, having made all reasonable enquiries, this Placement Document contains all the information with respect to our Company, our Subsidiaries and the Equity Shares which is material in the context of the Issue. The statements contained in this Placement Document relating to our Company, our Subsidiaries and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company, our Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company and our Subsidiaries. There are no other facts in relation to our Company, our Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the Book Running Lead Managers has any obligation to update such information to a later date. Neither the delivery of this Placement Document, nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that the information contained in this Placement Document is correct as of any time subsequent to its date.

Motilal Oswal Investment Advisors Limited, Jefferies India Private Limited, JM Financial Limited and Kotak Mahindra Capital Company Limited (collectively, the "**Book Running Lead Managers**" or "**BRLMs**" or "**Lead Managers**") have not separately verified the information contained in the Preliminary Placement Document and this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLMs nor any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by such persons, as to the accuracy or completeness of the information contained in the Preliminary Placement Document and this Placement Document or any other information (financial, legal or otherwise) supplied in connection with the Issue. Each person receiving the Preliminary Placement Document and this Placement Document acknowledges that such person has not relied either on the BRLMs or on any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or any other affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or by or on behalf of the BRLMs.

**The Equity Shares offered pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of the Preliminary Placement Document and this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.**

The distribution of this Placement Document and the offer and sale of the Equity Shares in the Issue in certain jurisdictions may be restricted by law. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for in India, no action has been taken by our Company or the Book Running Lead Managers that would permit an offering of the Equity Shares in the Issue or the distribution of this Placement Document in any jurisdiction where action for that purpose is required. Accordingly, the Equity Shares issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document, nor any other materials issued in connection with the Issue may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore

transactions” as defined in and in reliance on Regulation S. As such, this Placement Document and any other materials issued in connection with the Issue may not be distributed in the United States. For the selling restrictions in certain other jurisdictions, please refer to the section titled “*Selling Restrictions*” on page 227.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, whose names are recorded by our Company prior to the invitation to subscribe to the Issue or their respective representatives, and those retained by the Eligible QIBs to advise them with respect to their purchase of the Equity Shares (provided all such persons are outside the United States) is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Placement Document or any documents referred to in this Placement Document except as noted above.

In making an investment decision, the prospective investors must rely on their own examination of our Company, our Subsidiaries, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of the Preliminary Placement Document and this Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, our Company and the BRLMs are not making any representation to any prospective investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality or suitability of an investment in the Equity Shares by such prospective purchaser under applicable legal, investment or similar laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company.

Each purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, read with Rule 14 of the PAS Rules and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

Our Company and the BRLMs are not liable for any amendment or modification or change to applicable laws or regulations that may occur after the date of this Placement Document. QIBs (as defined hereinafter) are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Regulations (as defined hereafter) and the QIBs shall be solely responsible for compliance with the provisions of the Takeover Regulations, SEBI Insider Trading Regulations (as defined hereafter) and other applicable laws, rules, regulations, guidelines and circulars.

The information on our Company’s website, [www.corporate.celloworld.com](http://www.corporate.celloworld.com), or any website directly or indirectly linked to the website of our Company or on the websites of the BRLMs or any of their respective affiliates or agents, other than this Placement Document, does not and shall not constitute nor form part of the Preliminary Placement Document and this Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.



## REPRESENTATIONS BY INVESTORS

All references to “you” or “your” in this section are to the Bidders in this Issue. By Bidding for and/or subscribing to any of the Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged, undertaken, and agreed to the contents set forth in the sections titled “*Notice to Investors*”, “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 1, 227 and 236, respectively, and to have represented, warranted, acknowledged and agreed to our Company and the BRLMs as follows:

1. You are a “**Qualified Institutional Buyer**” (“**QIB**”) as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with the SEBI ICDR Regulations, the Companies Act and all other requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
2. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
3. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI;
4. You will provide the information as required under the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and other applicable rules for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;
5. You are eligible to invest and hold the Equity Shares of our Company in accordance with the FDI Policy (as defined hereinafter), read along with the press note no. 3 (2020 series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. You confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debenture) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, each as amended;
6. If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment (as defined hereinafter), sell the Equity Shares so acquired, except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. You hereby make the representations, warranties, acknowledgements, undertakings and agreements in the sections titled “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 227 and 236, respectively;
7. You are aware that the Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. You acknowledge that the Preliminary Placement Document and this Placement Document have not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document and this Placement Document

have been filed with the Stock Exchanges for record purposes only and will be displayed on the websites of our Company and the Stock Exchanges;

8. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in the Preliminary Placement Document and this Placement Document), and will honour such obligations;
9. You are aware that our Company, the BRLMs and their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of investing in the Equity Shares offered in the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLMs. You acknowledge that the BRLMs and their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not, in any way, acting in any fiduciary capacity in relation to you;
10. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the “**Company Presentations**”) with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLMs may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLMs have advised you not to place undue reliance in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;
11. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information that is not set forth in the Preliminary Placement Document and this Placement Document;
12. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;
13. You understand that the Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid-up and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.
14. You acknowledge that all statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding us or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You acknowledge that all forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You shall not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. You acknowledge that none of our Company, the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

15. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than Eligible QIBs, and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLMs;
16. You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document, as applicable. You acknowledge that the disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;
17. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;
18. You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;
19. You have been provided a serially numbered copy of the Preliminary Placement Document and this Placement Document and have read it in its entirety, including in particular, the section titled “*Risk Factors*” on page 47;
20. In making your investment decision, you have (i) relied on your own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of us, the Equity Shares and the terms of the Issue, based solely on and in reliance of the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;
21. Neither our Company, the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares) offered in the Issue;
22. You will obtain your own independent tax advice from a service provider and will not rely on the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including in relation to limited to the Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against us or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
23. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any managed accounts for which you are subscribing for the Equity Shares (i) are aware that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment and are each able to bear the economic risk of the investment in the Equity Shares including the complete loss on the investment in the Equity Shares; (ii) will not look to our Company and/or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise; (iii) have no need for liquidity with respect to the investment in the Equity Shares; and (iv) you are seeking to subscribe to the Equity Shares in the Issue for your investment purposes and not with a view to resell or distribute such Equity Shares and have no reason to anticipate any change in your or their circumstances,

financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;

24. You are not a 'promoter' of our Company (as defined under Section 2(69) of the Companies Act, 2013 and under Regulation 2(oo) of the SEBI ICDR Regulations), and are not a person related to our Promoter, either directly or indirectly, and your Bid (hereinafter defined) does not directly or indirectly represent the Promoter or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
25. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter);
26. You agree that in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom the Preliminary Placement Document and this Placement Document have been circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of the Preliminary Placement Document and other filings required under the Companies Act, 2013;
27. You acknowledge that you will have no right to withdraw your Application Form or revise your Bid downwards after the Bid/ Issue Closing Date (as defined hereinafter);
28. You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;
29. The Bid made by you would not ultimately result in triggering an open offer under the Takeover Regulations (as defined herein) and you shall be solely responsible for compliance with all other applicable provisions of the Takeover Regulations;
30. Your aggregate equity shareholding in our Company, together with other Eligible QIBs that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50.00% of the Issue Size. For the purposes of this representation:
  - a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15.00% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIBs; and
  - b) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations;
31. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue are issued by the Stock Exchanges;
32. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares, to be issued pursuant to this Issue, will be obtained in time or at all. Neither our Company nor the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels,

representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

33. You are aware and understand that the BRLMs have entered into a Placement Agreement with our Company whereby the BRLMs have, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;
34. You understand that the contents of the Preliminary Placement Document and this Placement Document are exclusively the responsibility of our Company, and that neither the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document and this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLMs or our Company or any other person, and the BRLMs or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLMs and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
35. You understand that the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non-performance by our Company or any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;
36. You are able to purchase the Equity Shares offered in the Issue in accordance with the restrictions described in "*Selling Restrictions*" on page 227 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" on page 227;
37. You agree that any dispute arising in connection with the Issue shall be governed by and construed in accordance with the laws of Republic of India, and the courts in Daman and Diu, India shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Preliminary Placement Document, this Placement Document and this Issue;
38. You acknowledge that the Preliminary Placement Document did not, and this Placement Document does not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
39. You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
40. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than fifty percent or common control) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully

diluted basis and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

41. You represent that you are not an affiliate of our Company or the BRLMs or a person acting on behalf of such affiliate;
42. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLMs;
43. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;
44. You agree to indemnify and hold our Company, the BRLMs and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in the Preliminary Placement Document and this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
45. You acknowledge that our Company, the BRLMs, their respective affiliates, directors, officers, counsels, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and that they are irrevocable;
46. If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;
47. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue; and
48. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLMs.

## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (the “**SEBI FPI Regulations**”), an Eligible FPI including affiliates of the BRLMs, which is registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as “**P-Notes**”), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. An FPI will collect the regulatory fee of USD 1,000 or any other amount, as may be specified by SEBI from time to time, from every subscriber of offshore derivative instrument issued by it and deposit such regulatory fee with SEBI by way of electronic transfer in the designated bank account of SEBI.

In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with ‘know your client’ requirements, as specified by SEBI and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation, any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please refer to the section titled “*Issue Procedure*” on page 211. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis (“**Investment Restrictions**”). The SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the “**FPI Operational Guidelines**”), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, the Investment Restrictions shall apply on the aggregate of the FPI investments and P-Notes positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the BRLMs who are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLMs do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLMs and does not constitute any obligations of or claims on the BRLMs.

**Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

Also please refer to the sections titled “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” beginning on pages 227 and 236, respectively.



### **DISCLAIMER CLAUSE OF THE STOCK EXCHANGES**

As required, a copy of the Preliminary Placement Document and this Placement Document have been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of the Preliminary Placement Document and this Placement Document; or
2. warrant that the Equity Shares to be issued pursuant to this Issue, will be listed or will continue to be listed on the Stock Exchanges; or
3. take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Promoter, our management or any scheme or project of our Company,

and it should not, for any reason be deemed or construed to mean that the Preliminary Placement Document and this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'bidder', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to "our Company", "the Company" or the "Issuer" are to Cello World Limited on a standalone basis and references to 'we', 'us', 'our' or the 'Group' are to Cello World Limited together with our Subsidiaries, on a consolidated basis.

### Currency and units of presentation

In this Placement Document, (i) references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India; and (ii) references to 'US\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Figures in this Placement Document have been presented in lakhs or in whole numbers where the numbers have been too small to present in lakhs, unless stated otherwise. Further, certain figures in the "Industry Overview" section of this Placement Document have been presented in billion and trillion. Figures in our Audited Consolidated Financial Statements are presented in lakhs, and those in the Special Purpose Audited Consolidated Financial Statements are presented in millions. Further, in this Placement Document, unless the context requires otherwise or unless stated otherwise, all financial information related to our Company for Fiscal 2022 is derived from the Special Purpose Audited Consolidated Financial Statements. All financial information for Fiscals 2023 and 2024 is derived from the Audited Consolidated Financial Statements for Fiscals 2023 and 2024, respectively.

In this Placement Document, references to "crore(s)" represents "1,00,00,000", "million" represents "0.1 crore" or "1,000,000", "lakh(s)" represents "1,00,000" or "0.1 million", "billion" represents "1,000,000,000" or "1,000 million" or "100 crore" and "trillion" represents "1,000,000,000,000" or "1,000,000 million" or "100,000 crore".

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parentheses represent negative figures.

### Page numbers

Unless otherwise stated, all references to page numbers in this Placement Document are to page numbers of this Placement Document.

### Financial data and other information

Our Company publishes its financial statements in Indian Rupees. The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to the terms "Fiscal", "Fiscals" or "Fiscal year", "FY", refer to the 12-month period ending March 31 of that particular year and references to a 'year' are to the calendar year ending on December 31 of that year.

As required under the applicable regulations, and for the convenience of prospective investors, we have included:

- (i) the audited consolidated financial statements of our Company and our Subsidiaries along with its Associate as at and for the financial years ended March 31, 2023 and March 31, 2024, prepared in accordance with

Ind AS, which comprises the consolidated balance sheet, the consolidated statement of profit and loss, including other comprehensive income including share loss of associate, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the “**Audited Consolidated Financial Statements**”);

- (ii) the audited consolidated financial statements of our Company and its Subsidiaries comprising the consolidated balance sheet as at March 31, 2022 and the consolidated statement of profit and loss for the year ended March 31, 2022 and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information, prepared in accordance with the accounting principles generally accepted in India (“**Indian GAAP**”) as prescribed under Section 133 of the Companies Act read with the Companies (Accounting Standards) Rules, 2021, as amended (the “**Fiscal 2022 Audited Consolidated Financial Statements**”);
- (iii) the special purpose audited consolidated financial statements of our Company and its Subsidiaries, comprising the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended March 31, 2022, and notes to the financial statements, including and a summary of significant accounting policies and other explanatory information, prepared by the Company by making Ind AS adjustments to the Fiscal 2022 Audited Consolidated Financial Statements for the purpose of preparation of the Comparative Comparable Consolidated Financial Statements for the year ended March 31, 2023 (the “**Special Purpose Audited Consolidated Financial Statements**”).

The Audited Consolidated Financial Statements, the Fiscal 2022 Audited Consolidated Financial Statements and the Special Purpose Audited Consolidated Financial Statements should be read along with the respective audit reports issued thereon. For further information, please refer to the sections titled “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 264 and 94, respectively.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including U.S. GAAP or IFRS. Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its audited consolidated financial statements to IFRS or U.S. GAAP. Accordingly, the degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader’s familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. Also, please refer to the section titled “*Risk Factors – Differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document*” on page 72.

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless stated otherwise or context requires otherwise, all figures from or derived from the Audited Consolidated Financial Statements and the Special Purpose Audited Consolidated Financial Statements of the Company are in decimals and have been rounded off to two decimal points. Certain operational numbers may have been rounded off to one decimal point in some instances. Unless otherwise specified, all financial numbers in parenthesis represent negative figures. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information in this Placement Document.

#### **Non-GAAP Measures**

We have included certain non-GAAP measures such as Gross Profit, Gross Profit Margin, EBITDA, EBITDA Margin, EBIT, EBIT Margin, ROCE and Net Worth presented in this Placement Document are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP.

Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP measures, are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

## INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates, other industry data and certain industry data forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of the markets in which we compete more particularly described in the section titled “*Industry Overview*” on page 121.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been obtained from the report titled “Consumerware, Stationery & Moulded Furniture Markets in India” dated July 1, 2024 prepared and issued by Technopak, which is a report commissioned and paid for by us, exclusively in connection with the Issue.

The Technopak Report contains the following disclaimer:

*“This information package is distributed by Technopak Advisors Private Limited (hereinafter “**Technopak**”) on a strictly private and confidential and on ‘need to know’ basis exclusively to the intended recipient. This information package and the information and projections contained herein may not be disclosed, reproduced or used in whole or in part for any purpose or furnished to any other person(s). The person(s) who is/are in possession of this information package or may come in possession at a later day hereby undertake(s) to observe the restrictions contained herein.*

*The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions. No one should act upon such information without taking appropriate additional professional advice and/or thorough examination of the particular situation. This information package is distributed by Technopak upon the express understanding that no information herein contained has been independently verified. Further, no representation or warranty (expressed or implied) is made nor is any responsibility of any kind accepted with respect to the completeness or accuracy of any information as maybe contained herein. Also, no representation or warranty (expressed or implied) is made that such information remains unchanged in any respect as of any date or dates after those stated here in with respect to any matter concerning any statement made in this Information package.*

*Technopak and its directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from, or of any omissions from the information package and any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this information package and/or further communication in relation to this information package.*

*All recipients of the information package should make their own independent evaluations and should conduct their own investigation and analysis and should check the accuracy, reliability and completeness of the information and obtain independent and specified advice from appropriate professional adviser, as they deem necessary.”*

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections titled “*Our Business*”, “*Risk Factors*” and “*Management’s Discussions and Analysis of Results of Operations and Financial Condition*” on pages 163, 47, and 94, respectively, and otherwise in this Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the Technopak Report. Data from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors – This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Technopak Advisors Private Limited (“Technopak”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue*” on page 66.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute “forward-looking statements.” Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “may”, “can”, “could”, “should”, “seek to”, “shall”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, revenue, profitability (including, without limitation, any financial or operating projections or forecasts), business strategies and dividend policy of our Company and the industry in which we operate, and other matters discussed in this Placement Document are forward-looking statements.

These forward-looking statements and any other projections contained in this Placement Document (whether made by our Company or any third party) are based on our current plans, estimates, presumptions and expectations are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Important risk factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

1. Fluctuations in raw material prices, especially plastic granules and plastic polymer prices, and disruptions in their availability may have an adverse effect on our business, results of operations, financial condition and cash flows.
2. We are dependent on our distribution network in India and overseas to sell and distribute our products and any disruption in our distribution network could have an adverse effect on our business, results of operations, financial condition and cash flows.
3. Our reliance on third-party contract manufacturers for some of our products subjects us to risks, which, if realized, could adversely affect our business, results of operations, financial condition and cash flows.
4. We do not own the trademark for our key brands, including “Cello”, “Unomax”, “Kleeno”, “Puro” and their respective logos. Further, the “Cello” brand name is also used by one of our competitors for its writing instruments business.
5. We face significant competition which may lead to a reduction in our market share, cause us to increase our expenditure on advertising and marketing as well as cause us to offer discounts, which may result in an adverse effect on our business, results of operations, financial condition and cash flows.
6. The brands that we use and our reputation are critical to the success of our business and may be adversely affected due to various reasons.
7. Our Promoters along with members of the Promoter Group will continue to retain a significant shareholding in us after this Issue, which will allow them to exercise significant influence over us and any substantial change in our Promoters’ shareholding may have an impact on the trading price of our Equity Shares which could have an adverse effect on our business, results of operations, financial condition and cash flows.
8. If we are unable to identify consumer demand accurately and maintain an optimal level of inventory, our business, results of operations, financial condition and cash flows may be adversely affected.
9. There are certain instances of delays in payment of statutory dues by us. Any further delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.
10. Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.

Additional factors that could cause our actual results, performance or achievements to differ include but are not limited to, those discussed in “*Risk Factors*”, “*Our Business*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 47, 163, 121 and 94, respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by and information currently available to the management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and neither we, the BRLMs nor any of their respective affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise.

If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. All our Directors, Key Managerial Personnel and members of the Senior Management named in this Placement Document, are residents of India and all of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Code. Section 13 of the Code of Civil Procedure, 1908, as amended (the “**Civil Code**”) provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

1. where the judgment has not been pronounced by a court of competent jurisdiction;
2. where the judgment has not been given on the merits of the case;
3. where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;
4. where the proceedings in which the judgment was obtained were opposed to natural justice;
5. where the judgment has been obtained by fraud; and
6. where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards (even if such an award is enforceable as a decree or judgement).

The following territories have been declared to be reciprocating territories within the meaning of Section 44A of the Civil Code by the Government: the United Kingdom; Aden; Fiji; Republic of Singapore; Federation of Malaysia; Trinidad and Tobago; New Zealand, the Cook Islands (including Niue) and the Trust Territories of Western Samoa; Hong Kong; Papua New Guinea; Bangladesh; and United Arab Emirates. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgement, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally, any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. It is unlikely that an Indian court would enforce foreign judgments that would be contrary to or in violation of Indian law. Our



Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and other foreign currencies, for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited (“**FBIL**”), which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. Dollars, at any particular rate, the rates stated below, or at all.

### INR to U.S. Dollar

	(₹ per US\$)			
	Period end <sup>(1)</sup>	Average <sup>(2)</sup>	High <sup>(3)</sup>	Low <sup>(4)</sup>
<b>Fiscal ended<sup>^</sup></b>				
March 31, 2024	83.37	82.79	83.40	81.65
March 31, 2023	82.22	80.51	83.20	76.09
March 31, 2022	75.81	74.51	76.92	72.48
<b>Month ended<sup>^</sup></b>				
June 30, 2024	83.45	83.47	83.59	83.07
May 31, 2024	83.30	83.39	83.52	83.08
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	83.00	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.84
January 31, 2024	83.08	83.12	83.33	82.85

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

**Notes:**

<sup>(1)</sup> The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly period.

<sup>(2)</sup> Represents the average of the official rate for each working day of the relevant period.

<sup>(3)</sup> Maximum of the official rate for each Working Day of the relevant period.

<sup>(4)</sup> Minimum of the official rate for each Working Day of the relevant period.

Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.

<sup>^</sup>If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed. The RBI/ FBIL reference rates are rounded off to two decimal places.

## DEFINITIONS AND ABBREVIATIONS

*This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.*

*Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments made thereto, from time to time.*

*The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section “Industry Overview”, “Taxation”, “Legal Proceedings” and “Financial Information” on pages 121, 248, 253 and 264, respectively, shall have the meaning given to such terms in such sections.*

### General terms

Term	Description
“our Company” or “the Company” or “the Issuer”	Cello World Limited, a company incorporated under the Companies Act, and having its Registered Office at 597/2A, Somnath Road, Dabhel, Nani Daman, Daman – 396 210, Daman and Diu, India and its Corporate Office at Cello House, Corporate Avenue, B Wing, 8 <sup>th</sup> Floor, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra, India
“the Group” or “us” or “we” or “our”	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries

### Company related terms

Term	Description
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended from time to time
Associate	The associate of our Company, namely Pecasa Tableware Private Limited
Audit Committee	The audit committee of our Company, as disclosed in the section titled “Board of Directors and Senior Management” on page 191
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company and our Subsidiaries along with its Associate as at and for the financial years ended March 31, 2023 and March 31, 2024, prepared in accordance with Ind AS, which comprises the consolidated balance sheet, the consolidated statement of profit and loss, including other comprehensive income including share loss of associate, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
“Auditors” or “Statutory Auditors”	The current statutory auditors of our Company, Deloitte Haskins & Sells LLP, Chartered Accountants
“Board of Directors” or “Board” or “our Board”	The board of directors of our Company or a committee thereof
CCPS	0.0001% compulsorily convertible preference shares of our Company of face value ₹ 20 each allotted to India Advantage Fund S5 I, India Advantage Fund S4 I and Dynamic India Fund S4 US I
Chairman	The chairperson of our Company being Pradeep Ghisulal Rathod
Chief Financial Officer	The chief financial officer of our Company, namely Atul Parolia
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Hemangi Trivedi
Corporate Office	The corporate office of our Company, located at Cello House, Corporate Avenue, B Wing, 8 <sup>th</sup> Floor, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, as disclosed in the section titled “Board of Directors and Senior Management” on page 191
Director(s)	Director(s) on the Board of our Company, unless otherwise specified

Term	Description
Equity Shares	The equity Shares of our Company of face value of ₹ 5 each
Fiscal 2022 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company and its Subsidiaries comprising the consolidated balance sheet as at March 31, 2022 and the consolidated statement of profit and loss for the year ended March 31, 2022 and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information, prepared in accordance with the accounting principles generally accepted in India (“ <b>Indian GAAP</b> ”) as prescribed under Section 133 of the Companies Act read with the Companies (Accounting Standards) Rules, 2021, as amended.
Independent Director(s)	The non-executive, independent director(s) of our Company, as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 191
Joint Managing Director(s)	Joint managing directors of our Company, namely, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod
“Key Managerial Personnel” or “KMP(s)”	Key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 191
Material Subsidiaries	The material subsidiaries of our Company, namely, Cello Industries Private Limited, Cello Household Products Private Limited, Cello Houseware Private Limited, Wim Plast Limited and Unomax Stationary Private Limited
“Memorandum of Association” or “Memorandum” or “MoA”	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 191
Non-Executive Director(s)	The non-executive directors on our Board comprising non-independent and independent directors of our Company, as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 191
Preference Shares	Compulsorily convertible preference shares bearing face value of ₹ 20 each
Promoters	The promoters of our Company in terms of the SEBI ICDR Regulations, and the Companies Act, 2013, namely, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod
Promoter Group	The entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
QIP Committee	The QIP committee of our Board constituted pursuant to the resolution passed by our Board on May 29, 2024 to facilitate the Issue
Registered Office	The registered office of our Company, located at 597/2A, Somnath Road, Dabhel, Nani Daman, Daman – 396 210, Daman and Diu, India
“Registrar of Companies” or “RoC”	The registrar of companies, Goa, Daman and Diu at Goa
Risk Management Committee	The risk management committee of our Company, as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” beginning on page 191
Senior Management	Members of the senior management of our Company as determined in accordance with the Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 191
Series A CCPS	0.0001% Series A compulsorily convertible preference shares of our Company of face value ₹ 20 each allotted to Tata Capital Growth Fund II
Shareholders	The holder(s) of Equity Shares from time to time, unless otherwise specified in the context thereof
Special Purpose Audited Consolidated Financial Statements	The special purpose audited consolidated financial statements of our Company and its Subsidiaries, comprising the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended March 31, 2022, and notes to the financial statements, including and a summary of significant accounting policies and other explanatory information, prepared by the Company by making Ind AS adjustments to the Fiscal 2022 Audited Consolidated Financial Statements for the purpose of preparation of the Comparative Comparable Consolidated Financial Statements for the year ended March 31, 2023.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Company, as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 191
Subsidiaries	The subsidiaries of our Company, namely, the direct subsidiaries being Cello Industries Private Limited, Cello Houseware Private Limited, Cello Household Products Private Limited, Cello Consumerware Private Limited, Unomax Stationery Private Limited, Wim Plast Limited and the Step-Down Subsidiaries. For

<b>Term</b>	<b>Description</b>
	details, please refer to the section titled “ <i>Organizational Structure of our Company</i> ” on page 200
Technopak	Technopak Advisors Private Limited
Technopak Report	Report titled “Consumerware, Stationery & Moulded Furniture Markets in India” dated July 1, 2024 prepared and issued by Technopak, commissioned and paid for by our Company, exclusively in connection with the Issue

#### Issue related terms

<b>Term</b>	<b>Description</b>
“Allocated” or “Allocation”	The allocation of Equity Shares following the determination of the Issue Price to investors on the basis of Application Forms submitted by them, by our Company in consultation with the BRLMs and in compliance with Chapter VI of the SEBI ICDR Regulations
“Allot” or “Allotment” or “Allotted”	The issue and allotment of Equity Shares pursuant to this Issue
Allottee(s)	Bidders who are Allotted Equity Shares of our Company pursuant to this Issue
Application Form	Serially numbered, specifically addressed bid cum application form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
“Application Amount” or “Bid Amount”	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue, including any revisions thereof determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Bid(s)	An indication of interest by an Eligible QIB, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for Equity Shares to be issued pursuant to this Issue. The term “Bidding” shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bidder(s)	Any prospective investor, being an Eligible QIB who makes a Bid pursuant to the terms of the Preliminary Placement Document, this Placement Document and the Application Form
“Bidding Period” or “Issue Period”	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which Bidders submitted their Bids including any revision and/or modifications thereof
“Book Running Lead Managers” or “BRLMs”	Motilal Oswal Investment Advisors Limited, Jefferies India Private Limited, JM Financial Limited and Kotak Mahindra Capital Company Limited
“CAN” or “Confirmation of Allocation Note”	Note or advice or intimation to Bidders confirming the Allocation of Equity Shares to such Eligible QIBs after determination of the Issue Price, and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such Eligible QIBs
Closing Date	The date on which the Allotment of the Equity Shares offered pursuant to this Issue shall be made, i.e., on or about July 5, 2024
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalised by our Company in consultation with the BRLMs
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees’ demat accounts, as applicable to the relevant Allottees
Eligible FPI(s)	Foreign portfolio investors that are eligible to participate in this Issue in terms of applicable law, other than individuals, corporate bodies and family offices
Eligible QIB(s)	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law. However, FVCIs are not permitted to participate in the Issue.  In addition, QIBs, outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act are eligible to participate in this Issue
Escrow Account	A non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened with the Escrow Bank, subject to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by

<b>Term</b>	<b>Description</b>
	Eligible QIBs and refunds, if any, shall be remitted to unsuccessful Bidders as set out in the Application Form
Escrow Bank	ICICI Bank Limited
Escrow Agreement	The escrow agreement dated July 3, 2024 entered into amongst our Company, the Escrow Bank and the BRLMs for collection of the Bid Amounts and remitting refunds, if any, of the amounts collected, to the Bidders in relation to the Issue
QIP Committee	The QIP committee of our Board constituted pursuant to the resolution passed by our Board on May 29, 2024, to facilitate the Issue
Floor Price	The floor price ₹ 896.09 per Equity Share, which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of 4.92% on the floor price in accordance with a special resolution passed by the Shareholders at the extra-ordinary general meeting held on June 26, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Gross Proceeds	The gross proceeds from the Issue aggregating to ₹ 73,732.08 lakhs
Issue	The offer, issue and Allotment of 86,54,000 Equity Shares each at a price of ₹ 852.00 per Equity Share, including a premium of ₹ 847.00 per Equity Share, aggregating to ₹ 73,732.08 lakhs* pursuant to Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder <i>*Subject to Allotment of Equity Shares pursuant to the Issue</i>
Issue Closing Date	July 5, 2024, the last date up to which the Application Forms and the Bid Amount were accepted by our Company (or the BRLMs, on behalf of our Company)
Issue Opening Date	July 3, 2024, the date on which the acceptance of the Application Forms and the Bid Amount commenced by our Company (or the BRLMs, on behalf of our Company)
Issue Price	A price per Equity Share of ₹ 852.00
Issue Size	The aggregate size of the Issue, 86,54,000 Equity Shares aggregating to ₹ 73,732.08 lakhs
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	Agreement dated July 3, 2024 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilisation of the net proceeds of the Issue, after deducting fees, commissions and expenses of the Issue
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue
Pay-In Date	Last date specified in the CAN for the payment of application monies by Bidders in the Issue
Placement Agreement	The placement agreement dated July 3, 2024 between our Company and the BRLMs
Placement Document	This placement document dated July 5, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	The preliminary placement document dated July 3, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
“QIBs” or “Qualified Institutional Buyers”	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Relevant Date	July 3, 2024 which is the date of the meeting wherein the Board of Directors, or a duly authorised committee, decided to open the Issue
Stock Exchanges	Together, BSE and NSE

<b>Term</b>	<b>Description</b>
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

### Conventional and general terms/abbreviations

<b>Term</b>	<b>Description</b>
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Civil Code	The Indian Code of Civil Procedure, 1908, as amended
“Companies Act” or “Companies Act, 2013”	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules issued thereunder
Competition Act	The Competition Act, 2002, as amended
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CrPC	The Code of Criminal Procedure, 1973, as amended
CSR	Corporate social responsibility
CY	Calendar year
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
DIN	Director Identification Number
EBITDA	EBITDA is calculated as net profit after tax, plus finance cost, depreciation, amortization and impairment expenses and tax expenses, and less other income
EBITDA Margin	EBITDA divided by revenue from operations
EGM	Extraordinary general meeting
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FDI Policy	Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade (Formerly Department of Industrial Policy and Promotion), Ministry of Commerce and Industry, GoI by circular DPIIT file number 5(2)/2020-FDI Policy, with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FC-GPR	Foreign currency gross provisional return
“Financial Year” or “Fiscal Year” or “Fiscal” or “FY”	A period of 12 months ending March 31, unless otherwise stated
Form PAS-4	Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
“FPI” or “Foreign Portfolio Investor(s)”	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally accepted accounting principles

<b>Term</b>	<b>Description</b>
GAAR	General Anti-Avoidance Rules
GBP	Great British Pound
GDP	Gross domestic product
“GoI” or “Government”	Government of India
GST	Goods and Services Tax
IAS Rules	The Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Income-tax Act	The Income-tax Act, 1961, as amended
IT	Information Technology
IT Act	The Information Technology Act, 2000, as amended
Ltd.	Limited
MCA	Ministry of Corporate Affairs
NAV / Net Asset Value per Equity Share	Total equity / weighted average number of equity shares outstanding as at the end of year shares including effect of compulsorily convertible non-cumulative preference shares
“Non-Resident Indian(s)” or “NRI”	Non-Resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2016, as amended
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“P.A.” or “p.a.”	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PF	Provident fund
P-Notes	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
“Rs.” or “Rupees” or “Indian Rupees” or “INR” or “₹”	The legal currency of India
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
U.S. GAAP	Generally accepted accounting principles in the United States of America
“U.S.\$” or “USD” or “U.S. dollar”	United States Dollar, the legal currency of the United States of America
U.S. Securities Act	United States Securities Act of 1933, as amended
“USA” or “U.S.” or “United States”	The United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be



Term	Description
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

#### Business, technical and industry related terms/abbreviations

Term	Description
ATL	Above the line
Bn	Billion
CAGR	Compounded annual growth rate
CSR	Corporate social responsibility
GDP	Gross domestic product
GER	Gross enrolment ratio
GNI	Gross national income
GST	Goods and services tax
H1N1	Swine flu
H5N1	Highly pathogenic avian influenza virus A
H7N9	Avian influenza A
HHs	Households
HS Code	Harmonized system code
IMF	International Monetary Fund
ITC	Input tax credit
NILP	New India Literacy Programme
OTG	On the go
PBT	Profit before tax
PFCE	Private final consumption expenditure
PPP	Purchasing power parity
RTE	Right to education
SKUs	Stock-keeping units

#### Financial and operational Key Performance Indicators

Term	Description
Capital Employed	Capital employed is calculated as sum of (i) tangible net worth; (ii) total borrowings; and (iii) deferred tax liabilities (net)
EBIT	Earnings Before Interest and Tax is calculated as sum of audited Profit before tax and finance costs
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation is calculated as the sum of audited profit before tax, finance costs and depreciation and amortization expense
EBITDA Margin	Calculated as EBITDA divided by Revenue from Operations
Gross Profit	Gross Profit is calculated as the difference between Revenue from Operations and the cost of finished goods produced (i.e. sum of: (i) cost of materials consumed; (ii) purchase of stock-in-trade; and (iii) changes in inventories of finished goods, semifinished goods and stock-in-trade)
Gross Profit Margin	Calculated as Gross Profit divided by Revenue from Operations
Net Worth	Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation. Therefore, net worth for the Group includes paid-up share capital, Instruments entirely equity in nature, retained earnings, securities premium, other comprehensive income, capital redemption reserve and general reserve and excludes capital reserve on business combinations under common control, as at March 31, 2024, March 31, 2023 and March 31, 2022.
Profit after tax	Profit after tax as per the Audited Consolidated Financial Statements
Profit after tax margin	Profit after tax divided by Revenue from Operations as per Audited Consolidated Financial Statements
Revenue from Operations	Revenue from operations as per the Audited Consolidated Financial Statements
Return on Capital Employed or ROCE	Calculated as EBIT divided by the Capital Employed, for the relevant year

## SUMMARY OF BUSINESS

### OVERVIEW

The consumerware market is broadly divided into two categories, consumer houseware and consumer glassware and we are a prominent player in the consumerware market in India with presence in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products and consumer glassware categories, according to the Technopak Report.

While our Company was incorporated only in 2018, our erstwhile promoter Late Ghisulal Dhanraj Rathod, father of two of our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, was associated with Cello Plastic Industrial Works (“CPIW”) and the “Cello” brand since 1962. Our Promoters (through their family) have since diversified our product range and brand portfolio over the last six decades. The six decades of experience of our Promoters (through their family) in the consumer products industry has enabled us to better understand the preferences and needs of consumers in India, diversify our product portfolio and grow our multi-channel distribution network. This has enabled us 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 material and price points. As of March 31, 2024, we offered 17,023 stock-keeping units (“SKUs<sup>1</sup>”) across our product categories. The table below sets forth the brands, sub-brands and range of products offered across our three product categories, through our various group entities:

Product Categories	Entity(ies) through which product categories are manufactured / sold	Brands	Sub-Brands	Overview of range of products offered
Consumer Houseware	- Cello World Limited - Cello Industries Private Limited - Cello Houseware Private Limited - Cello Household Products Private Limited - Cello Consumerware Private Limited	Cello	Puro, Chef, H2O, Modustack, Kleeno, Maxfresh and Duro.	- Houseware - Insulatedware - Electronic appliances and cookware - Cleaning aids - Opalware - Glassware - Porcelain
Writing Instruments and Stationery	Unomax Stationery Private Limited	Unomax	Ultron2X and Geltron.	- Writing instruments - Stationery
Moulded Furniture and Allied Products	Wim Plast Limited	Cello	-	- Moulded furniture - Allied products

We have a track record of scaling up new businesses and product categories. While our Company was incorporated only in 2018, our Promoters were involved in the launch of the glassware and opalware business in 2017 under the “Cello” brand, and increased our revenue from operations from this business from ₹22,898.82 lakhs in the Financial Year 2022, to ₹27,601.63 lakhs in the Financial Year 2023 and ₹34,254.13 lakhs in the Financial Year 2024, at a CAGR of 22.31%. We also launched our writing instruments and stationery product category in 2019 under the “Unomax” brand and increased our volume of products sold from this product category from 2,642.70 lakh units in the Financial Year 2022, to 5,387.89 lakh units in the Financial Year 2024, at a CAGR of 42.79%. For the Financial Years 2022, 2023 and 2024, revenue from our writing instruments and stationery product category was ₹16,933.45 lakhs, ₹28,499.85 lakhs, and ₹33,358.10 lakhs, respectively. Our “Unomax” brand had the highest EBITDA margin for the Financial Years 2022 and 2023 (*Source: Technopak Report*). Further, our Promoters were involved in the launch of the cleaning aids business in 2017 under the “Kleeno” sub-brand (under the “Cello” brand). We have been able to scale up this business by increasing our volume of products sold from this business from 69.20 lakh units in the Financial Year 2022, to 86.06 lakh units in the Financial Year 2024, at a CAGR of 11.51%. For the Financial Years 2022, 2023 and 2024, revenue from our cleaning aids business was ₹7,503.41 lakhs, ₹6,676.66 lakhs and ₹7,503.41 lakhs, respectively.

<sup>1</sup> SKUs denote the number of units available for sale at any point in time. Our SKUs may be either individual products or products packaged together or products of different colours. Hence, our number of SKUs and products are not equivalent.

We own/lease and operate 14 manufacturing facilities across six locations in India, as of March 31, 2024. On March 16, 2024, one of our Subsidiaries, Cello Consumerware Private Limited, finished the completion of our glassware manufacturing facility in Falna, Rajasthan (“**Rajasthan Glassware Unit**”). The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024 and the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit, is expected to be operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. Our manufacturing capabilities allow us to manufacture a diverse range of products in-house. Our revenue derived from our in-house manufacturing operations aggregated to 82.63%, 79.37% and 77.77% of our total revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture these products with our branding pursuant to arrangements with us. The scale at which we manufacture our products, combined with our supply chain management enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We also endeavor to maintain high quality standards and good manufacturing practices.

We have a strong pan-India distribution network. From the distribution network established by CPIW for its thermoware household articles and plastic materials business, our Promoters (through their group of entities which were subsequently restructured, for details see “*Our Business – Group Restructuring Process*” on page 30) have further expanded the distribution network of our Company over the last six decades. The table below sets forth details relating to our nationwide sales and distribution network across our three product categories:

Product Categories	Distribution Network* (as of March 31, 2024)
Consumer Houseware	900 distributors and approximately 74,037 retailers located across India
Writing Instruments and Stationery	29 super-stockist, approximately 1,522 distributors and approximately 64,868 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories.

Our nationwide sales and distribution network is supported by our 749 member sales team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors and retailers over the years. Further, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. In addition, we also sell our 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 we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. We 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 our marketing efforts are initiated and coordinated by our marketing team of 35 employees, as of March 31, 2024.

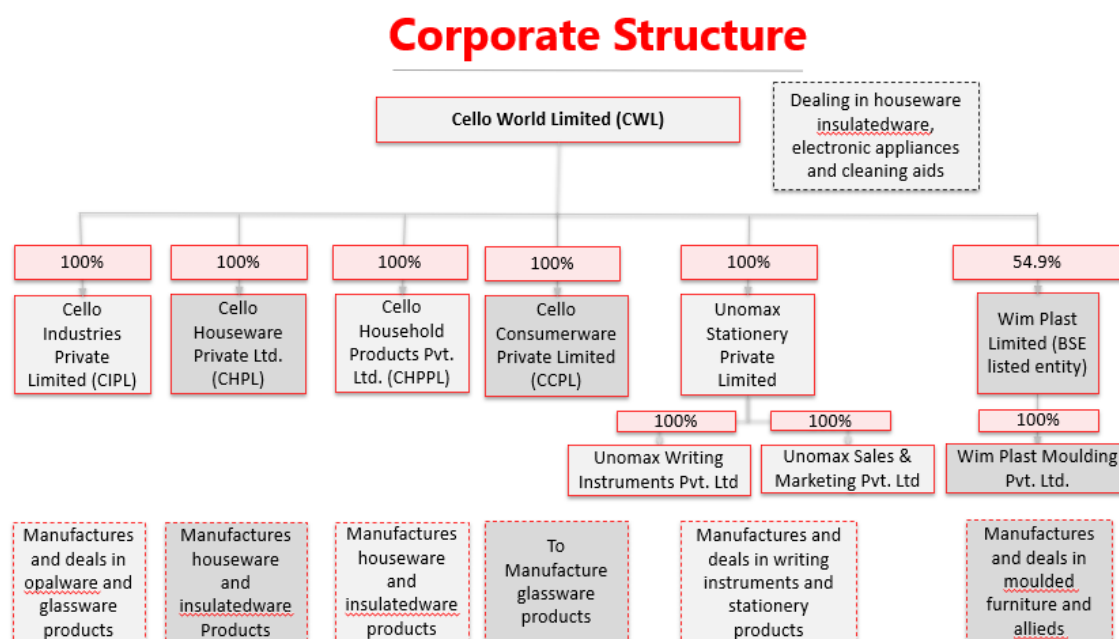
The Promoters of our Company, Pradeep Ghisulal Rathod, Chairman and Managing Director, and, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, Joint Managing Directors, have over 82 years of combined experience in the consumer products industry in India. Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod have nearly 41 and 35 years, respectively, in the business of manufacturing and trading in, among others, plastic articles, insulatedware articles and raw materials. Gaurav Pradeep Rathod holds a master’s degree in business administration from the University of Strathclyde, and is instrumental in the successful launch of opalware range of products, and the growth of the online and e-commerce sales of our Company.

A list of operating and financial metrics for the Financial Years 2022, 2023 and 2024 is set out below:

Metric	Unit	As at / For the financial year ended March 31,		
		2022	2023	2024
Revenue from Operations	(₹ in lakhs)	1,35,917.44	1,79,669.50	2,00,026.41

Metric	Unit	As at / For the financial year ended March 31,		
		2022	2023	2024
Gross Profit	(₹ in lakhs)	68,062.19	90,118.25	1,05,184.03
Gross Profit Margin	%	50.08%	50.16%	52.59%
EBITDA	(₹ in lakhs)	34,949.80	43,726.63	53,430.14
EBITDA Margin	%	25.71%	24.34%	26.71%
EBIT	(₹ in lakhs)	30,194.35	38,694.09	47,755.54
EBIT Margin	%	22.22%	21.54%	23.87%
Profit for the year	(₹ in lakhs)	21,951.75	28,505.08	35,618.36
Profit for the year margin	%	16.15%	15.87%	17.81%
ROCE	%	40.91%	44.94%	27.43%
<b>Product Category Revenue Contribution</b>				
Consumer Houseware	(₹ in lakhs, % of total revenue from operations)	87,108.89, (64.09%)	1,18,107.95, (65.74%)	1,32,384.71, (66.18%)
Writing Instruments and Stationery	(₹ in lakhs, % of total revenue from operations)	16,933.45, (12.46%)	28,499.85, (15.86%)	33,358.10, (16.68%)
Moulded Furniture and Allied Products	(₹ in lakhs, % of total revenue from operations)	31,875.14, (23.45%)	33,061.73, (18.40%)	34,283.60, (17.14%)

Our Company trades in houseware, insulatedware, electronic appliances and cleaning aids products. While majority of the products we trade in are manufactured by our Subsidiaries, others are manufactured by third parties. Further, certain Subsidiaries sell products directly while others sell through our Company. The image below sets forth details relating to the product categories manufactured and/or sold by the subsidiaries in our corporate Group structure:



### Group Restructuring Process

CPIW was a partnership firm formed in 1958. Late Mr. Ghisulal Dhanraj Rathod, father of two of our 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 our Company, the trademarks continue to be held by CPIW. Over the years, our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod and their father, Mr. Ghisulal Dhanraj Rathod formed various entities, which carried on business under the brand name of “Cello”. Cello Plast (partnership firm) was formed in 1991 to carry on the business of manufacturing insulatedware followed by opalware at Daman, Daman and Diu. In 1995, another partnership firm, Cello Plastotech was formed to carry on the business of manufacturing new ranges of consumerware at Daman, Daman and Diu. In 2005, Cello Industries (a partnership firm) was formed to carry on the business of manufacturing new ranges of insulated ware at Haridwar, Uttarakhand. These separate entities were initially formed under the “Cello” brand as each of these entities focussed on distinct businesses within the consumerware sector, and enabled geographic expansion across the country. Pursuant to the group restructuring process undertaken in the Financial Year 2022:

- the business of Cello Plast was acquired by one of our subsidiaries, Cello Industries Private Limited;
- the business of Cello Plastotech was acquired by one of our subsidiaries, Cello Household Products Private Limited;
- Cello Industries was converted into a private limited company, viz. Cello Houseware Private Limited, and is now one of our subsidiaries.

This group restructuring was undertaken through a series of business combinations under common control (as aforesaid) to consolidate the businesses under one parent company i.e. our Company, and to reduce the cost of operating our business by allowing us to explore synergies across the entire Group in areas such as branding, marketing and distribution across our product categories.

While our Company was incorporated only in 2018, Late Ghisulal Dhanraj Rathod and our Promoters, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod (through their family) have been associated with the Cello brand since 1962. Our Promoters (through their family), therefore, have been able to gain experience in the consumer products industry over the last six decades. Our Company, therefore, benefits from the collective experience of our Promoters who presently occupy key positions on the Board of Directors of our Company viz., Pradeep Ghisulal Rathod who serves as the Chairman and Managing Director, Pankaj Ghisulal Rathod who serves as the Joint Managing Director and Gaurav Pradeep Rathod who serves as the Joint Managing Director.

## **OUR STRENGTHS**

### ***Well-established brand name and strong market positions***

Our strong market positions in the consumer products industry segment are a reflection of our vast experience, continuous product development and consumer understanding. Our brand “Cello” was awarded as one of the most trusted brands of India in 2021 by Commerzify. We are a prominent player in the consumerware market in India with products in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products categories (*Source: Technopak Report*). While our Company was incorporated only in 2018, our erstwhile promoter Late Ghisulal Dhanraj Rathod, father of our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, was associated with Cello Plastic Industrial Works and the “Cello” brand since 1962. Further, we launched the writing instruments and stationery business in 2019 under the “Unomax” brand. It had the highest EBITDA margin for the Financial Years 2022 and 2023 (*Source: Technopak Report*).

To enhance brand awareness and strengthen brand recall for the brands and sub-brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. For example, we have in the past launched brand advertisements and marketing campaigns such as “Cello – Companion for Life”, “Cello – Rishta Zindagi Bhar Ka”, “Hot Chahiye Toh Cello” and “Don’t Just Write, Glide”. We spent ₹1,042.21 lakhs, ₹2,369.76 lakhs and ₹2703.35 lakhs towards advertisements in Financial Years 2022, 2023 and 2024, respectively, constituting 0.77%, 1.32% and 1.35% of our revenue from operations, respectively. Our brand advertisements and marketing campaigns have been critical in developing our brand identity. We also continuously seek to increase our digital

presence and engagements and engage in brand associations. Further, through Cello Plastic Industrial Works (an entity which is member of our Promoter Group), we have also engaged a celebrity as a brand ambassador for endorsing and strengthening the “Cello” brand equity and brand recall among our consumers. We have also engaged with tie-ups with large studios to market our lunch boxes, bottles and stationeries for children, using various cartoon characters.

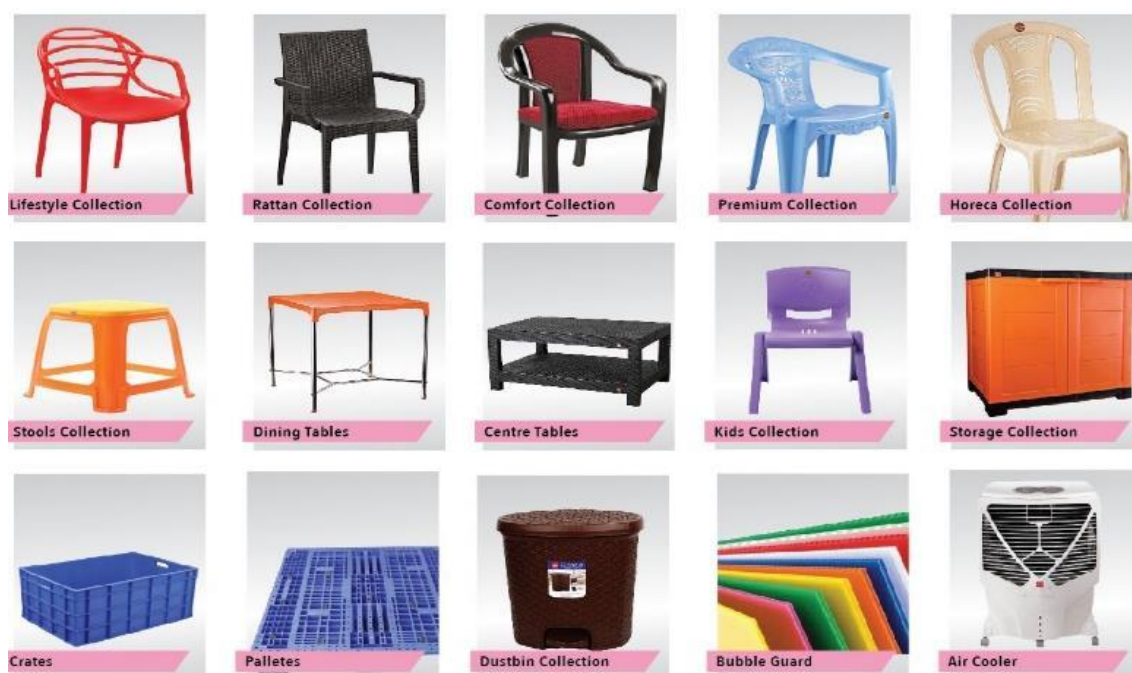
***Diversified product portfolio across price points catering to diverse consumer requirements***

We focus on identifying the needs and preferences of our consumers through our network of distributors, and innovating our products to cater to their differing requirements and preferences, while endeavouring that our products are available across various price points and meet quality standards expected by our consumers. As of March 31, 2024, we offered 17,023 SKUs across our product categories. We offer an extensive product range across our three product categories. We have a diverse range of products across different product categories, types of material and price points, which enables us to serve as a “one-stop-shop”, with consumers across all income levels purchasing our products (*Source: Technopak Report*). Our wide spectrum of product offerings cater to a wide range of consumer needs. The image below sets forth a range of our product offerings that are commonly used in the kitchen:



Further, the images below set forth a range of our product offerings under our writing instruments and stationery product category, as well as under our moulded furniture and allied products product category:





We have demonstrated the ability to expand our SKUs and products across various price points. For example, in a number of product categories, we had initially started with more affordable products, and subsequently expanded into value-added products at higher price points. Similarly, in a number of product categories, we had initially started with value-added products at higher price points, and subsequently expanded into more affordable products. Our diversified product portfolio has also allowed us to maintain stable profit margins over the years by enabling us to withstand fluctuations in raw material prices.

Our products are made of different types of materials, such as plastic, steel, opal, glass, copper and melamine. We have the most diversified product portfolio among our peers, with products in the glassware, opalware, melamine and porcelain categories (*Source: Technopak Report*). For details relating to our brands and products, see “*Our Business – Description of Our Business – Brands and Products*” on page 173.

Our diversified product portfolio has allowed us to build a resilient business model that enables us to grow our business even through adverse events such as the COVID-19 pandemic. Our diversified product portfolio, which caters to a wide range of consumer uses across different age groups, festive seasons and occasions, has allowed us to maintain stable growth in our revenue over the years by enabling us to withstand fluctuations in demand arising from seasonality of demand for certain of our products.

In order to cater to evolving consumer demands, we seek to constantly develop and launch new range of products by leveraging our vast experience, market knowledge and innovation capabilities. We have been innovating and introducing new range of products, such as our recently launched writing instruments, cleaning aids, opalware, glassware and cookware range of products and appliances, along with moulded furniture and allied products, in order to increase our market share of consumer products market in India as well as grow our revenues and profit. During the Financial Years 2022, 2023 and 2024, we launched 169, 380 and 727 new products (across our three product categories), respectively. As of March 31, 2024, we had 17,023 products (across our three product categories).

#### ***Track record of scaling up new businesses and product categories***

We have a track record of scaling up new businesses and product categories. While our Company was incorporated only in 2018, our Promoters were involved in the launch of the glassware and opalware business in 2017 under the “Cello” brand, and increased our revenue from operations from this business, from ₹22,898.82 lakhs in the Financial Year 2022, to ₹34,254.13 lakhs in the Financial Year 2024, at a CAGR of 22.31%. We also launched our writing instruments and stationery product category in 2019 under the “Unomax” brand, and increased our volume of products sold from this product category, from 2,642.70 lakh units in the Financial Year 2022, to



5,387.89 lakh units in the Financial Year 2024, at a CAGR of 42.79%. For the Financial Years 2022, 2023 and 2024, revenue from our writing instruments and stationery product category was ₹16,933.45 lakhs, ₹28,499.85 lakhs and ₹33,358.10 lakhs, respectively. Our “Unomax” brand had the highest EBITDA margin for the Financial Years 2022 and 2023 (Source: Technopak Report). Further, our Promoters were involved in the launch of the cleaning aids business in 2017 under the “Kleeno” sub-brand (under the “Cello” brand). We have been able to scale up this business by increasing our volume of products sold from this business, from 69.20 lakh units in the Financial Year 2022, to 86.06 lakh units in the Financial Year 2024, at a CAGR of 11.51%. For the Financial Years 2022, 2023 and 2024, revenue from our cleaning aids business was ₹6,077.94 lakhs, ₹6,676.66 lakhs and ₹7,503.41 lakhs, respectively. Our track record of scaling up our opalware, writing instruments and stationery, and cleaning aids businesses, as elaborated upon above, is a testament to our ability to scale up new businesses and product categories.

### ***Pan-India distribution network with a presence across multiple channels***

Our pan-India distribution network is one of the key reasons behind our efficient launch of new range of products in the past. The table below sets forth details relating to our nationwide sales and distribution network across our three product categories:

<b>Product Categories</b>	<b>Distribution Network* (as of March 31, 2024)</b>
Consumer Houseware	900 distributors and approximately 74,037 retailers located across India
Writing Instruments and Stationery	29 super-stockists, approximately 1,522 distributors and approximately 64,868 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories.

Our nationwide sales and distribution network is supported by our 749 member sales team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors, and retailers over the years. We regularly interact with our distributors and retailers for insight into consumer preferences and market feedback, which in turn helps us to, among others, (i) check for product-market fit at an early stage before scaling them up, and (ii) structure appropriate pricing discounts and advertisement campaigns during festive seasons.

Our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. We have an established export channel for our stationery business. In addition, we also sell our products in bulk quantities to corporate clients and government departments. The tables below sets forth a breakdown of our revenue from operations for the periods indicated by channels:

	<b>For the Financial Year 2022</b>		<b>For the Financial Year 2023</b>		<b>For the Financial Year 2024</b>	
	<b>(₹ in lakhs)</b>	<b>(% of total revenue from operations)</b>	<b>(₹ in lakhs)</b>	<b>(% of total revenue from operations)</b>	<b>(₹ in lakhs)</b>	<b>(% of total revenue from operations)</b>
General Trade	1,06,297.44	78.21%	1,44,773.60	80.58%	1,53,995.92	76.99%
Export	12,629.90	9.29%	14,020.70	7.80%	20,182.78	10.09%
Online sales (including sales from e-commerce marketplaces and our own websites)	11,384.00	8.38%	14,214.30	7.91%	16,716.34	8.36%
Modern Trade	5,606.10	4.12%	6,660.90	3.71%	9,131.36	4.57%
<b>Total</b>	<b>1,35,917.44</b>	<b>100.00%</b>	<b>1,79,669.50</b>	<b>100.00%</b>	<b>2,00,026.41</b>	<b>100.00%</b>

We strive to balance product availability and inventory levels such that we can continue to deploy resources in an efficient manner. Even with our vast geographical outreach, our operations have the ability to respond to our network of distributors and trade consumers, as well as changing consumer preferences and constantly fluctuating demand.



### ***Ability to manufacture a diverse range of products and maintain optimal inventory levels***

Our manufacturing capabilities allow us to manufacture a diverse range of products in-house, which in turn enables us to scale up production quickly to meet increased demand, reduce time taken to launch new products in the market, maintain quality control of our products, maintain better control over our supply chain and mitigate risk of supply chain disruption. Our revenue derived from our in-house manufacturing operations aggregated to 82.63%, 79.37% and 77.77% of our total revenue from operations for the Financial Years 2022, 2023 and 2024. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to arrangements with us. We own and operate 14 manufacturing facilities across six locations, with an installed annual capacity of 594.33 lakh units of consumer houseware products per annum, 25,000 tonnes of opalware and glassware per annum, 7,000 lakh units of writing instruments and stationery products per annum and 128.00 lakh units of moulded furniture and allied products, as of March 31, 2024. In Fiscal 2024, we established the Rajasthan Glassware Unit, which houses European-made machinery that enables high productivity and precision in design and finish. The Rajasthan Glassware Unit also (i) houses various machines, including fire polishing machines and servo gob feeder; (ii) located close to our raw material suppliers; and (iii) provides a dry weather environment that is suitable for the manufacturing of glassware. We are expected to become the only domestic consumer products company which has presence across all material types to have an in-house glassware manufacturing unit in India (*Source: Technopak Report*). Further, the scale at which we manufacture our products, combined with our supply chain management including raw material sourcing, packaging, transportation, quality control and sales, enables us to derive the benefits of economies of scale across various aspects of our business model, including manufacturing, procurement, supply chain and distribution. Between Financial Year 2022 and Financial Year 2024, our gross profit increased from ₹68,062.19 lakhs to ₹1,05,184.03 lakhs. For details relating to our manufacturing facilities, see “*Our Business – Description of Our Business – Manufacturing Facilities*” on page 177.

We maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We have implemented an enterprise resource planning system, which is a systems application and product software, to, among others, help us in tracking consumer demands and maintaining optimum inventory levels for our consumer houseware and moulded furniture and allied products product categories, and we are in the process of implementing the same for our writing instruments and stationery product category. Additionally, we plan our inventory levels by utilising available market information, including existing inventory levels, delivery timelines and expected order pipelines, and our six decades of experience in anticipating and forecasting consumer demand in the consumer products industry. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively.

We also endeavor to maintain high quality standards and good manufacturing practices. We strive to maintain product quality through control and monitoring of the various stages of our manufacturing process, including sourcing, processing, manufacturing, packaging and distribution. As of March 31, 2024, our quality control team comprised 69 employees.

### ***Skilled and experienced management team***

The Promoters of our Company, Pradeep Ghisulal Rathod, Chairman and Managing Director, and, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, Joint Managing Directors, have over 82 years of combined experience in the consumer products industry in India. Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod have nearly 41 and 35 years, respectively, of experience in the business of manufacturing and trading in, among others, plastic articles, insulatedware articles and raw materials. Gaurav Pradeep Rathod holds a master’s degree in business administration from the University of Strathclyde and is instrumental in the successful launch of opalware range of products, and growth of the online and e-commerce sales of our Company. Our Promoters also have a track record of scaling up new businesses and product categories and have been instrumental to the growth of our business and operations. Our Promoters’ leadership and experience have enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain cordial relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Further, our Key Managerial Personnel and Senior Management team has experience across a range of sectors including finance, production and sales. The sector-specific experience and expertise of our Key Managerial Personnel and Senior Management has contributed significantly to the growth of our Company.

Our Board of Directors support and provide guidance to our management team. Our Board of Directors consists of nine directors including three Executive Directors and six Non-Executive Directors, which further includes one Nominee Director and five Independent Directors. Our Company has two women Directors. Atul Parolia is our Chief Financial Officer and is an associate of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Hemangi Trivedi is our Company Secretary and Compliance Officer and holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Mumbai.

### ***Strong historical financial results***

We have been continuously growing our business through increase in sales, and the expansion of our brand portfolio, product offerings and distribution network. Our operational efficiencies and supply chain network has resulted in better control of expenses and thereby resulted in an increase in our profit after tax. Our revenue from operations increased, from ₹1,35,917.44 lakhs in the Financial Year 2022 to ₹ 2,00,026.41 lakhs in the Financial Year 2024, at a CAGR of 21.31%. Our profit for the year also increased, from ₹21,951.75 lakhs in the Financial Year 2022, to ₹35,618.36 lakhs in the Financial Year 2024, at a CAGR of 27.38%. Further, as our business scales, we are able to enjoy the benefits of economies of scale across our procurement value-chain, contributing to cost-efficiencies for us. During the Financial Years 2022, 2023 and 2024, our profit for the year margin was 16.15%, 15.87% and 17.81%, respectively. In addition, we also have positive cash flows and relatively low amounts of indebtedness. During the Financial Years 2022, 2023 and 2024, our net cash generated by operating activities amounted to ₹18,726.39 lakhs, ₹22,734.98 lakhs and ₹23,118.14 lakhs, respectively, and our net cash generated in financing activities amounted to ₹9,410.63 lakhs, ₹32,382.00 lakhs and ₹2,600.79 lakhs, respectively. For details, see the list of operating and financial metrics in “*Our Business – Overview*” on page 163.

## **OUR STRATEGIES**

### ***Continued innovation to expand consumer base and grow wallet share***

We intend to utilise our innovation capabilities to expand our existing product portfolio and develop new range of products across our product categories. In particular, we aim to expand our product portfolio in our consumer houseware product category, by focusing on introducing new range of products in the kitchenware, porcelain, appliances, cookware, glassware, writing instruments, and stationery spaces. Through new range of products, we expect to increase our wallet share and repeat orders from existing consumers and to also attract new consumers, in order to increase our market share and scale our business. During the Financial Years 2022, 2023 and 2024, we launched 169, 380 and 727 new products (across our three product categories), respectively.

In order to capture insights into consumer needs and trends promptly, we regularly interact with our distributors and retailers for insights into consumer preferences and market feedback.

### ***Expand our distribution network***

We seek to enhance our addressable market by expanding our sales and distribution network of distributors, sub-distributors and retailers across India. In particular, we aim to expand our distribution network by implementing the following initiatives:

- expand our sales and distribution network in states where we are currently not very active. In these markets, we intend to increase customer wallet share, as well as enter into arrangements with more distributors and continue to nurture existing relationships;
- increase our sales velocity by incentivizing our distributors and retailers to increase the volume of products sold by them;
- increase our interaction with our distributors and retailers, including through our sales and marketing employees;
- incentivise distributors through periodic and festival sales schemes, annual and periodic revenue targets and product-specific schemes (through discounts and gift hampers); and

- increase our presence in existing markets abroad by expanding our distribution network and entering into new markets for our writing instruments and stationery products.

#### ***Scale up branding, promotional and digital activities***

Our widespread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the consumer products industry and promote our products, especially new range of products that we launch from time to time. While the “Cello” brand is well established and enjoys strong brand recall among consumers in India, we intend to continue to enhance brand awareness and strengthen brand recall for the newer brands, including in particular the “Kleeno” and “Puro” sub-brands (under the “Cello” brand), by continuing to focus on our branding and promotional activities going forward. We have in the past made significant and timely investments in our promotional and marketing efforts, and we intend to continue to do so because we believe that continuous investments in promotional and marketing efforts are important to strengthen our brand equity and brand recall among consumers, and to enhance consumer awareness towards new range of products that we launch from time to time. During the Financial Years 2022, 2023 and 2024, we spent ₹1,042.21 lakhs, ₹2,369.76 lakhs and ₹2,703.35 lakhs, respectively, towards advertisements, representing 0.77%, 1.32% and 1.35% of our revenue from operations, respectively. We intend to focus our promotional and marketing efforts in areas such as above and below the line marketing, retail branding, product branding, and advertisement channels such as television, digital media and social media. We also continuously seek to increase our digital presence and engagements and engage in brand associations. We have in the past launched effective brand advertisements and marketing campaigns such as “Cello – Companion for Life”, “Cello – Rishta Zindagi Bhar Ka”, “Hot Chahiye Toh Cello” and “Don’t Just Write, Glide”, and we intend to continue to launch similar advertisements and campaigns in the future to enhance brand awareness and promote new range of products.

#### ***Grow manufacturing capabilities and expand production capacities***

We intend to grow our manufacturing capabilities so that we are able to quickly and effectively respond to increases in market demand for our products, in order to continue to grow our business. We are in the process of setting up a glassware manufacturing facility in Rajasthan, which is expected to have an installed annual capacity of 20,000 tonnes of glassware per annum. As we currently rely on the import of glassware from third party suppliers outside of India, our planned establishment of a glassware manufacturing facility is expected to lower our dependence on the import of glassware. Further, due to the increasing demand for opalware products, we have also expanded our opalware capacity in our manufacturing facility in Daman to increase our installed annual capacity to 25,000 tonnes of opalware per annum, from 15,000 tonnes of opalware per annum, as of August 6, 2023. Further, we regularly monitor market demand for our products, and may continue to increase our manufacturing capabilities in the future if the forecasted market demand for our products exceed our manufacturing capacities. For example, we intend to undertake planned increases in installed capacities of plastic products, insulatedware, moulded furniture and writing instruments and stationery, on a yearly basis, by utilising land which we own and is available for further expansion to grow our manufacturing capabilities.

We intend to continue to make investments in efficiency and automation of our production processes, where economically viable, to achieve greater efficiency in reducing the time taken and cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes.

## SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including the sections titled “*Risk Factors*”, “*Use of Proceeds*”, “*Placement and Lock-Up*”, “*Issue Procedure*” and “*Description of the Equity Shares*” on pages 47, 79, 225, 211 and 243, respectively.

<b>Issuer</b>	Cello World Limited
<b>Face value</b>	₹ 5 per Equity Share
<b>Issue Size</b>	Issue of 86,54,000 Equity Shares, aggregating to ₹ 73,732.08 lakhs  A minimum of 10% of the Issue Size, i.e., at least 8,65,400 Equity Shares were made available for Allocation to Mutual Funds only and the balance 77,88,600 Equity Shares were made available for Allocation to all Eligible QIBs, including Mutual Funds.  In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such undersubscribed portion was Allotted to other Eligible QIBs.
<b>Issue Price</b>	₹ 852.00 per Equity Share (including a premium of ₹ 847.00 per Equity Share)
<b>Floor Price</b>	₹ 896.09 per Equity Share, calculated on the basis of Regulation 176 in chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.  However, our Company has offered a discount of 4.92% on the Floor Price in accordance with the approval of the Shareholders accorded by way of a special resolution passed at the extra-ordinary general meeting held on June 26, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
<b>Date of Board resolution authorizing the Issue</b>	May 29, 2024
<b>Date of Shareholders’ resolution authorizing the Issue</b>	June 26, 2024
<b>Depositories</b>	CDSL and NSDL
<b>Dividend</b>	Please refer to the sections titled “ <i>Description of Equity Shares</i> ” and “ <i>Dividends</i> ” on pages 243 and 93, respectively.
<b>Eligible Investors</b>	Eligible QIBs, to whom the Preliminary Placement Document, this Placement Document and the Application Form were delivered and who were eligible to bid and participate in the Issue.  For further details, please refer to the sections titled “ <i>Issue Procedure</i> ”, “ <i>Selling Restrictions</i> ” and “ <i>Purchaser Representations and Transfer Restrictions</i> ” on pages 211, 227 and 236, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document, this Placement Document and the Application Form were delivered, was determined by our Company in consultation with the BRLMs.
<b>Equity Shares issued and outstanding immediately prior to the Issue</b>	21,22,31,034 Equity Shares
<b>Equity Shares issued and outstanding immediately after the Issue</b>	22,08,85,034 Equity Shares
<b>Issue procedure</b>	This Issue was being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, please refer to the section titled “ <i>Issue Procedure</i> ” on page 211.
<b>Listing</b>	Our Company has obtained in-principle approvals from the BSE and the NSE each on July 3, 2024 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.
<b>Trading</b>	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.  Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares, to be issued

	pursuant to this Issue, after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.	
<b>Lock-up</b>	For details of the lock-up, please refer to the section titled “ <i>Placement and Lock-Up</i> ” on page 225.	
<b>Transferability restrictions</b>	The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Also, please refer to the sections titled “ <i>Issue Procedure</i> ”, “ <i>Selling Restrictions</i> ” and “ <i>Purchaser Representations and Transfer Restrictions</i> ” on pages 211, 227 and 236, respectively.	
<b>Use of proceeds</b>	<p>The gross proceeds from the Issue aggregate to ₹ 73,732.08 lakhs. The Net Proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue, of approximately ₹ 2,400.00 lakhs (including applicable taxes), is approximately ₹ 71,332.08 lakhs.</p> <p>Also, please refer to the section titled “<i>Use of Proceeds</i>” on page 79 for further information regarding the use of the Net Proceeds.</p>	
<b>Risk factors</b>	Please refer to the section titled “ <i>Risk Factors</i> ” on page 47 for a discussion of risks you should consider before investing in the Equity Shares.	
<b>Indian taxation</b>	For the statement of possible tax benefits available to our Company, our Shareholders and our Material Subsidiaries, under the applicable laws in India, please refer to the section titled “ <i>Taxation</i> ” on page 248.	
<b>Closing Date</b>	The Allotment of the Equity Shares is expected to be made on or about July 5, 2024.	
<b>Status, ranking and dividends</b>	<p>The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> with the existing Equity Shares of our Company, including rights in respect of dividends.</p> <p>Our Shareholders who hold Equity Shares as on the relevant record date will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders’ meetings in accordance with the provisions of the Companies Act. For further details, please refer to the sections titled “<i>Dividends</i>” and “<i>Description of the Equity Shares</i>” on pages 93 and 243, respectively.</p>	
<b>Voting rights</b>	Please refer to the section titled “ <i>Description of the Equity Shares – Voting rights</i> ” on page 243.	
<b>Security codes/ Symbols for the Equity Shares</b>	<b>ISIN</b>	INE0LMW01024
	<b>BSE Code</b>	544012
	<b>NSE Symbol</b>	CELLO

## **SELECTED FINANCIAL INFORMATION**

*The following tables set forth our selected financial information and should be read together with the applicable financial statements included in the section titled “Financial Information” beginning on page 264.*

*This selected financial information should be read in conjunction with the sections titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information”, on pages 94 and 264, respectively.*

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## SUMMARY OF CONSOLIDATED BALANCE SHEET

(in ₹ lakhs)

Particulars	As at		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>1) Non-current assets</b>			
a) Property, plant and equipment	34,330.18	25,373.56	23,873.60
b) Capital work-in-progress	18,001.40	2,086.67	1,178.46
c) Right-of-use assets	1,618.18	1,756.47	1,931.16
d) Intangible assets	242.80	40.39	52.92
e) Intangible assets under development	-	478.15	276.49
f) Financial assets			
i) Investment in an associate	31.71	78.86	-
ii) Other investments	5,534.24	4,981.14	3,500.00
iii) Loans	818.62	763.68	123.13
iv) Other financial assets	833.40	893.69	986.38
g) Deferred tax assets (net)	207.66	471.90	280.18
h) Income tax assets (net)	372.27	234.31	230.69
i) Other non-current assets	2,870.29	4,022.35	1,423.04
<b>Total non-current assets</b>	<b>64,860.75</b>	<b>41,181.17</b>	<b>33,856.05</b>
<b>2) Current assets</b>			
a) Inventories	46,215.35	42,975.99	37,654.37
b) Financial assets			
i) Investments	11,411.23	12,631.34	11,495.18
ii) Trade receivables	61,058.34	46,230.31	40,672.19
iii) Cash and cash equivalents	3,217.80	3,061.67	3,626.91
iv) Bank balances other than (iii) above	3,288.49	1,931.60	1,840.97
v) Loans	104.94	116.84	201.70
vi) Other financial assets	973.80	1,741.31	342.09
c) Other current assets	6,047.69	3,754.76	3,676.81
<b>Total current assets</b>	<b>1,32,317.64</b>	<b>1,12,443.82</b>	<b>99,510.22</b>
<b>Assets classified as held for sale</b>	<b>-</b>	<b>1,544.40</b>	<b>-</b>
<b>Total assets</b>	<b>1,97,178.39</b>	<b>1,55,169.39</b>	<b>1,33,366.27</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	10,611.55	9,750.00	1.00
b) Other equity	1,04,310.21	23,894.95	8,763.61
<b>Total equity attributable to owners of the Group</b>	<b>1,14,921.76</b>	<b>33,644.95</b>	<b>8,764.61</b>
<b>Non Controlling Interest</b>	<b>22,064.35</b>	<b>19,993.96</b>	<b>18,513.50</b>
<b>Total Equity</b>	<b>1,36,986.11</b>	<b>53,638.91</b>	<b>27,278.11</b>
<b>Liabilities</b>			
<b>1) Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	2,773.76	866.16	-
ii) Lease liabilities	560.22	713.51	869.71
iii) Other financial liabilities	0.03	48,310.03	0.03
b) Provisions	252.82	250.13	450.17
c) Deferred tax liabilities (net)	1,259.05	840.57	838.52
<b>Total non-current liabilities</b>	<b>4,845.88</b>	<b>50,980.40</b>	<b>2,158.43</b>

(in ₹ lakhs)

Particulars	As at		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>2) Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	33,500.50	31,740.42	45,247.68
ii) Lease liabilities	236.73	190.60	173.43
iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	3,892.42	4,262.44	2,944.86
(b) Total outstanding dues of other than micro and small enterprises	10,526.14	9,154.28	9,610.09
iv) Other financial liabilities	4,228.25	1,669.18	43,453.22
b) Other current liabilities	2,479.19	3,037.63	2,018.84
c) Provisions	158.59	140.37	145.57
d) Current tax liability (net)	324.58	355.16	336.04
<b>Total current liabilities</b>	<b>55,346.40</b>	<b>50,550.08</b>	<b>1,03,929.73</b>
<b>Total equity and liabilities</b>	<b>1,97,178.39</b>	<b>1,55,169.39</b>	<b>1,33,366.27</b>



## SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

*(in ₹ lakhs, except earnings per share)*

Particulars	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
I. Revenue from operations	2,00,026.41	1,79,669.50	1,35,917.44
II. Other income	2,506.74	1,673.98	1,593.28
<b>III. Total income (I+II)</b>	<b>2,02,533.15</b>	<b>1,81,343.48</b>	<b>1,37,510.72</b>
<b>IV. Expenses</b>			
(a) Cost of materials consumed	68,287.03	64,779.18	53,224.39
(b) Purchases of stock-in-trade	27,220.34	30,889.88	20,030.90
(c) Changes in inventories of finished goods, semi finished goods and stock- in-trade	(664.99)	(6,117.81)	(5,400.04)
(d) Employee benefits expense	18,946.17	15,757.58	13,192.15
(e) Finance costs	255.33	175.60	285.16
(f) Depreciation and amortisation expense	5,674.60	5,032.54	4,755.45
(g) Other expenses	35,267.31	32,306.88	21,513.52
<b>Total expenses</b>	<b>1,54,985.79</b>	<b>1,42,823.85</b>	<b>1,07,601.53</b>
<b>V. Less: Share of loss from an Associate</b>	<b>(47.15)</b>	<b>(1.14)</b>	<b>-</b>
<b>VI. Profit before tax (III-IV-V)</b>	<b>47,500.21</b>	<b>38,518.49</b>	<b>29,909.19</b>
<b>VII. Tax expenses</b>			
(a) Current tax	11,439.27	10,162.63	8,072.76
(b) Excess provision of tax relating to earlier years	(8.63)	(43.48)	19.67
(c) Deferred Tax Expenses/(Credit)	451.21	(105.74)	(134.99)
<b>Total tax expense</b>	<b>11,881.85</b>	<b>10,013.41</b>	<b>7,957.44</b>
<b>VIII. Profit for the year (VI-VII)</b>	<b>35,618.36</b>	<b>28,505.08</b>	<b>21,951.75</b>
<b>IX. Other comprehensive income</b>			
(A) Items that will not be reclassified subsequently to profit or loss:			
(i) Remeasurement of net defined benefit liability	103.72	(58.71)	3.39
(ii) Income tax relating to above	(25.96)	15.33	(0.86)
(B) Items that may be reclassified subsequently to profit or loss:			
(i) Net change in fair values of investments other than equity shares carried at fair value through OCI	6.54	(42.13)	10.13
(ii) Income tax relating to above	(1.65)	10.60	(2.55)
<b>Other comprehensive income for the year, net of tax</b>	<b>82.65</b>	<b>(74.91)</b>	<b>10.11</b>
<b>X. Total comprehensive income for the year (VIII+IX)</b>	<b>35,701.01</b>	<b>28,430.17</b>	<b>21,961.86</b>
<b>Profit for the year attributable to</b>			
- Owners of the Group	33,106.26	26,612.73	20,399.51
- Non Controlling Interest	2,512.10	1,892.35	1,552.24
<b>Other Comprehensive Income/(Loss) for the year attributable to</b>			
- Owners of the Group	64.45	(58.64)	(2.85)
- Non Controlling Interest	18.20	(16.27)	12.96

(in ₹ lakhs, except earnings per share)

Particulars	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>Total comprehensive income for the year attributable to</b>			
- Owners of the Group	33,170.71	26,554.09	20,396.66
- Non Controlling Interest	2,530.30	1,876.08	1,565.20
<b>Paid up Equity Capital (Face value ₹ 5/- per share)</b>	10,611.55	9,750.00	1.00
<b>Other Equity</b>	1,04,310.21	23,894.95	8,763.61
<b>XI. Earning per share (of face value of ₹ 5 each)</b>			
Basic (in ₹)	15.60	13.65	10.46
Diluted (in ₹)	15.60	13.17	10.46

## SUMMARY STATEMENT OF CASH FLOWS

(in ₹ lakhs)

Particulars	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>			
Profit before tax	47,500.22	38,518.49	29,909.19
<b>Adjustments for:</b>			
Share of loss from an Associate	47.15	1.14	-
Interest income	(719.89)	(250.06)	(116.71)
Dividend on mutual funds	(60.52)	(61.40)	(66.68)
Net gain on investments	(958.89)	(537.00)	(660.36)
Foreign exchange gain (Net)	(329.73)	-	-
Sundry balances written off	210.24	704.31	191.85
Sundry credit balances written back	(38.34)	(31.92)	(27.67)
Profit on sale of property, plant and equipment	(377.50)	(16.01)	(7.77)
Gain on lease termination	-	(13.08)	-
Finance costs	255.33	144.76	264.15
Depreciation and amortisation expense	5,674.60	5,032.54	4,755.45
Bad Debts	13.38	-	-
Allowance for doubtful debts	170.24	67.80	187.51
Net (loss) on loss of control of subsidiary	-	(33.64)	-
Net loss on CCPS measured at fair value through profit or loss	-	810.00	-
<b>Operating profit before change in working capital</b>	<b>51,386.29</b>	<b>44,335.93</b>	<b>34,428.96</b>
<b>Movements in working capital:</b>	<b>(16,669.00)</b>	<b>(11,497.31)</b>	<b>(7,277.42)</b>
(Increase) in inventories	(3,239.36)	(5,321.61)	(7,161.93)
(Increase) in trade and other receivables	(14,807.88)	(6,355.10)	(4,202.58)
Decrease/(Increase) in financial and other assets	(35.86)	57.95	(739.62)
Increase in trade and other payables	902.02	893.69	3,614.92
(Decrease)/increase in financial and other liabilities	391.55	(508.28)	1,154.94
(Decrease)/increase in provisions	120.53	(263.96)	56.85
<b>Cash generated from operations</b>	<b>34,717.29</b>	<b>32,838.62</b>	<b>27,151.55</b>
Income taxes paid (net)	(11,599.15)	(10,103.64)	(8,425.16)
<b>Net cash generated by operating activities (A)</b>	<b>23,118.14</b>	<b>22,734.98</b>	<b>18,726.39</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment including capital advances	(26,400.84)	(11,209.85)	(4,914.30)
Purchase of intangibles	-	(215.51)	(307.41)
Sale of property, plant and equipment	1,120.24	1,103.33	57.64
Investment in associate company	-	(78.86)	-
Sale / Derecognition of subsidiary	-	15.00	-
(Investment in) / Proceeds from bank deposits (net)	(1,322.22)	111.59	(76.85)
Investment in units of mutual funds / bonds / shares / commodities	(23,393.30)	(3,959.43)	(4,223.43)
Sale of investments	23,786.26	519.68	1,872.01
Dividend received on mutual funds	-	61.40	66.68
Loan given to related parties	-	(650.00)	-
Payment made on slump sale	-	(8,265.78)	(18,655.32)
Payment made on acquisition of subsidiary	-	(33,113.79)	-
Interest received	647.05	-	-
<b>Net cash (used in) investing activities (B)</b>	<b>(25,562.81)</b>	<b>(55,682.22)</b>	<b>(26,180.98)</b>
<b>Cash flows from financing activities</b>			
Buyback of equity shares	-	(1,511.89)	-
Issue of Compulsory Convertible preference shares	-	47,500.00	-
Loan received from bank	4,063.18	-	-
Loans repaid to banks	(2,153.95)	(103.41)	(14,915.88)
Loans taken from related parties	6,713.45	15,370.00	39,137.15
Loans repaid to related parties	(4,841.00)	(27,954.30)	(11,841.40)

(in ₹ lakhs)

Particulars	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Payment to erstwhile partners (on account of business combinations)	(197.45)	320.81	(2,103.49)
Repayment of lease liabilities	(296.77)	(278.14)	(261.41)
Interest paid	(222.89)	-	-
Payment of dividend	(463.77)	(961.07)	(604.34)
<b>Net cash generated from financing activities (C)</b>	<b>2,600.79</b>	<b>32,382.00</b>	<b>9,410.63</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>156.13</b>	<b>(565.24)</b>	<b>1,956.03</b>
Add: Cash and cash equivalents at the beginning of the year	3,061.67	3,626.91	1,670.88
<b>Cash and cash equivalents at the end of the year</b>	<b>3,217.80</b>	<b>3,061.67</b>	<b>3,626.91</b>
<b>Reconciliation of cash and cash equivalents</b>			
Cash and cash equivalents	3,217.80	3,061.67	-
<b>Balance as per consolidated statement of cash flows</b>	<b>3,217.80</b>	<b>3,061.67</b>	<b>-</b>

*Note: The above cash flow excludes the proceeds received in the share escrow account amounting to ₹ 1,90,000 lakhs on account of offer for sale made by selling shareholders in the initial public offer by our Company. The book running lead managers for the initial public offering disbursed ₹ 1,80,711.33 lakhs (net of issue expenses of ₹ 9,288.67 lakhs) to its selling shareholders. The balance in share escrow account is Nil as at March 31, 2024.*

## RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate. We have described the risks and uncertainties that our management believes are material but the risks set out in this Placement Document may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in future. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company and Subsidiaries, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 163, 121 and 94, respectively, as well as the financial, statistical and other information contained in this Placement Document. In making an investment decision, prospective investors must rely on their own examination of us and the terms of this Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*Unless otherwise stated, references in this section to “we”, “us”, or “our” (including in the context of any financial or operational information) are to Cello World Limited and our Subsidiaries, on a consolidated basis, and references to “the Issuer” are to Cello World Limited.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Placement Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For details, please refer to the section titled “Forward-Looking Statements” on page 16.*

*Our fiscal year ends on March 31 of each year. Accordingly, references to “Fiscal”, are to the 12-month period ended March 31 of the relevant year. Unless stated otherwise or unless context requires otherwise, the financial information included in this section for Fiscal 2024 and Fiscal 2023 have been derived from the Audited Consolidated Financial Statements. The financial information included in this section for Fiscal 2022 has been derived from the Special Purpose Audited Consolidated Financial Statements. For further details, please refer to the sections titled “Presentation of Financial and Other Information” and “Financial Information” beginning on pages 12 and 264, respectively.*

*The industry-related information contained in this section is derived from the Technopak Report. We have commissioned and paid for the Technopak Report pursuant to an engagement letter dated June 13, 2024 for the purposes of confirming our understanding of the industry in connection with this Issue. For details, please refer to the section titled “Industry and Market Data” on page 121.*

### INTERNAL RISK FACTORS

- 1. Fluctuations in raw material prices, especially plastic granules and plastic polymer prices, and disruptions in their availability may have an adverse effect on our business, results of operations, financial condition and cash flows.***

We depend entirely on third-party suppliers for the supply of raw materials, including plastic granules and plastic polymer which are the most consumed raw materials in the production of our products. A significant portion of our expenses come from the cost of raw materials. The tables below set forth our cost of materials consumed, also represented as a percentage of our total expenses, for the periods indicated:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)
Cost of materials consumed	68,287.03	44.06%	64,779.18	45.36%	53,224.39	49.46%

Further, the tables below provide details of cost of consumption of plastic granules and plastic polymer by us for the periods indicated:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of cost of materials consumed)	(₹ in lakhs)	(% of cost of materials consumed)	(₹ in lakhs)	(% of cost of materials consumed)
Cost of consumption of plastic granules and plastic polymer	29,636.68	53.19	31,200.19	48.16	28,308.40	43.40

For details, please refer to the section titled “*Our Business – Description of Our Business – Raw Material and Utilities*” on page 185.

We source our raw materials on a purchase order basis, and do not enter into long term contracts (typically 12 months or longer) with raw material suppliers. Thus, our business is susceptible to fluctuations in raw material prices. The prices of raw materials are affected by several factors beyond our control, including, among others, production capacity, transportation costs, disruptions in infrastructure, regulation, governmental policies, labour unrest, export restrictions and demand among other competitors and users. For example, the imposition of any taxes on raw materials or implementation of new regulations banning the use of certain materials could result in a significant increase in the cost of raw materials and may require us to either increase the price of our products or source alternative raw materials to use in our production. While there have been no past material instances of imposition of any taxes on raw materials or implementation of new regulations banning the use of certain materials in the past, there is no assurance that such events will not occur in the future. Further, the prices of plastic granules and plastic polymer have historically fluctuated to a certain extent in line with crude oil price fluctuations. We have a limited ability to control the timing and amount of changes to prices that we pay for raw materials, and we may be unable to increase our product prices in sufficient time to fully offset increasing raw material prices. Our ability to transfer increases in raw material costs to our consumers is dependent on, among others, market condition as well as pricing of similar products by our competitors. In the past, we have been successful in transferring increases in raw material costs to consumers through increased product prices, although there has typically been a time lag. However, to the extent that we are not able to transfer increases in costs to our consumers, or if there is a significant lag in our ability to do so, our business, results of operations, financial condition and cash flows may be adversely affected.

Further, disruptions in the availability of quality raw materials from suppliers may lead to a deterioration in quality of our products, as the quality of our products is primarily derived from the quality of our raw materials. The availability of quality raw materials is affected by several factors, including production capacity constraints, natural disasters and geopolitical factors that impact supply chain operations. While we maintain a diversified supplier base and do not rely on a few suppliers for the supply of our raw materials, we cannot assure you that we will be able to maintain our current line-up of suppliers or adequate supply of quality raw material at all times. Our suppliers do not supply raw materials exclusively to us and accordingly, some of them may choose to supply raw materials to other parties, including our competitors, instead of us. The non-availability or unforeseen shortage of quality raw materials may force us to source raw materials from alternative suppliers that may not meet our quality standards, which may lead to a deterioration in quality of our products and in turn affect our business, results of operations, financial condition and cash flow.

- 2. We are dependent on our distribution network in India and overseas to sell and distribute our products and any disruption in our distribution network could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We are dependent on our distribution network in India and overseas to sell and distribute our products to consumers. For sales and distribution in India, we have a multi-tiered network comprising, among others, distributors and retailers. For details, please refer to the section titled “*Our Business – Description of Our Business – Distribution, Sales and Marketing*” on page 185.

The table below sets forth a breakdown of our revenue from operations for the periods indicated by channels:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)
General Trade	1,53,995.92	76.99%	1,44,773.60	80.58%	1,06,297.44	78.21%
Export	20,182.78	10.09%	14,020.70	7.80%	12,629.94	9.29%
Online sales (including sales from e-commerce marketplaces and our own websites)	16,716.34	8.36%	14,214.30	7.91%	11,384.00	8.38%
Modern Trade	9,131.36	4.57%	6,660.90	3.71%	5,606.10	4.12%

If we are unable to maintain and grow our distribution network, our products may not effectively reach consumers and we may lose market share. Any disruptions, delays or inefficiencies by, among others, our super-stockists, distributors and retailers could adversely affect our operations and may lead to disruptions in our supply chain. While we enter into agreements with our distributors/ super-stockists in the ordinary course of business, there can be no assurance that our products will continue to have the same geographical outreach in the future. We also face the risk of attrition of our network of distributors and super-stockists, especially if our reputation with our distributors and super-stockists is tarnished. Further, most of our distributors and super-stockists do not provide their service exclusively to us and may be providing the same or similar service to other parties, including our competitors. We may not be able to compete successfully against some of our current or future competitors that have larger distribution networks, especially if such competitors provide their distributors with more favourable arrangements than us. If the terms offered by our competitors to such distributors are more favourable than those offered by us, such distributors may decline to distribute our products and terminate their arrangements with us. While there have not been any material delays or defaults in payments from our distributors and super-stockists in the past, we cannot assure you that we will be successful in continuing to receive uninterrupted, high quality service from our distribution network for our products.

We cannot assure you that we will be able to successfully appoint new distributors and super-stockists, renew agreements with existing distributors and super-stockists on terms favourable to us, or at all, or effectively manage our existing distribution network. If any distributor or super-stockist discontinues its relationship with us, fails to meet sales targets or reduces, delays or cancels purchases from us, the demand for and sales of our products could decline, which may adversely affect our business, results of operations, financial condition and cash flows.

**3. *Our reliance on third-party contract manufacturers for some of our products subjects us to risks, which, if realized, could adversely affect our business, results of operations, financial condition and cash flows.***

We source certain products such as steel and glassware products from third-party contract manufacturers primarily located in China. Set forth below are the details of the sale of steel and glassware products supplied to us by third-party contract manufacturers for the Financial Years 2024, 2023 and 2022:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of total sales)	(₹ in lakhs)	(% of total sales)	(₹ in lakhs)	(% of total sales)
Sale of steel and glassware products supplied by third-party contract manufacturers	44,456.21	22.23%	37,073.20	20.63%	23,605.60	17.37%

Further, set forth below are the details of our contract manufacturers for the Financial Years 2024, 2023 and 2022.

Particulars	For the Financial Year 2024	For the Financial Year 2023	For the Financial Year 2022
Contract manufacturers (Nos.)	96	86	42

Our reliance on third-party contract manufacturers for the supply of certain of our products subjects us to various risks, including:

- dependence on relationships with third party contract manufacturers, particularly for continuity of supply of products to us;
- delays in delivery and shipment;
- geopolitical risk affecting our contracts and arrangements with third-party contract manufacturers in China due to possible political tensions;
- changes in cost of acquisition of our products from such contract manufacturers, and/or imposition of import tariffs or duties which would directly affect our profit margins and selling prices of our products;
- risk relating to inefficiencies, disruptions and delays of the supply chain network of our contract manufacturers;
- misappropriation of our intellectual property by our contract manufacturers;
- compliance with the evolving regulatory and policy environment in which we operate; and
- adverse changes in the financial or business condition of our contract manufacturers.

While we have not faced any material instances in the past where political tensions affected our contracts and arrangements with third-party contract manufacturers, any of these events could delay the successful and timely delivery of products that meet our quality standards and other requirements. While we have maintained stable relationships with our third-party manufacturers in the past, we cannot assure you that, if we are unable to source adequate quantities of such products in a timely manner from our existing suppliers in the future, we will be able to find alternative manufacturers at acceptable prices and quality levels or at all. Our dependence on third party manufacturers could adversely affect our business, results of operations, financial condition and cash flows as a result of occurrence of factors mentioned or violation of terms of engagement by such contract manufacturers.

- 4. We do not own the trademark for our key brands, including "Cello", "Unomax", "Kleeno", "Puro" and their respective logos. If we are unable to renew the relevant agreements that grant us the license to use these trademarks and logos, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the "Cello" brand name is also used by one of our competitors for its writing instruments business. Any adverse impact on the "Cello" brand name due to the actions of such competitor, which utilizes the brand name, may adversely affect our reputation and business.**

We do not own the trademark for our key brands, including "Cello", "Unomax", "Kleeno", "Puro" and their respective logos. Such trademarks are registered in the name of Cello Plastic Industrial Works ("CPIW"), a member of our Promoter Group and a partnership firm owned and controlled by our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod. Our erstwhile promoter, Late Ghisulal Dhanraj Rathod, joined CPIW as a partner in 1962. While CPIW was engaged in the business of manufacturing and dealing of thermoware household articles and plastic materials or articles in the past, CPIW is currently not active in such businesses. Since the trademarks for our key brands have been owned by CPIW from prior to the incorporation of our Company, we have entered into a trademark license agreement ("Trademark License



**Agreement**) on September 29, 2022 with CPIW, pursuant to which CPIW has granted our Company an exclusive, worldwide, sub-licensable license to use the trademarks, mentioned in the Trademark License Agreement, including “Cello”, “Kleeno” and “Puro” (“**Brands**”), and sell its products under such Brands (“**License**”). As a consideration for the License, our Company has agreed to pay CPIW, a yearly fee of 0.50% of the annual consolidated revenue of the business operations of our Company (“**License Fee**”). The License Fee may be revised 20 years from the date of Trademark License Agreement and renegotiated thereafter after an interval of every five years, provided that the consideration fee for the License cannot exceed 1% of the annual consolidated revenue of our Company. Pursuant to the first addendum dated October 14, 2023 to the Trademark License Agreement, CPIW has agreed to waive the aforementioned yearly fee of 0.50% to be paid by our Company with effect from October 1, 2023 for the remaining term of the Trademark License Agreement.

Further, our Subsidiary, Wim Plast Limited and CPIW, has entered into a registered user agreement on April 1, 2022 (“**Registered User Agreement**”), pursuant to which CPIW granted Wim Plast Limited a non-exclusive, non-transferable license and right to use the “Cello” trademark under certain classes in India (“**Marks**”). The Registered User Agreement will remain in full force and effect for a period of two years from April 1, 2022 and will be automatically renewed for a further period of two years and so on and so forth. Under the terms of Registered User Agreement, Wim Plast Limited was prohibited from applying for registration or renewal of registration of the Marks or any marks, deceptively similar to the said Marks and sub-license the Marks to any other person (whether in India or outside India). Under the Registered User Agreement, a royalty of up to 1% on sales (net tax) of the products sold under the Marks is payable on a quarterly basis. Pursuant to the first addendum dated October 16, 2023 to the Registered User Agreement, CPIW has agreed to waive the aforesaid royalty to be paid by Wim Plast Limited with effect from October 1, 2023, for the remaining term of the Registered User Agreement.

Additionally, our Subsidiary, Unomax Stationery Private Limited and CPIW, has entered into a Trademark Licensing Agreement on March 1, 2023 (“**Unomax Trademark License Agreement**”), pursuant to which CPIW granted Unomax Stationery Private Limited, on non-exclusive basis, worldwide, sub-licensable (as permitted under applicable laws), the license to use the “Unomax”, “Unomax – write with confidence” and “Unomax – don’t just write, glide” trademarks under class 16, in any jurisdiction, worldwide (“**Unomax Trademarks**”). Under the terms of the Unomax Trademark License Agreement, a yearly fee of 0.5% of the annual revenue of Unomax Stationery Private Limited shall be paid to CPIW and the fee may be revised after a period of 20 years and renegotiated thereafter after an interval of five years and such revision cannot exceed 1% of the annual revenue of Unomax Stationery Private Limited. Pursuant to the first addendum dated October 14, 2023 to the Unomax Trademark License Agreement, CPIW has agreed to waive the aforementioned yearly fee to be paid by Unomax Stationery Private Limited with effect from October 1, 2023, for the remaining term of the Unomax Trademark License Agreement.

For the Financial Years 2024, 2023 and 2022, we have paid royalty expenses to Cello Plastic Industrial Works amounting to ₹448.69 lakhs, ₹779.27 lakhs and ₹411.81 lakhs, respectively.

We cannot assure you that CPIW will renew or revise the terms of the Registered User Agreement, Trademark License Agreement and the Unomax Trademark License Agreement, as applicable, which are favourable to us or at all, which may adversely affect our business, results of operations, financial condition and cash flows. Further, under the Trademark License Agreement, we are prohibited from sub-licensing the Brands and sub-contracting the manufacturing, promoting, marketing and sale of any products using the Brands to any person without the prior written consent of CPIW. In relation to the Trademark License Agreement, we cannot assure you that CPIW will provide us with the required written consent for us to engage in any such sub-licensing and sub-contracting in the future, as may be required from a business perspective. In addition, under the Trademark License Agreement, CPIW may sub-license the “Cello” trademark and logo to any other entity controlled by our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, that is not engaged in businesses similar to our Company’s business. We cannot assure you that the actions of any such entities, which utilizes the brand name, will not adversely impact our reputation and business.

Further, the “Cello” brand name is used by one of our competitors, BIC Clichy, for its writing instruments and stationery business. In 2009, BIC Clichy in order to acquire the writing instruments business of the then Cello entities, which were promoted by our Promoters, amongst others, entered into shareholders’ agreements with these Cello entities. In 2017, BIC Clichy instituted litigation proceedings against our

Promoters, amongst others, before the Bombay High Court alleging violation of certain non-compete arrangements contained in a shareholders' agreement dated January 21, 2009. The matter is pending before the High Court of Bombay. In the event of an adverse order, our Promoters, amongst others, could potentially be liable to pay compensation. For details, please refer to the section titled "*Legal Proceedings*" on page 253. Any adverse impact on the "Cello" brand name due to the actions of BIC Clichy, which utilizes the brand name, and any subsequent adverse order relating to the litigation proceedings instituted by BIC Clichy may also adversely impact our reputation and business. For details, see "*Risk Factors – Internal Risk Factors – The brands that we use and our reputation are critical to the success of our business and may be adversely affected due to various reasons.*" on page 52.

**5. We face significant competition which may lead to a reduction in our market share, cause us to increase our expenditure on advertising and marketing as well as cause us to offer discounts, which may result in an adverse effect on our business, results of operations, financial condition and cash flows.**

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. The tables below set forth our expenses towards advertisements, also represented as a percentage of our total revenue from operations, for the periods indicated:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)
Advertisements	1,042.21	0.77 %	2,369.76	1.32 %	2,703.35	1.35 %

Some of our competitors also have competitive advantages such as longer operating histories, better brand recognition, greater financial resources, more advanced technology, better research and development capabilities, greater market penetration, larger distribution networks, larger spending budgets on advertisements and promotions, and more established supply relationships. Increased competition from existing players and new entrants, in each of the products segments we operate may cause us to lose customers, fail to attract new customers and result in an overall reduction in our market share. In the overseas market, we compete with large players having strong local presence and we may not be able to expand our business in the overseas market. We also face competition from non-branded local retailers and traders that may have more flexibility in responding to changing business and economic conditions than us. Our competitors may innovate faster and more efficiently, and new technologies may increase competitive pressures by enabling competitors to offer more efficient or lower-cost products. Any failure by us to change our offerings in ways that compete effectively with and adapt to such changes may lead to a reduction in our market share, which could have an adverse effect on our business, results of operations, financial condition and cash flows. For details, please refer to the section titled "*Our Business – Description of Our Business – Competition*" on page 185.

**6. The brands that we use and our reputation are critical to the success of our business and may be adversely affected due to various reasons.**

The brands that we use and our reputation are among our most important assets, as they attract consumers to our products over those of our competitors. The recognition and reputation of our flagship brand "Cello" and the "Unomax" brand, as well as the "Puro", "Chef", "H2O", "Modustack", "Kleeno", "Maxfresh" and "Duro" sub-brands (under the "Cello" brand), and "Ultron2X" and "Geltron" sub-brands (under the "Unomax" brand), among our consumers, distributors and retailers has contributed to the growth and success of our business. For details, please refer to the section titled "*Our Business – Description of Our Business – Brands and Products*" on page 173.

Our ability to maintain a strong brand reputation is dependent on the public perception and recognition of the quality of our products, range of product portfolio, pricing of products, market penetration, accessibility of products and marketing initiatives. Further, a loss of trust in our products by consumers or by our distribution network or partners, due to unsatisfactory quality control and assurance standards and sale of counterfeit products in the market could adversely affect our brand reputation and subject us to additional risks and scrutiny. For details, see "*Risk Factors – Internal Risk Factors – Our business may be adversely*

*impacted by sale of counterfeit products and passing-off which may reduce our sales and harm our brands, adversely affecting our results of operations, financial condition and cash flows.” on page 59.*

The brands that we use and our reputation may also be adversely affected by factors beyond our control, including sustainability, health and safety concerns. Adverse publicity and public campaigns relating to health and safety concerns of the use of plastic products, even if found to be untrue, may adversely affect our brand reputation.

Other factors that could affect our brand image include adverse media coverage. Adverse publicity regarding, among others, our brand ambassadors, and unsuccessful product introductions may also erode our brand image. Further, while there have not been any such past material instances, celebrities who we may or may not be directly associated with us can shape public perception about us and our brands/products, or they themselves may face adverse impacts to their personal reputation and public standing for any number of reasons, all of which could hurt the brands that we use and our reputation. If we are unable to maintain our reputation, enhance our brand recognition or increase positive awareness of our websites and products, it may be difficult to maintain and grow our consumer base, and our business, results of operations, financial condition and cash flows may be adversely affected.

In addition, owing to allegations of defects in certain products, we may be required from time to time to recall products entirely or from specific markets, which may have an adverse effect on our reputation, business, results of operations, financial condition, cash flows and may also lead to a loss of confidence among consumers in our products. We have not faced any past material instances of allegations of product defects in our products which has required us to recall our products entirely or from specific markets. For details, see “*Risk Factors – Internal Risk Factors –Product recalls may adversely affect our brand image and lead to a loss of confidence of consumers in our products, which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.*” on page 58.

***7. Our Promoters along with members of the Promoter Group will continue to retain a significant shareholding in us after this Issue, which will allow them to exercise significant influence over us and any substantial change in our Promoters’ shareholding may have an impact on the trading price of our Equity Shares which could have an adverse effect on our business, results of operations, financial condition and cash flows.***

As of March 31, 2024, our Promoters along with the Promoter Group together hold 16,56,62,977 Equity Shares, or 78.06% of our issued, subscribed and paid-up Equity Share capital. Upon completion of the Issue, our Promoters along with the Promoter Group together will continue to hold majority of our post-Issue Equity Share capital.

Accordingly, our Promoters will continue to exercise significant influence over our business policies and affairs and all matters submitted to our Board or Shareholders for approval, including the composition of our Board of Directors, the adoption of amendments to our charter documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders.

***8. If we are unable to identify consumer demand accurately and maintain an optimal level of inventory, our business, results of operations, financial condition and cash flows may be adversely affected.***

The success of our business depends on our ability to anticipate and forecast consumer demand. Any error in our forecast could result in either surplus stock, which we may be unable to sell in a timely manner, or at all, or under-stocking, which will affect our ability to meet consumer demand. We plan our inventory and estimate our sales based on the forecasted demand. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively. While we aim to avoid under-stocking and over-stocking by making accurate forecasts of sales and inventory based on past experience and available market information, our forecasts may not always be accurate. If we fail to accurately forecast consumer demand, we may experience excess inventory levels or a shortage of products available for sale. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which may in turn adversely affect our business, results of operations, financial condition and cash flows.

**9. There are certain instances of delays in payment of statutory dues by us. Any further delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.**

During the last three Financial Years, we have had instances of delays in the payment of certain statutory dues with respect to GST, TDS, tax collected at source, employee provident fund contributions, professional tax, ESIC, labour welfare fund contributions amongst others, which have all been paid as on the date of this Placement Document.

Further, the table below sets out details of the delays in payments of statutory dues by us for the past three fiscal years:

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employee provident fund, employees' state insurance corporation, labour welfare fund and professional tax	Nil	2.40	14.93
Tax deducted at source and tax collected at source	44.20	45.45	44.50
Goods and services tax	5.97	18.86	214.65
Sales tax	Nil	17.84	0.46
Central sales tax	1.11	Nil	0.10
<b>Total</b>	<b>51.28</b>	<b>84.56</b>	<b>274.65</b>

These delays were primarily due to administrative and technical errors. We have since taken steps such as channelling more resources towards improving our administrative systems and training our staff to rectify such delays. However, there can be no assurance that such delays may not arise in the future. This may lead to financial penalties from respective government authorities. While we have been required to make payment of fines/ penalties for delays in payment of such statutory dues, wherever applicable, these have not been material in nature. However, we cannot assure you that we will not be subject to such penalties and fines in the future which may have a material adverse impact on our financial condition and cash flows.

**10. Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.**

Our business is subject to seasonality as we see higher demand of our products from our customers during the festive seasons. Further, our products also face varied demand based on weather conditions across the seasonal cycles. Accordingly, our results of operations and financial condition in one quarter may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations and financial condition for other quarters. Additionally, any significant event such as unforeseen economic slowdown, political instabilities or epidemics during these peak seasons may adversely affect our business and results of operations.

**11. We have recently completed the construction of our glassware manufacturing facility in Rajasthan ("Rajasthan Glassware Unit"), however certain components thereof are expected to be operational in Fiscal 2025. Further, we may not be able to ramp up production in a timely manner and maintain good quality control standards at our Rajasthan Glassware Unit.**

On March 16, 2024, one of our Subsidiaries, Cello Consumerware Private Limited, finished the completion of our glassware manufacturing facility in Falna, Rajasthan ("Rajasthan Glassware Unit"). The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024 and the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit, is expected to be operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace.

Our Rajasthan Glassware Unit has an estimated production capacity of 20,000 tonnes of glassware per annum, according to Vinod Ashok Sanjivani Palande, Chartered Engineer, pursuant to a certificate dated July 3, 2024. For details relating to our production capacity, please refer to the section titled "Our Business – Description of Our Business – Manufacturing Facilities" and "Risk Factors – Internal Risk Factors – Information relating to the historical capacity of our manufacturing facilities included in this Placement Document is based on

*various assumptions and estimates and future production and capacity may vary” on pages 177 and 64, respectively. Our ability to ramp up production in a timely manner depends on, among other things, supply of new labour and power, productivity of our workforce, unscheduled breakdowns of our machinery and downtime resulting from scheduled maintenance activities. Further, given the Rajasthan Glassware Facility has been established recently, we also cannot assure you that we will be able to maintain good quality control standards at our Rajasthan Glassware Unit, which may result in a decrease in demand for our products and a decline in our brand reputation. Our ability to maintain good quality control standards depends on, among other things, the supply of quality of raw materials and the technology implemented in the production process. If we are unable to ramp up production in a timely manner or maintain good quality control standards at our Rajasthan Glassware Unit for any reason, including our lack of past experience in operating a glassware manufacturing facility and the timely completion and eventual commencement of operations of the glassware furnace which is in the process of being set up, our business, results of operations, financial condition and cash flows may be adversely affected.*

***12. If we fail to identify and effectively respond to changing consumer preferences in a timely manner, the demand for our products could decrease, causing our business, results of operations, financial condition and cash flows to be adversely affected.***

The consumer products market is characterized by frequent changes, particularly in consumer preferences. The demand of consumer products may vary over time due to changing consumer preferences, including those relating to sustainability such as recycling, methods of production, carbon footprint of transportation and support for eco-friendly products. Changing consumer preferences also include those relating to digitalisation, which may result in a decrease in demand for stationery products in corporate offices. Further, our business may also be impacted by the perception of plastic being harmful to the environment. According to the Technopak Report, while moulded plastic furniture is 100% recyclable and does not cause deforestation like wooden furniture, the plastic industry is still viewed negatively by some consumers due to the pervasive threat of plastic pollution as a harmful threat to the environment. We are continuously diversifying our product portfolio to mitigate such risks. For example, we have expanded our portfolio of water bottles from mostly plastic water bottles in the past to now also include steel water bottles. Further, we manufacture multi-use plastic products, as opposed to single-use plastic.

Other changes in consumer preferences could relate to, among others, improved functionality, product innovation, attractive design, use of new and more advanced materials and better quality. Consumer preferences in the consumer products market are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. The success of our business depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in consumer preferences for our products, including their increased focus on sustainability and environmental awareness. Further, although we continuously seek to differentiate our products on the basis of quality and innovation, we may not be able to generate and maintain customer loyalty, which may impact the demand for our products.

If we are unable to foresee or respond effectively to changes in consumer preferences, demand and sale for our products may decline, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

***13. The launch of new products and range of products that prove to be unsuccessful could affect our growth plans which could adversely affect our business, results of operations, financial condition and cash flows.***

We are constantly innovating in order to develop new products and range of products. In recent years, we have expanded our product portfolio, by introducing new range of products such as Puro range of water bottles in our consumer houseware product category and “Ultron2X” and “Geltron” pens in our writing instruments and stationery product category. For the Financial Years 2024, 2023 and 2022, we launched 727, 380 and 169 new products (across all our brands), respectively. New products and range of products require us to understand and make informed judgments as to consumer demands, trends and preferences. For details, please refer to the section titled “*Our Business*” beginning on page 163. Various elements of new product initiatives entail significant costs and risks, as well as the possibility of unexpected consequences, including:

- acceptance of our new product initiatives by our consumers may not be as high as we anticipate;
- sale of new products may not sustain initial levels of high sales volumes;
- our marketing strategies (including advertisements and marketing campaigns) for new products may be less effective than planned and may fail to effectively reach the targeted consumer base or result in the expected level of sales;
- we may incur costs exceeding our expectations; and
- we may experience a decrease in sales of our existing products as a result of the introduction of related new products.

We expend considerable time and financial resources in the development and launch of new range of products. Each of the above risks could delay or impede our ability to achieve our growth objectives, which could adversely affect our business, results of operations, financial condition and cash flows. In the past, while we have occasionally launched new products and range of products that proved to be unsuccessful for one or more of the above reasons, these unsuccessful launches did not have a material impact on our business, results of operations, financial condition and cash flows. However, we cannot assure that our business will not be adversely affected due to unsuccessful launches in the future.

**14. If we fail to obtain, maintain or renew the statutory and regulatory licenses, permits and approvals required for our business and operations, our business, results of operations, financial condition and cash flows may be adversely affected.**

We are required to obtain and maintain certain statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business and for our manufacturing plants. A majority of these approvals are granted for a limited duration and require renewal. The approvals required by us are subject to certain conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. For instance, as on date of this Placement Document, our application submitted with the RoC, for the change in our CIN, pursuant to our becoming a public listed company on November 6, 2023, is pending. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business, results of operations, financial condition and cash flows.

If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, financial condition and cash flows may be adversely affected. There can be no assurance that the relevant authorities will issue such approvals, licenses, registrations and permissions in the timeframe anticipated by us or at all.

**15. We have entered into, and will continue to enter into related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition and cash flows.**

We have in the past entered into transactions with certain of our related parties and are likely to continue to do so in the future. The tables below set forth the details of our related party transactions in relation to our sales, also represented as a percentage of our total revenue from operations, for the periods indicated:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)
Related party transactions	2,248.28*	1.12%	367.06	0.19%	2,155.22	1.59%

\*This amount only includes related party sales to inter-Company and not sales to Key Managerial Personnel or their relatives.

For further details, please refer to the section titled “*Financial Information*” on page 264.

These related party transactions are typically in the nature of sales and purchases of goods, payment of rent, royalty expenses, corporate social responsibility expenses and loans availed and repaid by us.

For further details, see “Risk Factors - *Internal Risk Factors* –We have availed unsecured loans from Promoters and members of Promoter Group that are recallable, at any time” on page 67.

We have in the ordinary course of our business entered, and will continue to enter, into transactions with related parties. While all our related party transactions have been conducted on an arm’s length basis and have been duly approved by our Board of Directors and/or Audit Committee in accordance with the Companies Act, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. We will continue to enter into related party transactions in the future. We cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition and cash flows or that we could not have achieved more favourable terms if such future transactions had not been entered into with related parties.

**16. If we are unable to maintain the existing level of capacity utilisation rate at our manufacturing facilities, our margins and profitability may be adversely affected. Further, a slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, results of operations, financial condition and cash flows.**

The following table sets forth our aggregate capacity utilisation rate across our manufacturing facilities for the Financial Years 2024, 2023 and 2022, as certified by Vinod Ashok Sanjivani Palande, Chartered Engineers, pursuant to a certificate dated July 3, 2024:

	Financial Year		
	2024	2023	2022
Capacity Utilisation (Consumer Houseware)	80.15%	79.16%	61.36%
Capacity Utilisation (Opalware and Glassware)	64.97%	88.19%	94.41%
Capacity Utilisation (Writing Instruments and Stationery)	74.29%	68.12%	50.33%
Capacity Utilisation (Moulded Furniture and Allied Products)	71.87%	69.67%	70.49%

The information relating to the estimated annual production capacities and the capacity utilization of our manufacturing facilities included above and elsewhere in this Placement Document is based on a number of assumptions and estimates of our management, including expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, mould changeover, as well as expected operational efficiencies. In particular, the following assumptions have been made in the calculation of the estimated annual production capacities of our manufacturing facilities included above and elsewhere in this Placement Document, as certified by Vinod Ashok Sanjivani Palande, Chartered Engineers, pursuant to a certificate dated July 3, 2024:

- there should not be any lock down / strikes/ stoppages/ shutdowns in the plants.
- raw materials will be available without any interruption to the manufacturing and processing units.
- regular maintenance and annual overhaul will be carried as per the schedules.
- uninterrupted power supply should be available.
- there will not be any new Government policies, which affect the cost of production and labour relations, if any.

Actual and future production levels and capacity utilization rates may differ significantly from the estimated production capacities or historical estimated capacity information of our facilities. Undue reliance should therefore not be placed on our historical capacity information for our existing manufacturing facilities included in this Placement Document.

For details relating to our capacity utilisation rate, please refer to the section titled “*Our Business – Description of Our Business – Manufacturing Facilities*” on page 177.

Our business is dependent upon our ability to operate our manufacturing facilities, which are subject to a variety of operating risks, including the compliance with regulatory requirements and productivity of our workforce, and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, obsolescence of equipment or machinery, accidents, disruption in supply of electricity or water, and severe weather conditions and natural disasters. There has not been other material instances of shutdowns in the past three financial years. Our capacity utilisation is also affected by the product requirements by our distributors and demand for our products. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. The tables below set forth our repairs and maintenance expenses of our plant and machinery for the periods indicated:

Particulars	For the Financial Year 2024	For the Financial Year 2023	For the Financial Year 2022
	<i>(₹ in lakhs)</i>		
Repairs and maintenance expenses – plant and machinery	575.07	579.91	934.03

Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to our inability to meet consumers’ demand for our products and to manufacture our products in a cost-efficient manner.

***17. Product recalls may adversely affect our brand image and lead to a loss of confidence of consumers in our products, which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.***

We face risks of exposure to product recalls if our products fail to meet the required quality standards, or are alleged to be defective or harmful to consumers. While we have not faced any material product recalls in the past, we cannot assure you that we will not face any instances of product recalls in the future. Additionally, we may also face product liability claims which may adversely affect our reputation, business, results of operations, financial condition and cash flows. We do not maintain product liability and product recall insurance cover. A product recall may adversely affect our brand image and lead to a loss of confidence of consumers in our products, which may adversely affect our reputation, business, results of operations, financial condition and cash flows.

***18. Non-compliance with and changes in, safety, environmental and labour laws and other applicable regulations, may adversely affect our operations. Further, an increase in labour costs may adversely affect our business, results of operations, financial condition and cash flows.***

We are subject to laws and government regulations, including in relation to safety, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. We handle and use hazardous materials in our manufacturing activities and the improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment.

Laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing plants may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. While we have not been liable for such discharge of materials beyond prescribed limits in the past, we cannot assure you that we will not breach such limits in the future, which may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

We are also subject to the laws and regulations governing employees and labour, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital and



revenue expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. We have not been found to be materially non-compliant with any such environmental, health and safety and labour law and regulations in the past. However, we cannot assure you that we will not be found to be in non-compliance with, or remain in compliance with all applicable environmental, health and safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production. We do not carry any insurance to cover environmental losses and liabilities.

The manufacturing of consumer products is a labour-intensive business. The tables below set forth our labour costs, also represented as a percentage of our total expenses, for the periods indicated:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)
Labour costs	10,531.43	6.80%	9,478.58	6.64%	8,534.39	7.93%

Labour costs in India have been increasing in recent years and may continue to increase in the future. An increase in labour costs may affect our profitability and force us to reduce our workforce. If we fail to retain our existing workforce and/or recruit sufficient workforce in a timely manner, we may not be able to accommodate sudden increases in demand for our products. Further, if we are unable to manufacture and deliver our products in a timely manner or if we are unable to implement our expansion plans due to the lack of manpower, our business, results of operations, financial condition and cash flows may be adversely affected.

***19. If we are unable to adequately protect our intellectual property rights, we may lose these rights, and our brand image, competitive position and business may be adversely affected.***

Our Company and its Subsidiaries have registered trademarks and designs and have filed applications for registering trademarks and designs. We operate in highly unorganised product categories, and due to the popularity and recognition of our brands, our brands and designs may be copied by other companies. We have filed various suits in respect of infringement of our intellectual property and designs. The protection of our intellectual property rights may require the expenditure of financial, managerial and operational resources. We rely on a combination of laws and regulations, confidentiality of information and contractual restrictions to protect our intellectual property. Despite our efforts to protect and enforce our proprietary rights, unauthorized parties have used, and may in the future use, our trademarks or similar trademarks, copy aspects of our website images, features, compilation and functionality or obtain and use information that we consider as proprietary, such as trade secrets. If we are unable to adequately protect these intellectual property rights, we may lose these rights, and our brand image, competitive position and business may be adversely affected. If consumers wrongly identify counterfeit products as our products, competitive position and business could be adversely affected. See “*Risk Factors – Internal Risk Factors – Our business may be adversely impacted by sale of counterfeit products and passing-off which may reduce our sales and harm our brands, adversely affecting our results of operations, financial condition and cash flows.*” on page 59.

***20. Our business may be adversely impacted by sale of counterfeit products and passing-off which may reduce our sales and harm our brands, adversely affecting our results of operations, financial condition and cash flows.***

We face pressures from various forms of unfair trade practices, such as the sale of counterfeit, cloned, lookalike and pass-off products. Counterfeit and cloned products are products manufactured and sold illegally as our products, whereas lookalike products are manufactured and packaged to resemble our products. For example, businesses could imitate our brand name, packaging material or attempt to create look-alike products. In the past, we have experienced incidents of the sale of counterfeit, cloned, look-alike and pass-off products. The sale of counterfeit, cloned, look-alike and pass-off products may result in heightened public reputation risk for us along with possibility of legal and regulatory claims. This is exacerbated by the fact that such products are often cheaper and less effective than genuine products, which could have an adverse effect on our brands and reputation. The proliferation of unauthorized copies of our

products, and the time lost in pursuing claims and complaints about such spurious products could have an adverse effect on our business, results of operations, financial condition and cash flows.

**21. We have contingent liabilities and commitments, and our financial condition could be adversely affected if these contingent liabilities or commitments materialize.**

The following table sets forth our contingent liabilities and commitments as of March 31, 2024:

Nature of Contingent Liability/Commitment	As at March 31, 2024
	(₹ in lakhs)
Sales tax claims disputed by the Group relating to tax rate determination and pending declaration forms	324.10
Bank guarantees	1,905.16
Trade Mark disputes	30.00
Litigations – Complaints by Consumer	2.23
Civil Matters	3.70
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	6,135.35

We cannot assure you that we will not incur similar or increased levels of contingent liabilities or commitments in the future. If any of these contingent liabilities or commitments materialize, our financial condition may be adversely affected. For further details, please refer to the section titled “Financial Information” on page 264.

**22. The success of our business depends substantially on our management team and operational workforce. Our inability to attract or retain such manpower could adversely affect our business and operations.**

Our business and financial performance depends largely on the efforts and abilities of our Promoters, Senior Management and Key Managerial Personnel. Our success and growth depend upon consistent and continued performance of our employees with direction and leadership from our Promoters, Senior Management and Key Managerial Personnel. From time to time, there may be changes in our management team or other key employees to enhance the skills of our teams or as a result of attrition. We cannot assure you that we will continue to retain any or all of the key members of our management. Further, we cannot assure you that if one or more key members of our management are unable or unwilling to continue in their present positions, that we would be able to replace such member(s) in a timely and cost-effective manner.

The Promoters, Pradeep Ghisulal Rathod, Chairman and Managing Director, and Pankaj Ghisulal Rathod, Joint Managing Director and Mr. Gaurav Pradeep Rathod, Joint Managing Director, cumulatively, have over 80 years’ experience in the consumer products industry in India, respectively, and have been instrumental to the growth of our business and operations. If they were to step down from their leadership positions in our Company, our reputation could deteriorate, and our business could be adversely affected. For details, please refer to the section titled “Board of Directors and Senior Management” on page 191.

Our success also depends on our ability to recruit, develop and retain qualified and skilled personnel, for all our lines of business. We compete in the market to attract and retain skilled personnel, in areas such as engineering, product and design, technology, sales, marketing and operations.

As of March 31, 2024, we had 5,736 full-time employees, two Key Managerial Personnel and five Senior Management. The table below sets forth the attrition rates of our full-time employees, Key Managerial Personnel and Senior Management:

	Attrition rate (full-time employees)	Attrition rate (Key Managerial Personnel)	Attrition rate (Senior Management)
Financial Year 2024	23.54%	0%	0%
Financial Year 2023	26.66%	0%	0%
Financial Year 2022	25.92%	0%	0%

For details, please refer to the section titled “Our Business” and “Board of Directors and Senior Management” on pages 163 and 191, respectively.

If we fail to identify, recruit and integrate strategic personnel, our business could be adversely affected. Any loss of members of our Senior Management team or Key Managerial Personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business. We may need to invest significant amounts of cash and equity to attract and retain new employees, and we may never realize returns on these investments. If we are not able to retain and motivate our current personnel or effectively integrate and retain employees, our ability to achieve our strategic objectives, and our business could be adversely affected.

**23. We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.**

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage onsite contract labour for performance of certain of our operations from time to time. Set forth below are the details of contract labour engaged for our operations for the periods indicated:

Particulars	For the Financial Year 2024	For the Financial Year 2023	For the Financial Year 2022
Contract labour (nos.)	1,233	779	823

Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition and we may also be subject to legal proceedings in this regard. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition. If we are unable to renew the engagement with our independent contractors at commercially viable terms or at all, our business, results of operations, financial condition and cash flows could be adversely affected.

**24. Significant disruptions of information technology systems or breaches of data security could have an adverse effect on our business, results of operations, financial condition and cash flows.**

We depend upon information technology systems for our business operations. We have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. For details relating to our information technology systems, please refer to the section titled “Our Business – Description of our Business – Information Technology” on page 185. Our IT systems are potentially vulnerable to system inadequacies, network failure, hardware failure, operating failures, service interruptions or failures, security breaches, malicious intrusions or cyber-attacks from a variety of sources. Cyber-attacks are growing in their frequency, sophistication and intensity, and are becoming increasingly difficult to detect, mitigate or prevent. Cyber-attacks come in many forms, including the deployment of harmful malware, exploitation of vulnerabilities, denial-of-service attacks, the use of social engineering and other means to compromise the confidentiality, integrity and availability of our IT systems, confidential information and other data. While we have not experienced any significant disruptions to our information technology systems due to cyber-attacks in the past, we cannot assure you that we will not encounter any such disruptions in the future. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations, financial condition and cash flows.

Our systems are also potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data, including personal data of consumers, to unauthorized persons. Such data security breaches could lead to unauthorized access to our systems, misappropriation of data and unforeseen disclosure or transfer of data. In addition, most of our data is stored, transmitted and backed up on servers not owned by us, and therefore, we cannot guarantee that there may not be unauthorized access to such data, and we may be exposed to liability in relation to such breaches. While we have not experienced any significant data breaches in the past, any such security breaches could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, we may be subject to laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws and regulations may continually change as a result of new legislation, amendments to existing legislation, changes in the enforcement policies and changes in the interpretation of such laws and regulations by the courts or the regulators. For example, the Digital Personal Data Protection Act, 2023 (“**DPDP Act**”) proposes a legal framework governing the processing of personal data. However, as on the date of this Placement Document, the DPDP Act is yet to be notified. Such changes in laws or regulations relating to privacy, data protection and information security may increase our compliance costs and result in further regulatory restrictions in the future.

***25. We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

We do have a formal dividend policy as on the date of this Placement Document. Further, we have not declared dividends on the Equity Shares during Fiscals 2023 and 2022. For details of dividend declared in the Fiscal 2024, please refer to the section titled “*Dividends*” on page 93. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future.

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on the Shareholders’ investments will depend on the appreciation of the price of our Equity Shares. We cannot assure you that our Equity Shares will appreciate in value.

***26. We track certain operational and key business metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.***

We track certain operational and key business metrics with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate.

Further, these and other non-GAAP metrics presented in this Placement Document are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the period/year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Although these non-GAAP metrics are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us, as these metrics are widely used measured to evaluate an entity’s operating performance. In addition, these are not standardised terms, hence a direct comparison of these measures between companies may not be possible. Other companies may calculate these measures differently from us, limiting its usefulness as a comparative measure. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, results

of operations and cash flows would be adversely affected. For further details, please refer to the sections titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 163 and 94, respectively.

***27. Our Registered Office and certain manufacturing facilities are situated on lands/in buildings that are not owned by us. In the event that we lose such rights or are required to renegotiate arrangements for such rights, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our Registered Office, Corporate Office and 10 of our 14 manufacturing facilities are situated on lands/in buildings that have been leased/licensed to us by related parties on an arms-length basis and are not owned by us. We may also enter into such transactions with new third parties in the future. For further details, please refer to the section titled “*Our Business – Description of our Business - Manufacturing Facilities*”, “*Our Business – Description of our Business – Property*” and “*Risk Factors – Internal Risk Factors – We have entered into, and will continue to enter into related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition and cash flows*” on pages 177, 190 and 56.

Termination of such lease/license arrangements, or our failure to renew such agreements, on favourable conditions and in a timely manner, or at all, could require us to vacate such premises at short notice, and could adversely affect our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to renew any such arrangements when the term of the original arrangement expires, on similar terms or terms reasonable for us. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations or shut down our manufacturing facilities during this period, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, financial condition, cash flows and results of operations. The failure to identify suitable premises for relocation of existing properties, if required, could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, any regulatory non-compliance by the landlords or adverse development relating to the landlords’ title or ownership rights to such properties may entail significant disruptions to our operations, especially if we are forced to vacate leased spaces following any such developments, and expose us to reputation risks. Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate or breach of the contractual terms of any lease and license agreements may adversely affect our business, results of operations, financial condition and cash flows.

In addition, the deeds for our existing and future leased properties may not be adequately stamped. While we believe that adequate stamp duty has been paid on our existing leased properties, such stamp duty may not be accepted as evidence in a court of law, and we may be required to pay penalties for inadequate stamp duty.

***28. Our operations could be adversely affected by strikes or labour unrest.***

As of March 31, 2024, we employed a total of 5,736 full-time employees and 1,233 persons on contract labour. While we have not experienced any material strikes or labour unrest in the past, we cannot assure you that we will not experience such strikes, labour unrest or other disruptions relating to our workforce in the future, which may adversely affect our ability to continue our operations. Any strikes or labour unrest directed against us could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to work stoppages and disruptions in our operations, which in turn could adversely affect our business, financial condition, cash flows and results of operations.

***29. We are party to certain legal proceedings that, if decided against us, could have an adverse effect on our reputation, business prospects, financial condition, cash flows and results of operations.***

We are involved in legal proceedings including civil and other legal proceedings which are in the ordinary course of business. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. In addition, we are involved in various direct tax and indirect tax proceedings. Brief

details of material outstanding litigation which have been initiated by and against our Company, Subsidiaries and Directors, as applicable, are set for the below:

(in ₹ lakhs)

Type of proceedings	Number of cases	Amount*
<b>Legal proceedings against our Company</b>		
Material civil litigation	Nil	Nil
Tax matters	Nil	Nil
Actions and proceedings initiated by statutory and regulatory authorities	Nil	Nil
Criminal matters	Nil	Nil
<b>Legal proceedings by our Company</b>		
Material civil litigation	Nil	Nil
Criminal matters	5	18.99
<b>Legal proceedings against our Promoters</b>		
Material civil litigation	1	8,415.80
Tax matters	1	30.11
Actions and proceedings initiated by statutory and regulatory authorities	Nil	Nil
Criminal matters	Nil	Nil
<b>Legal proceedings by our Promoters</b>		
Material civil litigation	Nil	Nil
Criminal matters	1	0.84
<b>Legal proceedings against our Subsidiaries</b>		
Material civil litigation	Nil	Nil
Tax matters	12	718.20
Actions and proceedings initiated by statutory and regulatory authorities	Nil	Nil
Criminal matters	Nil	Nil
<b>Legal proceedings by our Subsidiaries</b>		
Material civil litigation	Nil	Nil
Criminal matters	24	122.65
<b>Legal proceedings against our Directors</b>		
Material civil litigation	1	8,415.80
Tax matters	1	30.11
Actions and proceedings initiated by statutory and regulatory authorities	Nil	Nil
Criminal matters	Nil	Nil
<b>Legal proceedings by our Directors</b>		
Material civil litigation	Nil	Nil
Criminal matters	1	0.84

\*To the extent ascertainable

We cannot assure you that such outstanding legal proceedings will be decided in our favour or that any financial provisions we have made for such legal proceedings will be sufficient. For details of such legal proceedings, please refer to the section titled “Legal Proceedings” on page 253. Such legal proceedings could divert the management’s time and attention and consume financial resources in their defence or prosecution. In addition, should any new developments arise such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our current liabilities. An adverse outcome in such proceedings could have an adverse effect on our business, reputation, cash flows and results of operations.

**30. Information relating to the historical capacity of our manufacturing facilities included in this Placement Document is based on various assumptions and estimates and future production and capacity may vary.**

Information relating to the historical capacity of our manufacturing facilities included in this Placement Document is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock-keeping units for a particular product, unscheduled breakdowns and expected operational efficiencies. Such information has been certified by Vinod Ashok Sanjivani Palande, Chartered Engineers, pursuant to a certificate dated July 3, 2024. Actual and future production levels and capacity utilization rates may differ significantly from the estimated production capacities or historical estimated capacity information of our facilities. Undue reliance should therefore not be placed on our historical capacity information for our existing manufacturing facilities included in this Placement Document.

**31. We may not be sufficiently protected or insured for certain losses that we may incur or claims that we may face against us.**

Our insurance may not be adequate to cover our claims or may not be available to the extent we expect. We maintain insurance coverage under various insurance policies such as standard fire and special perils policy, marine import and export insurance, and workmen's compensation insurance.

Our insurance policies do not cover all risks and therefore may not protect us from liability for damages. These may lead to financial liability and other adverse consequences. We have not faced any material instances where insurance claims were made in the past. The following tables set forth details relating to our property, plant and equipment, and inventories, as well as the insurance coverage of our property, plant and equipment, and inventories for the Financial Years 2024, 2023 and 2022:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(₹ in lakhs)	(% of total assets)	(₹ in lakhs)	(% of total assets)	(₹ in lakhs)	(% of total assets)
Property, plant and equipment	34,330.18	17.41%	25,373.56	16.35%	23,873.60	17.90%
Inventories	46,215.35	23.44%	42,975.99	29.78%	37,654.37	28.23%

	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(₹ in lakhs)	(% of property, plant and equipment)	(₹ in lakhs)	(% of property, plant and equipment)	(₹ in lakhs)	(% of property, plant and equipment)
Insurance coverage of our property, plant and equipment	55,234.37	160.89%	74,543.22	293.79%	64,929.55	271.97%

	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	(₹ in lakhs)	(% of inventories)	(₹ in lakhs)	(% of inventories)	(₹ in lakhs)	(% of inventories)
Insurance coverage of inventories	73,066.00	158.10%	46,935.00	109.21%	41,500.00	110.21%

For details, please refer to the section titled “Our Business – Description of Our Business – Insurance” on page 185.

We cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of litigation, operational interruptions or repair of damaged facilities. Although we have not written off any material insurance claim receivables in the Financial Years 2022, 2023 and 2024, we cannot assure you that we will not write off any material insurance claim receivables in the future. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the ordinary course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable costs or at all. To the extent that we suffer loss or damage for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us. If we suffer a large uninsured loss or if any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition, cash flows and results of operations may be adversely affected.

**32. We rely on our relationships with third-party e-commerce marketplaces for sales through our online channel.**

As part of our online sales channels, we sell products through both third-party e-commerce marketplaces and our own website. The tables below set forth the details of our online sales for the periods indicated:

Particulars	For the Financial Year 2024		For the Financial Year 2023		For the Financial Year 2022	
	(₹ in lakhs)	(% of total sales)	(₹ in lakhs)	(% of total sales)	(₹ in lakhs)	(% of total sales)
Online sales	16,716.34	8.36%	14,214.30	7.91%	11,384.00	8.38%

We enter into non-exclusive arrangements with these e-commerce marketplaces. We cannot assure you that we will be able to renew such agreements upon expiration on favourable terms, or at all, maintain cordial business relationships and secure favourable promotions with these e-commerce marketplaces, and our inability to do so may affect our brand visibility and sales on such e-commerce marketplaces. Further, purchase orders made by e-commerce marketplaces may generally also be amended or cancelled at any time prior to finalisation. These e-commerce marketplaces could also change their business practices or seek to modify their contractual terms, such as payment terms or increase their focus on selling products that compete with our products. Further, such entities may also increase the cost of their services, due to inflationary pressures or other reasons, which may adversely impact our expenses and profitability.

To facilitate online sales on our own website, we have entered into agreements with certain logistics and payment gateway vendors. We cannot assure you that we will be able to renew such agreements upon expiration on favourable terms, or at all, and our inability to do so may affect our sales through our own websites.

***33. Any international market expansion efforts may expose us to complex management, legal, tax and economic risks, which could adversely affect our business, financial condition, cash flows and results of operations.***

While India is and will continue to be our focus market in the medium term, we may in the future plan to increase our presence in existing markets abroad by expanding our distribution network and entering into new markets for our writing instruments and stationery products. For details, please refer to the section titled “*Our Business*” beginning on page 163. In the course of our expansion and entry into overseas markets, we may be subject to risks related to complying with local laws and restrictions on the import and export of goods, multiple tax and cost structures, cultural and language factors, anti-dumping and countervailing duties, and other legal and regulatory requirements for new products and new geographies generally, including relating to intellectual property usage and registration, registration of products under the local regulations and data protection. We risk failing to comply with accounting and taxation standards in overseas’ jurisdictions due to unfamiliarity with their interpretations. Due to the uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action by various government or tax authorities, we cannot assure you that our tax liability in the future would not increase. Increases in our tax liability may adversely affect our business, financial condition, cash flows and results of operations. Any failure to comply with the various legal and regulatory requirements for new products and new geographies could also impact our project timelines, launch dates and/or our ability to offer such products.

Further, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations generally. Any international market expansion may also be loss-making in the initial years or beyond due to a lack of scale or higher operating costs. If we do not effectively manage our international operations in the future, it may affect our profitability from such countries, which may adversely affect our business, financial condition, cash flows and results of operations.

***34. This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Technopak Advisors Private Limited (“Technopak”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.***

The industry and market information contained in this Placement Document includes information derived from an industry report prepared by Technopak Advisors Private Limited titled “Consumerware, Stationery & Moulded Furniture Markets in India” and dated July 1, 2024 (the “**Technopak Report**”). The Technopak Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to an engagement letter dated June 13, 2024. The Technopak Report uses certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. Given the scope and extent of the Technopak Report, disclosures herein are limited to certain excerpts and the Technopak Report has not been reproduced in its entirety in this Placement Document. Accordingly, investors should read the industry-related disclosure in this Placement Document in this context.



Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ significantly from those included in this Placement Document. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details, please refer to the section titled “*Industry and Market Data*” on page 15.

**35. *Our Promoters and Directors may have interests other than the reimbursement of expenses incurred and receipt of remuneration or benefits from our Company.***

Certain of our Promoters and Directors are interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, directly and indirectly, in our Company and its Subsidiaries. Pursuant to the Trademark License Agreement and Registered User Agreement, our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod (through their partnership firm Cello Plastic Industrial Works) are interested to the extent of receipt of license fee from our Company and our Subsidiary, Wim Plast Limited, respectively. Further, our Promoters are also interested in the loans availed by our Company and certain Subsidiaries, to the extent relating to the repayment of, and interest payable on such loans. Additionally, we have leased various premises and parcels of land for our commercial use and manufacturing units from our Promoters or entities over which our Promoters have significant influence. Our Promoters are also interested to the extent of rent paid by our Company and our Subsidiaries to them and the entities over which they have significant influence. For further details regarding the interests of our Promoters and Directors, please refer to the section titled “*Board of Directors and Senior Management – Interests of our Directors*” on page 191.

**36. *We have availed unsecured loans from Promoters and members of Promoter Group that are recallable, at any time.***

Our Company and Subsidiaries have availed unsecured, interest-free loans from Promoters and certain members of the Promoter Group aggregating to ₹32,050.50 lakhs as of March 31, 2024 that are repayable on demand and which may be recalled by them at any time. For details in relation to the terms of borrowings availed by our Company from our Promoters and certain members of our Promoter Group, please refer to the section titled “*Use of Proceeds*” on page 79.

**37. *Our ability to raise foreign capital may be constrained by Indian law, since our business is categorized as business under wholesale/cash and carry and single brand retail business for the purposes of foreign direct investment (“FDI”).***

Foreign investments into Indian companies are regulated by the Government of India and the RBI. For example, under the Consolidated FDI Policy, FEMA and the rules and regulations thereunder, the Government of India has specific prescribed requirements and conditionalities with respect to the level of foreign investment permitted in certain business sectors both without prior regulatory approval (the “**Automatic Route**”) and with prior regulatory approval (the “**Approval Route**”). As per the Consolidated FDI Policy, our business is currently categorized under the cash and carry business and single brand retail business. Subject to various conditions prescribed under the Consolidated FDI Policy, the FDI allowed for our Company is 100%. If we are unable to meet the conditions prescribed under the Consolidated FDI Policy, we may not be able to enjoy the benefit of being allowed 100% FDI. In the event of foreign direct investment beyond 51%, the investee entity is also required to comply with certain local sourcing norms as specified in the FEMA Rules and the Consolidated FDI Policy. Our inability to comply with such conditions may restrict our ability to raise capital in the future or in the ability of foreign investors to purchase Equity Shares. We cannot assure that we will be able to meet these conditions in the future. Further, if we enter into multi brand retail business, the FDI limit available to us will reduce to 51% subject to conditions prescribed under the Consolidated FDI Policy.

**38. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds***

We intend to use the Net Proceeds of the Issue for the purposes as described in “*Use of Proceeds*” on page 79. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, financial condition, results of operations and cash flows.

We have appointed a monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 173A of the SEBI Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI Regulations.

Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Additionally, various risks and uncertainties, including those set forth in this “*Risk Factors*” section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

## **EXTERNAL RISK FACTORS**

### **RISKS RELATING TO INVESTMENT IN INDIA**

**39. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government’s approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from RBI or any other government agency can be obtained on any particular terms or at all.

**40. *A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows and the trading price of the Equity Shares.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or the Indian rolling stock could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally following which there is a global trend of rising inflation

and interest rates. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, cash flows and financial condition and the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly market fluctuations resulting out of war between Russia-Ukraine and Israel-Gaza. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, results of operations, cash flows and financial condition.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions; and other significant regulatory or economic developments in or affecting India.

***41. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.***

A decline in India's foreign exchange reserves could impact the valuation of the Indian Rupee and result in reduced liquidity and higher interest rates, which could adversely affect our future financial condition our business, results of operations and cash flows. Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Indian Rupee. There can be no assurance that India's foreign exchange reserves will not decrease again in the future. Further decline in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Indian Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our business, financial condition, results of operations and cash flows. While this may be beneficial for our exports, a general decline in the liquidity may have an adverse effect on our results of operations, financial conditions and cash flows.

***42. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI Takeover Regulations.

***43. Political instability or significant changes in the economic liberalization and deregulation policies of the Government, or in the government of the States where we operate, could disrupt our business.***

We are incorporated in India and derive a significant portion of our revenues in India. In addition, a significant portion of our assets are located in India. Consequently, our performance and liquidity of our Equity Shares may be affected by changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our businesses, and the market price and liquidity of our securities, may be affected by changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments in or affecting India.

In recent years, the Indian governments have generally pursued a course of economic liberalization and deregulation aimed at accelerating the pace of economic growth and development. This has included liberalizing rules and limits for foreign direct investment in a number of important sectors of the Indian economy, including infrastructure, railways, services, pharmaceuticals and insurance. In addition, the Indian government has recently pursued a number of other economic reforms, including the introduction of a goods and services tax, increased infrastructure spending and a new Insolvency and Bankruptcy Code. There can be no assurance that the government's policies will succeed in their aims, including facilitating high rates of economic growth. Following the release of the results of the last general elections of India the ruling party has received a fresh mandate to continue its tenure for a second term, there can be no assurance that the Government will continue with its current policies. New or amended policies may be unsuccessful or have detrimental effects on economic growth.

A significant change in India's economic liberalization and deregulation policies, in particular, those relating to the businesses in which we operate, could disrupt business and economic conditions in India generally and our business in particular.

***44. Natural disasters, health epidemics, pandemics and other disruptions could adversely affect the Indian economy and could cause our business and operations to suffer and impact the trading price of our Equity Shares.***

Natural disasters such as floods, earthquakes, famines and droughts have in the past had a negative impact on the Indian economy. Further, health epidemics and pandemics like the COVID-19 pandemic have also affected the Indian economy negatively. If any such natural disaster, unfavourable climatic changes or health epidemics and pandemics were to occur, our business could be affected due to the event itself or due to the inability to effectively manage the effects of the particular event.

Our operations may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations which may affect our manufacturing processes. Damage or destruction that interrupts our production could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our infrastructure. We may also be liable to our customers for disruption in supply resulting from such damage or destruction. Our insurance policies for assets covers such natural disasters. However, our insurance policies may not be adequate to cover the loss arising from these events, which could adversely affect our results of operations, cash flows and financial condition and the price of our Equity Shares.

***45. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect our business and the Indian financial markets.***

India has, from time to time, experienced instances of civil unrest and terrorist attacks. These events could lead to political or economic instability in India and may adversely affect the Indian economy, our business, results of operations, cash flows, financial condition and the trading price of our Equity Shares. India has also experienced social unrest and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, cash flows, financial condition and the trading price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business and may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which

could adversely affect our business and profitability. In addition, in June 2020, a confrontation occurred between Indian and Chinese military forces. Any degradation in India-China political relations, wider international relations or any future military confrontations may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have an adverse impact on us. Regional or international hostilities, terrorist attacks or other acts of violence of war could have a significant adverse impact on international or Indian financial markets or economic conditions or on Government policy. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of the Equity Shares.

***46. Investors may not be able to enforce a judgment of a foreign court against our Company or our management.***

We are a limited liability company incorporated under the laws of India and all of our Directors and Senior Management Personnel named herein are residents of India and a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors outside of India to effect service of process on our Company or such persons from their respective jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon civil liabilities of our Company or such directors and Senior Management Personnel under laws other than Indian law. Recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (the “**Civil Code**”) on a statutory basis. Section 13 of the Civil Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of such section, in any country or territory outside India, which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards.

The United Kingdom, Singapore, Hong Kong and the United Arab Emirates, among others, have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Code. A judgment of a court in a country which is not a reciprocating territory may be enforced in India only by a fresh suit upon the judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to such award and any such amount may be subject to income tax in accordance with applicable laws. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

***47. Any downgrading of India’s debt rating by a domestic or international rating agency could negatively impact our business and the price of our Equity Shares.***

India’s sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India’s foreign exchange reserves, all of which are outside our control. Any adverse revisions to India’s credit ratings by domestic or international rating agencies may adversely impact our debt

ratings, our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial results and business prospects, ability to obtain financing for capital expenditures and the price of our Equity Shares.

***48. Differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document.***

Our Financial Statements for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, included in this Placement Document are prepared and presented in accordance with Ind-AS. Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document. Accordingly, the degree to which the financial information included in this Placement Document will provide meaningful information is dependent on the Investor's familiarity with Ind-AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Placement Document should accordingly be limited.

***49. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, raw materials and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, cash flows, results of operations and financial condition.

***50. Our businesses and activities may be regulated under competition laws in India, and any adverse application or interpretation of such laws could adversely affect our business, cash flows, results of operations and financial condition.***

The Competition Act regulates practices that could have an appreciable adverse effect on competition in the relevant market in India. Any adverse application or interpretation of the Competition Act could adversely affect our business, cash flows, results of operations and financial condition. Under the Competition Act, any arrangement, understanding or action in concert, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may result in substantial monetary penalties and compensation to be paid to persons shown to have suffered losses. Any agreement among competitors, which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the market, is presumed to have an appreciable adverse effect on competition.

Further, the Competition Act prohibits abuse of a dominant position by any enterprise, directly or indirectly, including by way of unfair or discriminatory pricing or conditions in sale of goods or services, limiting production of goods, provision of services, or technical or scientific developments relating to goods or services to the prejudice of consumers, using a dominant position in one relevant market to enter into, or protect, another relevant market, denial of market access, or making the conclusion of contracts subject to acceptance of unrelated supplementary obligations. Such practices are subject to substantial monetary penalties and may also be subject to compensation for losses and orders to divide the enterprise.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, proceedings initiated by the CCI, any claim by any party under the Competition Act, or any adverse publicity due to scrutiny or prosecution under the Competition Act, including financial penalties, our business, cash flows, results of operations and financial condition may be adversely affected.

Acquisitions, mergers and amalgamations that exceed certain revenue and asset thresholds require prior approval by the CCI. Any acquisitions, mergers or amalgamations that have an appreciable adverse effect on competition in India may be subject to remedial measures proposed by the CCI. We cannot assure you that we will be able to obtain approval for any such future transactions on satisfactory terms, or at all.

## **RISKS RELATING TO OUR EQUITY SHARES AND THIS ISSUE**

### ***51. There may be less information available in the Indian securities markets than in more developed securities markets in other countries.***

There is a difference between the level of regulation and monitoring of the Indian securities markets and that of the activities of investors, brokers and other participants in securities markets in more developed economies. SEBI is responsible for monitoring disclosure and other regulatory standards for the Indian securities market. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may be less publicly available information about Indian companies than is regularly made available by public companies in more developed countries pursuant to such disclosure requirements, which could adversely affect the market for our Equity Shares. As a result, investors may have access to less information about our business, financial condition, cash flows and results of operation, on an ongoing basis, than investors in companies subject to the reporting requirements of other more developed countries.

### ***52. We may, at any time in the future, make further issuances of Equity Shares and this may significantly dilute your future shareholding or our Promoters and other major shareholders may undertake sale of Equity Shares which may affect the trading price of our Equity Shares.***

Any future equity issuances by us may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of shares may occur, may lead to dilution of your shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

### ***53. An investor will not be able to sell any of the Equity Shares other than on a recognized Indian stock exchange for a period of 12 months from the date of this Issue.***

Pursuant to Regulation 178 of the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of the Equity Shares in the Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. Our Company cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to certain categories of Eligible QIBs in the Issue may be subject to the rules and regulations that are applicable to them, including in relation to any lock - in requirements. This may affect the liquidity of the Equity Shares purchased by such investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

### ***54. Holders of our Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer holders of its equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares who have voted on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing this Placement Document or registration statement with the applicable authority in such jurisdiction, you will not be able to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our

Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

***55. The price of the Equity Shares may be volatile.***

The Issue Price, which may include a discount of not more than 5% of the Floor Price in accordance with the SEBI ICDR Regulations, will be determined by our Company in consultation with the Book Running Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. The price of the Equity Shares on NSE and BSE may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and the global securities market or prospects for our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us;
- volatility in the Rupee's value relative to the U.S. dollar, the Euro and other foreign currencies;
- our Company's profitability and performance;
- a comparatively less active or illiquid market for the Equity Shares;
- significant developments in India's economic liberalization and deregulation policies;
- significant developments in India's fiscal regulations; and
- any other political or economic factors.

We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

***56. Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

The Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act. There is no certainty on the impact of Finance Act 2024 on tax laws or other regulations, which may adversely affect our Company's business, financial condition, cash flows, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

***57. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on BSE and NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.



***58. Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Bid /Issue Closing Date.***

In terms of Regulation 179 (1) of the SEBI ICDR Regulations, investors in the Issue are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the investors' demat account with the depository participant could take approximately seven (7) days and up to ten (10) days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, cash flows, results of operation or financial condition of our Company, or other events affecting the investor's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. The investors shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the investor's ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

## MARKET PRICE INFORMATION

As on the date of this Placement Document, our Company's issued, subscribed and paid-up share capital comprises 21,22,31,034 Equity Shares bearing face value of ₹ 5. The Equity Shares have been listed on the BSE and NSE since November 6, 2023. The Equity Shares are listed and traded on NSE under the symbol 'CELLO' and on BSE under the scrip code 544012.

On July 5, 2024, the closing price of the Equity Shares on BSE and NSE was ₹ 967.95 and ₹ 969.40, respectively per Equity Share. Since the Equity Shares are available for trading on the BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

- (i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the periods indicated:

BSE									
Fiscal	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total turnover of Equity Shares traded on date of high (₹lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on date of low (₹lakhs)	Average price for the year (₹)
2024*	949.30	February 28, 2024	98,405.00	907.29	711.15	March 14, 2024	39,896.00	2,95,24,929.00	815.55
2023	NA	NA	NA	NA	NA	NA	NA	NA	NA
2022	NA	NA	NA	NA	NA	NA	NA	NA	NA

(Source: www.bseindia.com)

\*This comprises the period from November 2023 until March 2024, as the Equity Shares of our Company were listed on November 6, 2023. NA – Not Applicable. The Equity Shares of our Company were listed on November 6, 2023.

Notes:

- High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods
- In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
- In case of two days with the same high or low price, the date with the higher volume has been chosen.

NSE									
Fiscal	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total turnover of Equity Shares traded on date of high (₹lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on date of low (₹lakhs)	Average price for the year (₹)
2024*	920.00	January 11, 2024	8,70,172.00	7,762.76	711.20	March 14, 2024	6,41,798.00	4,753.66	815.72
2023	NA	NA	NA	NA	NA	NA	NA	NA	NA
2022	NA	NA	NA	NA	NA	NA	NA	NA	NA

(Source: www.nseindia.com)

\*This comprises the period from November 2023 until March 2024, as the Equity Shares of our Company were listed on November 6, 2023. NA – Not Applicable. The Equity Shares of our Company were listed on November 6, 2023.

Notes:

- High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods
- In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
- In case of two days with the same high or low price, the date with the higher volume has been chosen.

The following table sets forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during the periods indicated:

Fiscal	Number of Equity Shares Traded		Turnover (In ₹ lakhs)	
	BSE	NSE	BSE	NSE
2024	57,45,860	6,91,22,054	47,038.46	5,62,127.48
2023	NA	NA	NA	NA

Fiscal	Number of Equity Shares Traded				Turnover (In ₹ lakhs)	
	BSE		NSE		BSE	NSE
2022	NA		NA		NA	NA

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com))

NA – Not Applicable. The Equity Shares of our Company were listed on November 6, 2023.

- (ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

NSE											
Month	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹lakhs)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in lakhs)
June 2024	925.00	June 21, 2024	29,47,984.00	26,759.70	793.10	June 5, 2024	3,53,429.00	2,861.68	874.23	67,48,776.00	59,835.01
May 2024	957.00	May 17, 2024	2,55,500.00	2,417.11	838.00	May 28, 2024	4,42,316.00	3,749.73	900.73	47,86,255	43,160.27
April 2024	963.80	April 25, 2024	4,41,848.00	4,176.71	774.05	April 1, 2024	1,02,239.00	803.09	855.26	71,31,082	62,670.09
March 2024	865.00	March 1, 2024	2,28,681.00	1,911.00	711.20	March 14, 2024	6,41,798.00	4,753.66	788.46	64,53,057	49,916.85
February 2024	889.25	February 7, 2024	3,69,735.00	3,186.38	795.00	February 20, 2024	2,38,760.00	1,924.28	837.18	1,01,65,148	85,519.58
January 2024	920.00	January 11, 2024	8,70,172.00	7,762.76	785.25	January 1, 2024	1,94,900.00	1,546.22	863.01	1,10,71,145	94,841.95

(Source: [www.nseindia.com](http://www.nseindia.com))

Notes:

1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE											
Month	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ lakhs)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in lakhs)
June 2024	924.00	June 21, 2024	44,198.00	399.01	795.00	June 5, 2024	13,067.00	106.38	874.06	2,70,571.00	2,369.59
May 2024	957.95	May 17, 2024	15,336	145.11	837.05	May 28, 2024	18,026.00	153.09	900.24	2,89,922	2,616.04
April 2024	963.50	April 25, 2024	40,086	378.70	716.30	April 4, 2024	91,808.00	665.13	855.12	4,78,527	4,065.82
March 2024	864.35	March 1, 2024	20,826	174.39	711.15	March 14, 2024	39,896.00	295.25	788.24	2,65,399	2,072.72
February 2024	949.30	February 28, 2024	98,405	907.29	795.05	February 22, 2024	17,585.00	141.45	837.61	16,42,929	13,885.39
January 2024	920.45	January 11, 2024	45,911	412.73	785.00	January 1, 2024	18,188.00	144.09	862.30	7,14,615	10,349.15

(Source: [www.bseindia.com](http://www.bseindia.com))

Notes:

1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

(iii) The following table sets forth the market price on the Stock Exchanges on May 30, 2024 being the first working day following the approval of our Board for the Issue:

<b>BSE</b>					
<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Number of Equity Shares traded</b>	<b>Volume (₹ in lakhs)</b>
879.00	879.00	850.00	858.85	7,943	68.11

(Source: [www.bseindia.com](http://www.bseindia.com))

<b>NSE</b>					
<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Number of Equity Shares traded</b>	<b>Volume (₹ in lakhs)</b>
862.90	862.90	850.10	858.95	85,491	733.62

(Source: [www.nseindia.com](http://www.nseindia.com))

## USE OF PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹ 73,732.08 lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ 2,400.00 lakhs (including applicable taxes), is approximately ₹ 71,332.08 lakhs (the “**Net Proceeds**”).

### Objects of the Issue

Subject to applicable laws and regulations, our Company intends to use the Net Proceeds to finance (in whole or part) one or more, or any combination of the following objects (“**Objects**”):

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	Investment in one of our Subsidiaries, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles	10,525.10
2.	Investment in our Subsidiaries, namely, Cello Household Product Private Limited, Cello Houseware Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited for repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries from our Promoters and members of our Promoter Group	23,696.00
3.	Repayment and/ or pre-payment, in full or in part, of borrowings availed by our Company from one of our Subsidiaries, Wim Plast Limited	10,000.00
4.	Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company from our Promoters	8,304.96
5.	Augmenting our working capital	8,000.00
6.	General corporate purposes	10,806.02
<b>Total proceeds</b>		<b>71,332.08</b>

The Issue is being undertaken for the purpose of achieving minimum public shareholding in terms of the SCRR.

The main objects and objects incidental and ancillary to the main objects of the memorandum of association of our Company enable us to undertake (i) existing activities and (ii) the activities proposed to be funded from the Net Proceeds.

### Proposed schedule of implementation and deployment of Net Proceeds

Sr. No.	Particulars	Amount (₹ in lakhs)	Proposed schedule for deployment of the Net Proceeds
			Fiscal 2025
1.	Investment in one of our Subsidiaries, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles	10,525.10	10,525.10
2.	Investment in our Subsidiaries, namely, Cello Household Product Private Limited, Cello Houseware Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited for repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries from our Promoters and members of our Promoter Group	23,696.00	23,696.00
3.	Repayment and/ or pre-payment, in full or in part, of borrowings availed by our Company from one of our Subsidiaries, Wim Plast Limited	10,000.00	10,000.00
4.	Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company from our Promoters	8,304.96	8,304.96
5.	Augmenting our working capital	8,000.00	8,000.00
6.	General corporate purposes	10,806.02	10,806.02
<b>Total proceeds</b>		<b>71,332.08</b>	<b>71,332.08</b>

The funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, the prevailing market conditions and other commercial and technical factors. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business strategy, delay in procuring and operationalizing assets or necessary licenses and

approvals, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds.

In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

For further details, please refer to the section titled “*Risk Factors - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.*” on page 68. Our Company proposes to deploy the entire Net Proceeds towards the Objects stated above. If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws. Further, our Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned objects, ahead of the estimated schedule of deployment specified above.

## Details of the Objects

### 1. Investment in one of our Subsidiaries, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles

We intend to invest in one of our Subsidiaries, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles (“**Proposed Facility**”) and propose to incur capital expenditure through civil work, plant and machinery and attendant accessories and utilities and contingencies required for the expansion.

#### Estimated cost

The total estimated cost for the upgradation of our operating units is ₹ 10,525.10 lakhs. We have obtained a detailed project report dated July 3, 2024, issued by Vinod Ashok Sanjivani Palande, Chartered Engineer (“**Project Report**”). We intend to utilize ₹ 10,525.10 lakhs from the Net Proceeds towards this upgradation and the balance requirement, if any, will be funded from the internal accruals of our Company. Our Company proposes to invest ₹ 10,525.10 lakhs from the Net Proceeds in Cello Consumerware Private Limited by way of inter-corporate deposits.

The break-down of the estimated cost for setting up the Proposed Facility as per the Project Report is set forth below:

Sr. No	Particulars	Estimated cost* (in ₹ lakhs)
<b>I. Plastic insulated and household articles<sup>^</sup></b>		
1.	Factory building	3,245.00
2.	Plant and machinery	
i.	Moulding machines	
a.	Hydron Servo 100	280.84
b.	Hydron Servo 150	679.68
c.	Hydron Servo 200	398.84
d.	Hydron Servo 350	608.88
ii.	Injection Moulds	

Sr. No	Particulars	Estimated cost* (in ₹ lakhs)
a.	A B Tools	149.25
b.	Shree Khodiyar Industries	120.95
c.	Aishwarya Die Works	123.90
d.	Tool feed	199.77
iii.	<i>Blowing machines</i>	
a.	ASB 70 DPH	849.60
b.	Blow moulds	215.70
c.	Auxiliary equipment	129.93
iv.	<i>Accessories</i>	
a.	Cooling tower	15.34
b.	Air compressors	43.58
c.	Colour mixer	9.06
d.	Scrap grinder	31.34
e.	2000 KVA transformer	29.32
f.	800 AMP VCB panel	8.85
g.	5 tonne and 10 tonne EOT crane with accessories	73.22
h.	Hopper and dryer	39.25
<b>Sub total (I)</b>		<b>7,252.30</b>
<b>II. Steel plant</b>		
1.	Phase - I	1,150.15
2.	Phase - II	531.26
3.	Phase - III	257.84
	<i>Adding ocean freight, customs duty (at the rate of 8.25%) and GST (at the rate of 18.00%)</i>	563.40
		<b>2,502.65</b>
4.	Electric installation	180.15
5.	Contingencies	590.00
	<b>Sub-total (II)</b>	<b>3,272.80</b>
<b>Total estimated cost (I+II)</b>		<b>10,525.10</b>

\* The above cost estimate has been certified by Vinod Ashok Sanjivani Palande, Chartered Engineer, pursuant to a certificate dated July 3, 2024, which is based on quotations obtained from vendors. Further, all quotations are valid as on date of this Placement Document

^Note: Certain amounts included hereunder do not include applicable taxes. Our Company will incur such expenses through its internal accruals.

If there is any increase in the estimated costs as mentioned above, the additional costs shall be met from our Company's internal accruals or through external borrowings. We are yet to place orders for most of the aforesaid equipment, plant and machinery (in terms of the aggregate estimated cost of equipment, plant and machinery to be funded through the Net Proceeds) and have obtained quotations from various vendors to this extent.

We have not entered into any definitive agreements with the vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment. If there is any increase in the costs of equipment, plant or machinery, the additional costs shall be paid by our Company from its internal accruals or through external borrowings. The number and quantity of equipment, plant or machinery and other materials to be purchased is based on management estimates and our Company shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of our management. No second-hand or used machinery is proposed to be purchased out of the above Issue proceeds.

#### **Proposed schedule of implementation for the Proposed Facility**

S. No	Particulars	Actual / Estimated Commencement Date	Expected completion date*
1.	Land acquisition	Acquired	N.A.
2.	Site development and civil and structural works	September 2024	March 2025
3.	Procurement of plants and machineries	February 2025	March 2025
4.	Procurement of utilities and others	February 2025	March 2025
5.	Procurement of electrical and construction supervision	January 2025	March 2025
6.	Installation of plant and machineries	February 2025	March 2025
7.	Erection of utilities and others	January 2025	March 2025
8.	Erection of electricals	January 2025	March 2025

S. No	Particulars	Actual / Estimated Commencement Date	Expected completion date*
9.	Trial run	March 2025	April 2025
10.	Commencement of commercial production	April 2025	N.A.

Note: The above has been certified by Vinod Ashok Sanjivani Palande, Chartered Engineer, pursuant to a certificate dated July 3, 2024.

\* Subject to receipt of proceeds from the QIP in the month of July, 2024.

### Government approvals

The Proposed Facility is being set up at our existing Rajasthan Glassware Unit and most of the approvals required for Proposed Facility are common. In relation to the Proposed Facility, we are required to obtain various approvals from governmental, regulatory and statutory authorities including importer-exporter code from ministry of commerce and Industry, Directorate general of foreign trade, certificate of construction from Government of Rajasthan, approval of factory building drawings from factories and boilers inspection department, Rajasthan, entitlement certificate from Government of Rajasthan, Office of Commissioner Industries, and certificate of storage of liquid gas, Ministry of Commerce and Petroleum and Explosives Safety Organisation. Certain of these approvals have been received and the remaining will be applied at relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

### 2. Investment in our Subsidiaries, namely, Cello Household Products Private Limited, Cello Houseware Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited for repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by the Subsidiaries from our Promoters and members of our Promoter Group

Our Subsidiaries, from time to time, avail fund-based and non-fund-based facilities in the ordinary course of business from various entities, banks and financial institutions and unsecured loans from our members of our Promoter Group. The borrowing arrangements entered into by us include, *inter alia*, working capital facilities and unsecured loans. We propose to utilise a portion of the Net Proceeds aggregating to ₹ 23,696.00 lakhs for investment in the aforesaid Subsidiaries by way of inter-corporate deposit for repayment and / or pre-payment, in full or in part, of certain outstanding borrowings availed by our Subsidiaries from our Promoters and members of our Promoter Group.

The repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce the outstanding indebtedness of the aforesaid Subsidiaries. Further, it will improve our debt equity ratio.

### Details of utilization

The details of certain outstanding borrowings availed by our Subsidiaries, proposed for repayment and/or pre-payment, in full or in part, from the Net Proceeds are set forth below. Given the nature of these borrowings and the terms of repayment and/or pre-payment, the aggregate outstanding borrowing amounts may vary from time to time, however the aggregate amount to be utilised from the Net Proceeds towards repayment and/ or pre-payment of the borrowings in full or part shall not exceed ₹ 23,696.00 lakhs:

Name of lender	Entity that has availed the loan	Balance amount outstanding as on May 31, 2024 (₹ lakhs)	Amount proposed to be repaid out of the Net Proceeds (₹ lakhs)	Interest rate as of May 31, 2024 (% p.a.)	Tenor	Prepayment penalty	Security	Purpose of loan	Whether loan was utilised for purpose for which it was availed
Babita Pankaj Rathod	Cello Household Product Private Limited	1,676.00	1,676.00	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pankaj Ghisulal Rathod	Cello Household Product Private Limited	2,852.00	2,852.00	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes



Name of lender	Entity that has availed the loan	Balance amount outstanding as on May 31, 2024 (₹ lakhs)	Amount proposed to be repaid out of the Net Proceeds (₹ lakhs)	Interest rate as of May 31, 2024 (% p.a.)	Tenor	Prepayment penalty	Security	Purpose of loan	Whether loan was utilised for purpose for which it was availed
Pradeep Ghisulal Rathod	Cello Household Product Private Limited	1,337.30	1,337.30	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Babita Pankaj Rathod	Cello Houseware Private Limited	10.16	10.16	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Gaurav Pradeep Rathod	Cello Houseware Private Limited	4,219.24	4,219.24	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pankaj Ghisulal Rathod	Cello Houseware Private Limited	14.78	14.78	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pradeep Ghisulal Rathod	Cello Houseware Private Limited	64.81	64.81	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Ruchi Gaurav Rathod	Cello Houseware Private Limited	3.26	3.26	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Sangeeta Pradeep Rathod	Cello Houseware Private Limited	281.82	281.82	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pankaj Ghisulal Rathod	Cello industries Private Limited	5,146.88	5,146.88	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pradeep Ghisulal Rathod	Cello Industries Private Limited	6,940.57	6,940.57	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pankaj Ghisulal Rathod	Unomax Stationery Private Limited	755.80	755.80	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes
Pradeep Ghisulal Rathod	Unomax Stationery Private Limited	393.37	393.37	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes

Note: As certified by Jeswani & Rathore, Chartered Accountants, by way of their certificate dated July 3, 2024.

Further, please also refer to “Risk Factors – We have availed unsecured loans from Promoters and members of Promoter Group that are callable, at any time” on page 67.

**3. Repayment and/ or pre-payment, in full or in part, of borrowings availed by our Company from one of our Subsidiaries, Wim Plast Limited**

We avail fund-based and non-fund-based facilities in the ordinary course of business from various entities, banks and financial institutions and unsecured loans from our members of our Promoter Group. We propose to utilise a portion of the Net Proceeds aggregating to ₹10,000.00 lakhs for repayment in full of the current outstanding borrowings availed by our Company from one of our Subsidiaries, namely, Wim Plast Limited.

The repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio.

Details of utilization

The details of certain outstanding borrowings availed by our Company, proposed for repayment and/or pre-payment, in full or in part, from the Net Proceeds are set forth below. Given the nature of these borrowings and the terms of repayment and/or pre-payment, the aggregate outstanding borrowing amounts may vary from time to time, however the aggregate amount to be utilised from the Net Proceeds towards repayment and/ or pre-payment of the borrowings in full or part shall not exceed ₹10,000.00 lakhs:

<b>Name of Lender</b>	Wim Plast Limited
<b>Entity that has availed the Loan</b>	Cello World Limited
<b>Balance amount outstanding as on May 31, 2024 (₹ lakhs)</b>	10,000.00
<b>Amount proposed to be repaid out to the Net Proceeds (₹ lakhs)</b>	10,000.00
<b>Interest rate as of May 31, 2024 (% p.a.)</b>	9.43%
<b>Tenor</b>	Repayable on demand
<b>Prepayment Penalty</b>	No
<b>Security</b>	Unsecured
<b>Purpose of loan</b>	Expansion of principal business activities of our Company
<b>Whether Loan was utilised for purpose for which it was availed</b>	Yes

Note: As certified by Jeswani & Rathore, Chartered Accountants, by way of their certificate dated July 3, 2024.

**4. Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company from our Promoters**

Our Company, from time to time, avails unsecured loans from our members of our Promoters for meeting liquidity requirements and for our business activities. The borrowing arrangements entered into by us include inter alia working capital facilities and unsecured loans. We propose to utilise a portion of the Net Proceeds aggregating to ₹ 8,304.96 lakhs for repayment and / or pre-payment, in full or in part, for the loans availed by our Company from the Promoters.

Details of utilization

The details of certain outstanding borrowings availed by our Company, proposed for repayment and/or pre-payment, in full or in part, from the Net Proceeds are set forth below. Given the nature of these borrowings and the terms of repayment and/or pre-payment, the aggregate outstanding borrowing amounts may vary from time to time, however the aggregate amount to be utilised from the Net Proceeds towards repayment and/ or pre-payment of the borrowings in full or part shall not exceed ₹ 8,304.96 lakhs:

Name of Lender	Entity that has availed the Loan	Balance amount outstanding as on May 31, 2024 (₹ lakhs)	Amount proposed to be repaid out of the Net Proceeds (₹ lakhs)	Interest rate as of May 31, 2024 (% p.a.)	Tenor	Prepayment Penalty	Security	Purpose of Loan	Whether Loan was utilised for purpose for which it was availed
Pradeep Ghisulal Rathod	Cello World Limited	3,539.80	3,539.80	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes

Name of Lender	Entity that has availed the Loan	Balance amount outstanding as on May 31, 2024 (₹ lakhs)	Amount proposed to be repaid out of the Net Proceeds (₹ lakhs)	Interest rate as of May 31, 2024 (% p.a.)	Tenor	Prepayment Penalty	Security	Purpose of Loan	Whether Loan was utilised for purpose for which it was availed
Pankaj Ghisulal Rathod	Cello World Limited	4,765.16	4,765.16	Nil	Repayable on demand	No	Unsecured	General corporate and business purposes	Yes

Note: As certified by Jeswani & Rathore, Chartered Accountants, by way of their certificate dated July 3, 2024.

Further, please also refer to “Risk Factors – We have availed unsecured loans from Promoters and members of Promoter Group that are callable, at any time” on page 67.

### 5. Augmenting our working capital

We propose to utilize ₹ 8,000.00 lakhs from the Net Proceeds to fund the working capital requirements of our Company. We have working capital requirements in the ordinary course of business, which we typically fund through internal accruals. As at March 31, 2024, the aggregate amounts outstanding under the fund based and non-fund based working capital facilities of the Company are ₹ 14,804.96 lakhs and ₹ 3,073.82 lakhs, respectively. Our Company requires additional working capital for funding future growth requirements of our Company and for other strategic, business, and corporate purposes.

#### Basis for estimation of working capital requirement

Set forth below is the working capital requirement of our Company, on a standalone basis, based on the audited financial statements, as of, and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, as certified by Jeswani & Rathore, Chartered Accountants, through their certificate dated July 3, 2024:

The details of our Company’s composition, on a standalone basis, of net current assets or working capital as of, and for March 31, 2024, March 31, 2023 and March 31, 2022, and source of funding the same are as set out in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Actuals		
		As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
<b>I.</b>	<b>Current assets</b>			
a)	Investments	-	-	-
b)	Inventories	9,693.76	12,398.51	7,620.07
c)	Trade Receivables	36,380.02	26,571.67	21,909.65
d)	Cash/Bank Balance	3,443.73	1,809.80	3,090.81
e)	Other Current Assets	26,526.33	11,910.85	674.95
	<b>Total current assets (A)</b>	<b>76,043.84</b>	<b>52,690.83</b>	<b>33,295.48</b>
<b>II.</b>	<b>Current liabilities</b>			
a)	Trade Payables	22,664.44	14,873.08	13,583.78
b)	Other Current Liabilities	1,594.96	1,279.57	596.03
c)	<b>Total current liabilities (B)</b>	<b>24,259.40</b>	<b>16,152.65</b>	<b>14,179.81</b>
<b>III.</b>	<b>Total working capital requirement (A-B)</b>	<b>51,784.44</b>	<b>36,538.18</b>	<b>19,115.67</b>
<b>IV.</b>	<b>Funding pattern</b>			
a)	Internal Accruals/ Borrowings	36,979.48	30,612.71	12,385.71
b)	Unsecured / Secured Loans	14,804.96	5,925.47	6,729.96
	<b>Total</b>	<b>51,784.44</b>	<b>36,538.18</b>	<b>19,115.67</b>

Note: As certified by Jeswani & Rathore, Chartered Accountants, by way of their certificate dated July 3, 2024.

#### Assumptions for working capital requirements

The following tables sets forth the details of the holding period for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, which has been computed based on the audited financial statements for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively.

*Holding levels and justifications for holding period levels*

The table below contains the details of the holding levels (days) considered:

Sr. No.	Particulars	Actuals		
		As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
1	Inventory days	52	51	40
2	Trade receivables days	113	97	126
3	Other current assets	69	25	5
4	Trade payables days	89	72	65
5	Other current liabilities	33	25	28
6	Raw material days	N.A.	N.A.	N.A.
7	Work in progress days	N.A.	N.A.	N.A.
8	Finished goods days	N.A.	N.A.	N.A.

Note: As certified by Jeswani & Rathore, Chartered Accountants, appointed by the Company by way of their certificate dated July 3, 2024.

1. Inventory days: Average of inventory for the current and previous period / Total Direct Cost for the current period \* 365
2. Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations \* 365
3. Other current assets days: Average of other current assets for the current and previous period/ revenue from operations \* 365
4. Trade payable days: Average of trade payables for the current and previous period / Total Direct Cost for the current period \* 365
5. Other current liabilities days: Average of other current liabilities for the current and previous period / Total Operating Cost for the current period \* 365
6. Raw material days: Average of Raw Material for the current and previous period / Total Direct Cost for the current period \* 365
7. Work in progress days: Average of work in progress for the current and previous period / Total Direct Cost for the current period \* 365
8. Finished Goods days: Average of finished goods for the current and previous period / Total Direct Cost for the current period \* 365.

On the basis of existing working capital requirement and holding levels for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, the QIP Committee of our Company, pursuant to its resolution dated July 3, 2024 has approved the projected total working capital requirements for Fiscal 2025 as ₹ 8,000.00 lakhs. Accordingly, our Company proposes to utilize ₹ 8,000.00 lakhs of the Net proceeds in Fiscal 2025, towards our estimated working capital requirements. The balance portion of our working capital requirement shall be met from internal accruals and working capital facilities.

**6. General corporate purposes**

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 10,806.02 lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with applicable laws.

Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, any additional capital expenditure, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries, meeting exigencies and expenses, logistics expenses, installation expenses, accessories, freight, and other expenses in relation to our proposed capital expenditure, and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

**Interim use of Net Proceeds**

Pending utilisation of the Net Proceeds for the Objects described above, our Company intends to temporarily invest funds in creditworthy instruments including money market mutual funds and deposits in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, or in short term debt and/or long-term debt. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

**Monitoring of utilisation of funds**

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency (“**Monitoring Agency**”) by way of an agreement dated July 3, 2024, as the size of our Issue exceeds ₹ 1,000 lakhs. The Monitoring Agency shall submit

its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors' report, after placing the same before the Audit Committee.

### **Other confirmations**

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Our Company will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither our Promoters, Promoter Group nor our Directors are contributing either as part of the Issue or separately in furtherance of the Objects. None of our Promoters, members of the Promoter Group, or our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe in the Issue.

## CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as of March 31, 2024 which is derived from the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the Gross Proceeds.

This table should be read in conjunction with the sections titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Information*” and “*Selected Financial Information*” on pages 94, 264 and 40, respectively.

*(in ₹ lakhs, unless otherwise stated)*

Particulars	Pre-Issue (as at March 31, 2024) (on a consolidated basis)	Amount after considering the Issue (i.e. Post Issue) <sup>#^</sup> (on a consolidated basis)
<b>Total borrowings</b>		
Current borrowings <sup>(1)</sup> (A)	33,500.50	33,500.50
Non-current borrowings <sup>(1)</sup> (B)	2,773.76	2,773.76
Lease liabilities (C)	796.95	796.95
<b>Total borrowings (D) <sup>(4)</sup></b>	<b>37,071.21</b>	<b>37,071.21</b>
<b>Total equity</b>		
Equity share capital <sup>(2)(3)</sup>	10,611.55	11,044.25
Instruments entirely equity in nature <sup>(2)</sup>	-	-
Other equity <sup>(1)(2)</sup>	1,04,310.21	1,77,609.59
<b>Total equity attributable to owners of the Group (E)</b>	<b>1,14,921.76</b>	<b>1,88,653.84</b>
<b>Ratios:</b>		
Non-current borrowings (B)/ Total equity attributable to owners of the Group (E)	0.02	0.01
Total borrowings (D)/ Total equity attributable to owners of the Group (E)	0.32	0.20

Notes:

<sup>#</sup> Adjustments do not include Issue related expenses

<sup>^</sup> As adjusted to reflect the number of Equity Share issued pursuant to the Issue

## CAPITAL STRUCTURE

The share capital of our Company as on the date of this Placement Document is set forth below:

*(in ₹, except share data)*

Particulars		Aggregate nominal value at face value <sup>#</sup>
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b>	
	22,20,00,000 Equity Shares bearing face value of ₹ 5 each	1,11,00,00,000
	75,00,000 Preference Shares bearing face value of ₹ 20 each	15,00,00,000
	<b>Total</b>	<b>1,26,00,00,000</b>
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>	
	21,22,31,034 Equity Shares bearing face value of ₹ 5 each	1,06,11,55,170
	<b>Total</b>	<b>1,06,11,55,170</b>
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT</b>	
	86,54,000 Equity Shares aggregating ₹ 73,732.08 lakhs <sup>(1)</sup>	7,37,32,08,000
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>	
	22,08,85,034 Equity Shares bearing face value of ₹ 5 each <sup>(1)</sup>	1,10,44,25,170
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>	
	Before the Issue (₹ lakh)	47,244.70
	After the Issue <sup>(2)(3)</sup> (₹ lakh)	1,20,544.08

<sup>(1)</sup> This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on May 29, 2024. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution passed at the extra-ordinary general meeting dated June 26, 2024.

<sup>(2)</sup> Subject to Allotment of Equity Shares pursuant to the Issue.

<sup>(3)</sup> The securities premium amount 'After the Issue' has been calculated on the basis of Gross Proceeds from this Issue. Adjustments did not include Issue related expenses.

<sup>#</sup> Except for securities premium account

### Share capital history of our Company

The history of the equity share capital of our Company is set out in the table below:

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment
August 7, 2018 <sup>(1)</sup>	10,000	9,999 equity shares subscribed by Cello Industries Private Limited and 1 equity share subscribed by Pankaj Ghisulal Rathod (as a nominee of Cello Industries Private Limited).	10	10	Cash	Initial subscription to the Memorandum of Association
September 22, 2022	64,990,000	10,398,400 equity shares allotted to Pradeep Ghisulal Rathod; 20,796,800 equity shares allotted to Pankaj Ghisulal Rathod; 18,197,200 equity shares allotted to Gaurav Pradeep Rathod; 5,199,200 equity shares allotted to Sangeeta Pradeep Rathod; 7,798,800 equity shares allotted to Babita Pankaj Rathod; and 2,599,600 equity shares allotted to Ruchi Gaurav Rathod.	10	-	N.A.	Bonus issue in the proportion of 6,499 equity shares for every 1 equity share held by the Shareholders as on the record date i.e. September 5, 2022.

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment
Pursuant to a resolution of our Board dated February 21, 2023 and a resolution of our Shareholders dated February 24, 2023, each equity share of our Company bearing face value of ₹ 10 each was sub-divided into 2 equity shares of bearing face value of ₹ 5 each. Accordingly, the then issued, subscribed and paid-up equity share capital of our Company was sub-divided from 65,000,000 equity shares bearing face value of ₹ 10 each to 130,000,000 equity shares bearing face value of ₹ 5 each.						
March 27, 2023	65,000,000	9,099,999 Equity Shares allotted to Pradeep Ghisulal Rathod; 11,699,999 Equity Shares allotted to Pankaj Ghisulal Rathod; 18,200,000 Equity Shares allotted to Gaurav Pradeep Rathod; 5,200,000 Equity Shares allotted to Sangeeta Pradeep Rathod; 1,300,000 Equity Shares allotted to Babita Pankaj Rathod; 2,600,000 Equity Shares allotted to Ruchi Gaurav Rathod; 1,300,000 Equity Shares to Sneha Jigar Ajmera; 1,300,000 Equity Shares to Malvika Pankaj Rathod; 1,300,000 Equity Shares to Karishma Harsh Parekh; 6,500,000 Equity Shares to Pankaj Rathod Family Trust <sup>(2)</sup> ; and 6,500,000 Equity Shares to Babita Rathod Family Trust <sup>(3)</sup> ; 2 Equity Shares allotted to Cello Pens and Stationery Private Limited.	5	-	N.A.	Bonus issue in the proportion of 1 Equity Share for every 2 Equity Shares held by the Shareholders as on the record date <i>i.e.</i> February 21, 2023.
October 10, 2023	8,706,211	3,632,128 CCPS held by India Advantage Fund S5 I were converted into 8,706,211 Equity Shares, as per a conversion ratio of 2.397 Equity Shares for every CCPS	5	-	N.A.	Conversion to Equity Shares
October 10, 2023	3,373,653	1,407,448 CCPS held by India Advantage Fund S4 I were converted into 3,373,653 Equity Shares, as per a conversion ratio of 2.397 Equity Shares for every CCPS	5	-	N.A.	Conversion to Equity Shares
October 10, 2023	979,448	408,614 CCPS held by Dynamic India Fund S4 US I were converted into 979,448 Equity Shares, as per a conversion ratio of 2.397 Equity Shares for every CCPS	5	-	N.A.	Conversion to Equity Shares
October 10, 2023	4,171,722	1,740,393 Series A CCPS held by Tata Capital Growth Fund II were converted into 4,171,722 Equity Shares, as per a conversion ratio of 2.397 Equity Shares for every Series A CCPS	5	-	N.A.	Conversion to Equity Shares



- (1) Our Company was incorporated on July 25, 2018. The date of subscription to the Memorandum of Association was July 19, 2018 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on August 7, 2018.
- (2) Equity Shares are jointly held by Babita Pankaj Rathod and Sneha Jigar Ajmera, in their capacity as trustees on behalf of Pankaj Rathod Family Trust.
- (3) Equity Shares are jointly held by Pankaj Ghisulal Rathod and Sneha Jigar Ajmera, in their capacity as trustees on behalf of Babita Rathod Family Trust.

Except as stated in “- Share Capital History of our Company” above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

### Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLMs to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please refer to the section titled “Details of Proposed Allottees” on page 267.

### Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of June 28, 2024 and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue <sup>^</sup>		Post-Issue	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	<b>Promoter’s holding*</b>				
1.	Indian				
	Individual	12,66,62,971	59.68	12,66,62,971	57.34
	Family Trust	3,90,00,000	18.38	3,90,00,000	17.66
	Bodies corporate	6	-	6	0.00
	<b>Sub-total</b>	<b>16,56,62,977</b>	<b>78.06</b>	<b>16,56,62,977</b>	<b>75.00</b>
2.	Foreign promoters	-	-	-	-
	<b>Sub-total (A)</b>	<b>16,56,62,977</b>	<b>78.06</b>	<b>16,56,62,977</b>	<b>75.00</b>
B	<b>Non-Promoter holding</b>				
1.	Institutional investors	3,81,13,252	17.96	4,67,67,252	21.17
2.	Non-Institutional investors				
	Private corporate bodies	23,40,347	1.10	23,40,347	1.06
	Directors and relatives <sup>#</sup>	3,660	0.00	3,660	0.00
	Indian public	54,57,955	2.57	54,57,955	2.47
	Others including Non- resident Indians (NRIs)	6,52,843	0.31	6,52,843	0.30
	<b>Sub-total (B)</b>	<b>4,65,68,057</b>	<b>21.94</b>	<b>5,52,22,057</b>	<b>25.00</b>
	<b>Grand Total (A+B)</b>	<b>21,22,31,034</b>	<b>100.00</b>	<b>22,08,85,034</b>	<b>100.00</b>

<sup>^</sup>Based on beneficiary position data of our Company as on June 28, 2024.

\*Includes shareholding of our Promoter Group as well.

# It includes shares held by Key Managerial and members of the Senior Management.

### Employee stock option plan

Our Company does not have an employee stock option scheme existing as on the date of this Placement Document.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions during (i) Fiscal 2024; (ii) Fiscal 2023; and (iii) Fiscal 2022, as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, please refer to the section titled "*Financial Information*" on page 264.

## DIVIDENDS

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association, including the Companies Act and other applicable law. For further information, please refer to the section titled “*Description of the Equity Shares*” on page 243.

Our Board has, *vide* a resolution dated July 28, 2023 adopted a formal dividend distribution policy (“**Dividend Distribution Policy**”). In terms of the dividend distribution policy, the declaration and payment of dividend, if any, shall depend on a number of internal and external factors, which, *inter alia*, include (i) brand or business acquisitions, (ii) expected future capital/ expenditure requirements of our Company, (iii) additional investments in our Subsidiaries, and (iv) regulatory or statutory changes significantly affecting our business. For further details, please refer to the section titled “*Risk Factors – Internal Risk Factors –We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*” on page 62.

Our Company has not declared and paid any dividends on the Equity Shares in 2023 and 2022.

In the last quarter of Fiscal 2024, our Company has declared dividend which will be paid after the approval of the Shareholders in the AGM scheduled on August 10, 2024. The following table details the aforesaid dividend:

Particulars	Fiscal 2024
Face value per share (in ₹)	5
Aggregate dividend (₹ in lakhs)	3,183.47
Dividend per share (in ₹)	1.50
Rate of dividend (%)	30.00

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. The amounts paid as dividends in the past are not necessarily indicative of the Dividend Distribution Policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, the factors set out in the Dividend Distribution Policy and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for dividend including interim dividend, if any, that is declared and record date thereof occurs after the Allotment. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, please refer to the section titled “*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future*” on page 62.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with our "Financial Information" on page 264. Unless otherwise indicated or the context otherwise requires, the financial information included herein for Fiscal 2024 and Fiscal 2023 is derived from the Audited Consolidated Financial Statements and that for Fiscal 2022 is derived from the Special Purpose Audited Consolidated Financial Statements, included in this Placement Document. For further information, see "Financial Information" on page 264. The Special Purpose Audited Consolidated Financial Statements have been included in this Placement Document to explain the impact of the Group Restructuring Process within the group, pursuant to which we have attained our present corporate structure. While the audited financial statements of Financial Year 2022, prepared under Indian GAAP have also been included in this Placement Document, for compliance purposes, investors are advised that the audited financial statements for Financial Year 2022 do not include the effect of the Group Restructuring Process and are therefore not comparable to subsequent financial statements.*

*This Placement Document also contains forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 16 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition" on pages 47 and 94, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Fiscal are for the 12 months ended March 31 of that year. Unless otherwise stated or the content otherwise requires, references in this section to "our Company" or "the Company" are to Cello World Limited on a standalone basis, while references to "we", "us", or "our" (including in the context of any financial or operational information) are to Cello World Limited on a consolidated basis. Also, see "Definitions and Abbreviations" on page 21 for certain terms used in this section.*

*Unless otherwise indicated, industry and market data included in this section has been derived from the Technopak Report. This section should be read in conjunction with the "Industry Overview" on page 121. Neither we, nor the BRLMs, nor any other person connected with the Issue has independently verified this information. The data included herein includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation.*

*Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, see "Industry Overview" on page 121. For further information, see "Risk Factors – This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Technopak Advisors Private Limited ("Technopak"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue" on page 66. Also see "Industry and Market Data" on page 15.*

### Overview

The consumerware market is broadly divided into two categories, consumer houseware and consumer glassware and we are a prominent player in the consumerware market in India with presence in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products and consumer glassware categories, according to the Technopak Report.

While our Company was incorporated only in 2018, our erstwhile promoter Late Ghisulal Dhanraj Rathod, father of two of our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, was associated with Cello Plastic Industrial Works ("CPIW") and the "Cello" brand since 1962. Our Promoters (through their family) have since diversified our product range and brand portfolio over the last six decades. The six decades of experience of our Promoters (through their family) in the consumer products industry has enabled us to better understand the preferences and needs of consumers in India, diversify our product portfolio and grow our multi-channel distribution network. This has enabled us 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

material and price points. As of March 31, 2024, we offered 17,023 stock-keeping units (“SKUs<sup>1</sup>”) across our product categories. The table below sets forth the brands, sub-brands and range of products offered across our three product categories, through our various group entities:

Product Categories	Entity(ies) through which product categories are manufactured / sold	Brands	Sub-Brands	Overview of range of products offered
Consumer Houseware	- Cello World Limited - Cello Industries Private Limited - Cello Houseware Private Limited - Cello Household Products Private Limited - Cello Consumerware Private Limited	Cello	Puro, Chef, H2O, Modustack, Kleeno, Maxfresh and Duro.	- Houseware - Insulatedware - Electronic appliances and cookware - Cleaning aids - Opalware - Glassware - Porcelain
Writing Instruments and Stationery	Unomax Stationery Private Limited	Unomax	Ultron2X and Geltron.	- Writing instruments - Stationery
Moulded Furniture and Allied Products	Wim Plast Limited	Cello	-	- Moulded furniture - Allied products

We have a track record of scaling up new businesses and product categories. While our Company was incorporated only in 2018, our Promoters were involved in the launch of the glassware and opalware business in 2017 under the “Cello” brand, and increased our revenue from operations from this business from ₹22,898.82 lakhs in the Financial Year 2022, to ₹27,601.63 lakhs in the Financial Year 2023 and ₹34,254.13 lakhs in the Financial Year 2024, at a CAGR of 22.31%. We also launched our writing instruments and stationery product category in 2019 under the “Unomax” brand and increased our volume of products sold from this product category from 2,642.70 lakh units in the Financial Year 2022, to 5,387.89 lakh units in the Financial Year 2024, at a CAGR of 42.79%. For the Financial Years 2022, 2023 and 2024, revenue from our writing instruments and stationery product category was ₹16,933.45 lakhs, ₹28,499.85 lakhs, and ₹33,358.10 lakhs, respectively. Our “Unomax” brand had the highest EBITDA margin for the Financial Years 2022 and 2023 (*Source: Technopak Report*). Further, our Promoters were involved in the launch of the cleaning aids business in 2017 under the “Kleeno” sub-brand (under the “Cello” brand). We have been able to scale up this business by increasing our volume of products sold from this business from 69.20 lakh units in the Financial Year 2022, to 86.06 lakh units in the Financial Year 2024, at a CAGR of 11.51%. For the Financial Years 2022, 2023 and 2024, revenue from our cleaning aids business was ₹6,077.94 lakhs, ₹6,676.66 lakhs and ₹7,503.41 lakhs, respectively.

We own/lease and operate 14 manufacturing facilities across six locations in India, as of March 31, 2024. On March 16, 2024, one of our Subsidiaries, Cello Consumerware Private Limited, finished the completion of our glassware manufacturing facility in Falna, Rajasthan (“**Rajasthan Glassware Unit**”). The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024 and the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit, is expected to be operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. Our manufacturing capabilities allow us to manufacture a diverse range of products in-house. Our revenue derived from our in-house manufacturing operations aggregated to 82.63%, 79.37% and 77.77% of our total revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture these products with our branding pursuant to arrangements with us. The scale at which we manufacture our products, combined with our supply chain management enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We also endeavor to maintain high quality standards and good manufacturing practices.

<sup>1</sup> SKUs denote the number of units available for sale at any point in time. Our SKUs may be either individual products or products packaged together or products of different colours. Hence, our number of SKUs and products are not equivalent.

We have a strong pan-India distribution network. From the distribution network established by CPIW for its thermoware household articles and plastic materials business, our Promoters (through their group of entities which were subsequently restructured, for details see “*Our Business – Group Restructuring Process*” on page 30) have further expanded the distribution network of our Company over the last six decades. The table below sets forth details relating to our nationwide sales and distribution network across our three product categories:

<b>Product Categories</b>	<b>Distribution Network* (as of March 31, 2024)</b>
Consumer Houseware	900 distributors and approximately 74,037 retailers located across India
Writing Instruments and Stationery	29 super-stockist, approximately 1,522 distributors and approximately 64,868 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories.

Our nationwide sales and distribution network is supported by our 749 member sales team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors and retailers over the years. Further, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. In addition, we also sell our 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 we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. We 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 our marketing efforts are initiated and coordinated by our marketing team of 35 employees, as of March 31, 2024.

The Promoters of our Company, Pradeep Ghisulal Rathod, Chairman and Managing Director, and, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, Joint Managing Directors, have over 80 years of combined experience in the consumer products industry in India. Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod have nearly 40 and 35 years, respectively, in the business of manufacturing and trading in, among others, plastic articles, insulatedware articles and raw materials. Gaurav Pradeep Rathod holds a master’s degree in business administration from the University of Strathclyde, and is instrumental in the successful launch of opalware range of products, and the growth of the online and e-commerce sales of our Company.

## **Significant Factors Affecting Our Results of Operations**

### ***Our diversified product portfolio and product mix***

We have a diverse range of products across different product categories, types of material and price points, which enables us to serve as a “one-stop-shop”, with consumers across all income levels purchasing our products (*Source: Technopak Report*). We have diversified our product range and brand portfolio over the last four decades. We believe our “Cello” brand has developed as a trusted name among consumers, as a result of our focus on product development and consumer understanding.

We also have a diversified product mix, which is attributable to our ability to expand our SKUs and products across various price points, by expanding affordable products into value-added products at higher price points. This ability to expand into higher margin value-added products has been crucial to our ability to improve the margins and profitability of our business. As of March 31, 2024, we offered 17,023 SKUs across our three product categories, namely consumer houseware, writing instruments and stationery, and moulded furniture and allied products. We are a prominent player in the consumerware market in India with products in the glassware, opalware, melamine and porcelain categories (*Source: Technopak Report*). Further, we have a nationwide sales and distribution network across our three product categories. Our brand “Cello” was awarded as one of the most trusted brands of India in 2021 by Commerzify.

A diverse product portfolio and product mix not only helps increase revenue from operations but also reduces dependence on any single product or product category. Our revenue from operations increased, from

₹1,35,917.44 lakhs in the Financial Year 2022 to ₹1,79,669.50 lakhs in the Financial Year 2023 and ₹2,00,026.41 lakhs in Financial Year 2024. Our diversified product portfolio caters to a wide range of consumer uses across different age groups, festive seasons and occasions, and has allowed us to grow our revenue over the years by enabling us to withstand fluctuations in demand for certain of our products.

To grow our diversified product portfolio, it is important for us to maintain the quality, trustworthiness and authenticity of our brands and products, continue to innovate and develop new range of products. Our ability to develop new brand concepts and new products depends on, among other things, our ability to successfully develop a range of channels and capabilities that enable us to continuously engage with consumers and generate insights into new and emerging trends in the consumer products market in India. Moreover, our overall performance also depends on our ability to augment our reach across markets in India and overseas, and increase awareness of our brands and products. The strength of our brands, including our flagship brand, Cello, will enable us to continue to expand across categories and channels, thereby allowing us to deepen relationships with consumers and expand our access to new consumers and markets, which we believe will contribute to the growth in our revenues going forward.

#### ***Our cost of raw materials, especially plastic granules and plastic polymer, and our purchases of stock-in-trade***

A significant portion of our expenses comprises cost of materials consumed and purchases of stock-in-trade. For the Financial Years 2024, 2023 and 2022, our cost of materials consumed amounted to ₹68,287.03 lakhs, ₹64,779.18 lakhs and ₹53,224.39 lakhs, respectively, representing 44.06%, 45.36% and 49.46% of our total expenses, respectively. Of our raw materials consumed, plastic granules and plastic polymer are the most consumed kind of raw materials in the production of our products. For the Financial Years 2024, 2023 and 2022, we consumed ₹29,636.68 lakhs, ₹31,200.19 lakhs and ₹28,308.40 lakhs of plastic granules and plastic polymer, respectively, representing 43.40%, 48.16%, and 53.19% of the cost of materials consumed, respectively. For the Financial Years 2024, 2023 and 2022, our purchases of stock-in-trade amounted to ₹ 27,220.34 lakhs, ₹30,889.88 lakhs and ₹20,030.90 lakhs, representing 17.56%, 21.63% and 18.62% of our total expenses, respectively.

We source our raw materials on a purchase order basis from India and abroad, and do not enter into long term contracts with raw material suppliers. As plastic granules and plastic polymer are primarily derived from oil, the price of plastic granules and plastic polymer have historically fluctuated to a certain extent in line with crude oil price fluctuations. Crude oil prices have fluctuated in the past few years, due to factors such as the COVID-19 pandemic, the OPEC oil supply restrictions, the Russian invasion of Ukraine, red sea crises, inflation and interest rate hikes.

We purchase stock-in-trade such as steel and glassware products, which are sourced from contract manufacturers primarily located in China, and subsequently sell them to consumers. While the prices of steel and glassware products have not significantly fluctuated in the past, these prices may fluctuate in the future, which in turn may affect our expenses relating to purchases of stock-in-trade.

Our growth in scale over the years has also provided us with improvement in costs of sales, driven by our ability to procure raw materials and stock-in-trade at more competitive prices from our suppliers and contract manufacturers, due to an increase in amount that we procure. Despite our ability to procure raw materials and stock-in-trade at competitive prices, we nonetheless have a limited ability to control the timing and amount of changes to prices that we pay for raw materials, including plastic granules and plastic polymer, and purchases of stock-in-trade, and we may be unable to increase our product prices in sufficient time to fully offset increasing raw material and stock-in-trade prices. Our ability to transfer increases in raw material and stock-in-trade costs to our consumers is dependent on, among others, market condition as well as pricing of similar products by our competitors.

#### ***Our ability to improve manufacturing efficiency***

Our ability to improve our manufacturing efficiency is important to improving our profit margins. We have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. To improve our manufacturing efficiency, we intend to continue improving our capacity utilisation and manage our operating costs through increased automation of certain manufacturing processes. For example, in recent years, we have introduced automatic and semi-automatic assembly machines to facilitate packaging and product movement for the manufacturing of our writing instruments and opalware products, which was earlier done manually. We also

intend to upgrade our existing machinery and purchase new machinery with modern technology to achieve better productivity and minimize our wastage.

### ***Our ability to grow our distribution network***

We are dependent on our nationwide sales and distribution network for the distribution and sales of our products. Therefore, our revenue from operations is impacted by the scale and growth of our distribution network consisting of distributors and retailers across India. We constantly seek to grow our product reach to under-penetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. We have developed and maintain longstanding relationships with our distributors, and retailers over the years. We also regularly interact with our distributors and retailers for insight into consumer preferences and market feedback, which in turn helps us to, among others, (i) check for product-market fit at an early stage before scaling them up, and (ii) structure appropriate pricing discounts and advertisement campaigns during festive seasons. To expand our distribution network, we incentivise distributors through periodic and festival sales schemes, annual and periodic revenue targets and product-specific schemes (through discounts and gift hampers). Our success is dependent on our ability to successfully appoint new distributors to expand our network and effectively manage our existing distribution network. We may also face disruptions in the delivery of our products for reasons beyond our control, including poor handling by distributors of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. For details, see “*Our Business*” on page 163.

### ***Our ability to compete effectively in the Indian consumer products industry***

Our ability to compete effectively in the Indian consumer products industry is dependent on factors such as our product range, product mix, production capacity, advertising and marketing efforts, design and market penetration. Our ability to respond to changing consumer preferences and the products and sales efforts by our competitors is also critical for us to compete effectively and maintain a competitive position in the Indian consumer products industry.

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. From time to time, we have had to increase our advertising, marketing and promotional efforts, including our incentive programs to our distribution network, offer substantial discounts on our less popular products, and widen or improve our product range in order to compete effectively with our competitors, which in turn have increased our expenses during such periods. Some of our competitors in certain product categories also have competitive advantages such as longer operating histories, better brand recognition and more established supply relationships.

## **Material Accounting Policies**

### ***Property, Plant and Equipment***

#### Recognition and measurement:

Items of property, plant and equipment, other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in Consolidated Statement of Profit and Loss when the item is derecognised.

#### Subsequent expenditure:



Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting year in which they are incurred.

Depreciation:

Depreciation on property, plant and equipment, is provided under the written down value method in the manner prescribed under Schedule II of the Companies Act, 2013. In case of Unomax Stationery Private Limited and its subsidiaries, depreciation on property, plant and equipment is provided on a straight line basis.

For certain items of Property, Plant and Equipment, the Group depreciates over estimated useful life which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 which is based upon technical assessment made by the technical expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis

Type of Asset	Estimated useful life of property, plant and equipment (Years)
<b>Buildings</b>	30 years
<b>Plant and Machinery</b>	5 - 20 years
<b>Leasehold improvements</b>	Over the life of lease contract
<b>Moulds</b>	6 - 8 years
<b>Electrical installation</b>	5 - 10 years
<b>Furniture &amp; fixtures</b>	10 years
<b>Computers</b>	3 years (Server – 6 years)
<b>Office equipment</b>	5 years
<b>Vehicles</b>	8 - 10 years

Depreciation on property, plant and equipment which are added / disposed of during the year, is provided on pro-rata basis with reference to the date of addition / deletion.

Leasehold improvements are depreciated over the tenure of lease term. Leasehold land is amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

***Capital work in progress and Capital advances:***

Cost of assets not ready for intended use, as on the end of the reporting period, is shown as capital work in progress.

Advances given towards acquisition of Property, Plant and Equipment outstanding at end of each reporting period are disclosed as other non-current assets.

***Intangible Assets:***

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

Amortization:

Amortisation is recognised on a written-down value basis over their estimated useful lives. In case of Unomax Stationery Private Limited and its subsidiaries, amortisation of intangible assets is recognised on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives as mentioned below :

Type of the asset	Estimated Useful Life (Years)
Software	3 – 5 years
Designs and Patents	5 – 10 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

### ***Intangible Assets under Development***

Expenditure on intangible assets eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

### ***Impairment of non-financial assets:***

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have suffered an Impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Consolidated statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

### ***Leases:***

#### **As a Lessee:**

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- I. the contract involves the use of an identified asset
- II. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- III. the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these short term or low value asset leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- I. fixed lease payments (including in-substance fixed payments), less any lease incentives;
- II. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- III. the amount expected to be payable by the lessee under residual value guarantees;
- IV. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- V. payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Consolidated Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- I. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- II. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- III. a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Consolidated Balance Sheet. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

### **As a Lessor:**

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group applied Ind AS 116 "Leases" to all lease contracts, except those which are exempted under this standard, using the modified retrospective approach, on the date of initial application.

Following is the summary of practical expedients elected on initial application (on a lease-by-lease basis):

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

### ***Inventories:***

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First In First Out method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

### ***Cash and cash equivalents:***

Cash and cash equivalent in the Consolidated Balance Sheet and Consolidated Statement of Cash Flows comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### ***Asset classified as held for sale***

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Consolidated Statement of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Balance Sheet.

### ***Financial instruments***

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts.

### ***Financial assets***

### ***Initial recognition and measurement***

Financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

***Subsequent measurement:***

For the purpose of subsequent measurement, financial assets are classified in following categories:

- Amortised cost,
- Fair value through profit (“FVTPL”)
- Fair value through other comprehensive income (“FVTOCI”)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Amortised cost:**

A financial instrument is measured at the Amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (“EIR”) method.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

***Impairment of financial assets***

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at Amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed. In respect of other financial assets, the loss allowance is measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

**Financial liabilities**

**Initial recognition and measurement:**

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

#### **Subsequent measurement:**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

#### Financial Liabilities at Fair Value through Profit or Loss (“FVTPL”):

A financial liability is classified as Fair Value through Profit or Loss (“FVTPL”) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Consolidated Statement of profit and loss.

#### Financial Liabilities at Amortised cost:

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at Amortised cost using the effective interest rate (“EIR”) method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The Amortisation done using the EIR method is included as finance costs in the Consolidated Statement of profit and loss.

#### **Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognized less cumulative amortization.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of profit or loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### ***Provisions, Contingent Liabilities, Contingent Assets and Commitments***

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain.

### **Warranty**

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

### ***Revenue recognition***

#### ***Sale of goods and Services***

The Group derives revenues primarily from sale of products comprising of Consumer products.

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product.

The Group considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group recognises revenue for such services when the performance obligation is completed.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Revenue from rendering of services is recognized over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

#### **Incentives on exports and other Government incentives**

Incentives on exports and other Government incentives related to operations are recognized in the Consolidated Statement of Profit and Loss where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

### **Contract balances**

#### **Trade receivables:**

A receivable represents the Group's right to an amount of consideration that is unconditional.

#### **Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before

the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract.

### ***Other Income***

#### Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### Dividend income

Dividends are recognised in the Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

### ***Borrowing costs***

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to Consolidated Statement of Profit and Loss.

### ***Foreign currency***

#### Foreign currency transactions:

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss in the year in which they arise.

### ***Employee Benefits***

#### ***Short-term Employee benefits***

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognised as an expense in the Consolidated Statement of Profit and Loss as the related service is provided.

Certain employees of the Group are entitled to compensated absences based on applicable statutory provisions. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### ***Post-Employment Benefits***

#### Defined Contribution Plans:



A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

#### Defined Benefit Plans:

The Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (“OCI”).

#### ***Taxation***

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

#### Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Group has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. Such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### **Dividend**

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting year, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting year.

### **Earnings per share:**

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- I. In the principal market for the asset or liability, or
- II. In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **Government Grant:**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Government grant related to assets are presented by deducting the grant from the carrying amount of the asset.

### ***Cash Flow Statement***

Cash flows are reported using the indirect method, whereby profit / (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows for the year are classified by operating, investing and financing activities.

### ***Segment reporting***

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

## **3A. Recent Accounting pronouncements:**

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below:

### **I. Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

### **II. Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

### **III. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The above amendments have been considered by the Group in preparation of these Consolidated Financial Statements. The amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### ***Standards issued but not yet effective:***

There are no standards that are notified and not yet effective as on date.

### **Key components of our statement of Profit and Loss**

The following descriptions set forth information with respect to the key components of our statements of profit and loss.

#### ***Total Income***

Total income consists of revenue from operations and other income.

*Revenue from operations.* Revenue from operations consists of (i) revenue from sales of products, representing the revenue we generated from the sale of products across all our product categories, namely consumer houseware, writing instruments and stationery, and moulded furniture and allied products; (ii) revenue from sales of services, representing the revenue we generated from mould development charges; and (iii) other operating income, representing income generated from scrap sales and export incentives.

*Other income.* Other income primarily consists of interest income on financial assets measured at amortized cost, income on financial assets measured at FVTPL and other non-operating income. Interest income on financial assets measured at amortized cost includes interest income on bank deposits, financial assets (which consists mainly of security deposits and advance against mutual funds), electricity deposits, loan to associate, income tax refund and others. Income on financial assets measured at FVTPL includes income on dividend on mutual funds and net gain/(loss) on investments. Other non-operating income includes profit on sale of property, plant and equipment, subsidy received, rental income, gain on foreign exchange transactions (net), gain on lease termination, share in profit of partnership firms (net), sundry balance written back, insurance claim received, net gain/(loss) on financial guarantee contract, net gain/(loss) on loss of control of subsidiary and miscellaneous income.

### ***Expenses***

Expenses include cost of material consumed, purchases of stock-in-trade, changes in inventories of finished goods, employee benefit expense, finance costs, depreciation and amortisation expense and other expenses.

*Cost of material consumed.* Cost of material consumed consists of the cost of raw materials and packing material consumed.

*Purchases of stock-in-trade.* Purchases of stock-in-trade consists of stock-in-trade.

*Changes in inventories of finished goods.* Changes in inventories of finished goods consists of net increases or decreases in inventories of finished goods, semi-finished goods and stock-in-trade.

*Employee benefit expense.* Employee benefit expense consists of salaries, wages and bonus, director's remuneration, contributions to provident and other funds, gratuity, leave encashment expenses and staff welfare expenses.

*Finance costs.* Finance costs consists of interest and finance charges on financial liabilities carried at amortised cost and interest on delayed payment of taxes/others. Interest and finance charges on financial liabilities carried at amortized cost consist of interest and finance charges on financial guarantee charges, commission on letter of credit, loan from related parties, security deposit, loan from bank and lease liabilities.

*Depreciation and amortisation expense.* Depreciation and amortization expense consists of depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right-of-use assets.

*Other expenses.* Other expenses primarily consist of electricity charges, carriage outward (which consists mainly of goods transportation charges towards dispatches (including sales and stock transfers)), labour/jobwork charges, advertisements, rent, repair and maintenance (of buildings, plant and machinery and others), sales commission, sales promotion and conference expenses, travel and conveyance, selling and distribution expenses, and royalty.

### ***Tax expense***

Tax expense consists of current tax and deferred tax.

## **Our Results of Operations**

The following tables set forth the selected financial data from our Consolidated Financial Statements for the Financial Years 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such years/periods:

Particulars	For the Financial Years					
	2024		2023		2022	
	₹ (in lakhs)	% of Total Income	₹ (in lakhs)	% of Total Income	₹ (in lakhs)	% of Total Income
<b>Income</b>						
Revenue from operations	2,00,026.41	98.76%	1,79,669.50	99.08%	1,35,917.44	98.84%
Other income	2,506.74	1.24%	1,673.98	0.92%	1,593.28	1.16%
<b>Total income</b>	<b>2,02,533.15</b>	<b>100.00%</b>	<b>1,81,343.48</b>	<b>100.00%</b>	<b>1,37,510.72</b>	<b>100.00%</b>
<b>Expenses</b>						
Cost of material consumed	68,287.03	33.72%	64,779.18	35.72%	53,224.39	38.71%
Purchases of stock-in-trade	27,220.34	13.44%	30,889.88	17.03%	20,030.90	14.57%
Changes in inventories of finished goods, semi-finished goods and stock-in-trade	(664.99)	(0.33)%	(6,117.81)	(3.37)%	(5,400.04)	(3.93)%
Employee benefit expense	18,946.17	9.35%	15,757.58	8.69%	13,192.15	9.59%
Finance costs	255.33	0.13%	175.60	0.10%	285.16	0.21%
Depreciation and amortisation expense	5,674.60	2.80%	5,032.54	2.78%	4,755.45	3.46%
Other expenses	35,267.31	17.41%	32,306.88	17.82%	21,513.52	15.64%
<b>Total expenses</b>	<b>1,54,985.79</b>	<b>76.52%</b>	<b>1,42,823.85</b>	<b>78.76%</b>	<b>1,07,601.53</b>	<b>78.25%</b>
<b>Less: Share of loss from an Associate</b>	<b>(47.15)</b>	<b>(0.02)%</b>	<b>(1.14)</b>	<b>(0.00)%</b>	-	-
<b>Profit before tax</b>	<b>47,500.21</b>	<b>23.45%</b>	<b>38,518.49</b>	<b>21.24%</b>	<b>29,909.19</b>	<b>21.75%</b>
<b>Tax expenses</b>						
Current tax	11,439.27	5.65%	10,162.63	5.60%	8,072.76	5.87%
Excess provision of tax relating to earlier years	(8.63)	(0.00)%	(43.48)	(0.02)%	19.67	0.01%
Deferred tax charges/(credit)	451.21	0.22%	(105.74)	(0.06)%	(134.99)	(0.10)%
<b>Total tax expense</b>	<b>11,881.85</b>	<b>5.87%</b>	<b>10,013.41</b>	<b>5.52%</b>	<b>7,957.44</b>	<b>5.79%</b>
<b>Profit for the year</b>	<b>35,618.36</b>	<b>17.59%</b>	<b>28,505.08</b>	<b>15.72%</b>	<b>21,951.75</b>	<b>15.96%</b>

### Financial Year 2024 compared to Financial Year 2023

#### Income

*Total income.* Total income increased by 11.68% to ₹2,02,533.15 lakhs in Financial Year 2024 from ₹1,81,343.48 lakhs in Financial Year 2023, primarily due to an increase in revenue from operations.

*Revenue from operations.* Revenue from operations increased by 11.33% to ₹2,00,026.41 lakhs in Financial Year 2024 from ₹1,79,669.50 lakhs in Financial Year 2023, primarily due to an increase in sale of products to ₹1,98,864.93 lakhs in Financial Year 2024 from ₹1,78,493.44 lakhs in Financial Year 2023. This increase was mainly on account of an overall increase in demand and sales of our products across our three product categories.

Revenue from our consumer houseware product category increased to ₹1,32,384.71 lakhs in Financial Year 2024 from ₹1,18,107.95 lakhs in Financial Year 2023. Revenue from our writing instruments and stationery product category increased to ₹33,358.10 lakhs in Financial Year 2024 from ₹28,499.85 lakhs in Financial Year 2023. Revenue from our moulded furniture and allied products product category increased to ₹34,283.60 lakhs in Financial Year 2024 from ₹33,061.70 lakhs in Financial Year 2023.

Across our product categories, the increase in revenues were mainly on account of increases in the sales of existing and new products. The table below sets forth certain details in relation to new product launches during Financial Year 2024 and Financial Year 2023:

Product Category	Financial Year 2024		Financial Year 2023	
	Number of new products launched	Total sales of units of products under the product category (₹ in lakhs)	Number of new products launched	Total sales of units of products under the product category (₹ in lakhs)
Consumer Houseware	566	866.65	322	738.62
Writing Instruments and Stationery Products	141	5,387.89	47	4,581.00
Moulded Furniture and Allied Products	20	85.79	11	103.56

Further, the increase in revenue from operations is also due to an increase in other operating income to ₹1,153.91 lakhs in Financial Year 2024 from ₹1,021.36 lakhs in Financial Year 2023, primarily due to an increase in export incentives as a result of an overall increase in export sales.

*Other income.* Other income increased by 49.75% to ₹2,506.74 lakhs in Financial Year 2024 from ₹1,673.98 lakhs in Financial Year 2023, primarily due to a total increase in interest income on financial assets measured at amortised cost to ₹719.89 lakhs in Financial Year 2024 from ₹693.90 lakhs in Financial Year 2023, mainly on account of an increase in interest income on financial assets measured at amortized cost to ₹468.77 lakhs in Financial Year 2024 from ₹419.63 lakhs in Financial Year 2023. The increase in interest income on financial assets was mainly on account of an increase in financial assets in the nature of bond and debentures.

### **Expenses**

*Cost of material consumed.* Our cost of material consumed increased by 5.42% to ₹68,287.03 lakhs in Financial Year 2024 from ₹64,779.18 lakhs in Financial Year 2023, primarily due to an increase in our consumption of raw materials in particular, plastic polymer, plastic granules, silica sand, and soda ash for our consumer houseware product category, and ink and tips for our writing instruments and stationery product category and packing materials. This increase in consumption was primarily due to higher demand for our products and is in line with the increase in sale of products during the Financial Year 2024

*Purchases of stock-in-trade.* Purchases of stock-in-trade decreased by 11.88% to ₹27,220.34 lakhs in Financial Year 2024 from ₹30,889.88 lakhs in Financial Year 2023, primarily due to improvement in our operational efficiencies stock optimization and better realization.

*Changes in inventories of finished goods, semi-finished goods and stock-in-trade.* The changes in inventories of finished goods, semi-finished goods and stock-in-trade was ₹(664.99) lakhs in Financial Year 2024. We had inventories aggregating to ₹30,057.65 lakhs at the beginning of Financial Year 2024 and inventories aggregating to ₹(30,722.64) lakhs at the end of Financial Year 2024. The increase in inventory was due to an increase in sale of finished and traded goods and an increase in value of inventories held by us.

*Employee benefit expense.* Employee benefit expense increased by 20.24% to ₹18,946.17 lakhs in Financial Year 2024 from ₹15,757.58 lakhs in Financial Year 2023, primarily due to an increase in salaries, wages and bonus to ₹17,547.78 lakhs in Financial Year 2024 from ₹14,571.34 lakhs in Financial Year 2023, an increase in contributions to provident and other funds to ₹863.85 lakhs in Financial Year 2024 from ₹714.96 lakhs in Financial Year 2023 and an increase in staff welfare expenses to ₹334.32 lakhs in Financial Year 2024 from ₹261.15 lakhs in Financial Year 2023. This was mainly attributable to an increase in our work force during the year to support the increase in scale of our business (across our three product categories) during the Financial Year 2024. Our total employees (which includes field employees) increased to 5,736 as of March 31, 2024 from 5,078 as of March 31, 2023. Further, salary increments and higher annual incentive payments in Financial Year 2024 also contributed to the increase in our employee benefit expense.

*Finance costs.* Finance costs increased by 45.40% to ₹255.33 lakhs in Financial Year 2024 from ₹175.60 lakhs in Financial Year 2023, primarily due to an increase in interest and finance charges on financial liabilities carried at amortised cost to ₹209.85 lakhs in Financial Year 2024 from ₹159.76 lakhs in Financial Year 2023. This

increase in interest and finance charges on financial liabilities carried at amortized cost is primarily due to an increase in interest and finance charges on loan from bank carried at amortised cost to ₹108.89 lakhs in Financial Year 2024 from ₹35.26 lakhs in Financial Year 2023. The increase in interest and finance charges on loan from bank carried at amortized cost was mainly on account of an increase in bank borrowings in the ordinary course of business to fund our growth of operational.

*Depreciation and amortization expense.* Depreciation and amortization expense increased by 12.76% to ₹5,674.60 lakhs in Financial Year 2024 from ₹5,032.54 lakhs in Financial Year 2023, primarily due to an increase in depreciation of property, plant and equipment to ₹5,241.10 lakhs in Financial Year 2024 from ₹4,774.50 lakhs in Financial Year 2023. The increase in depreciation of property, plant and equipment was mainly on account of an increase in property, plant and equipment to support the increase in scale of our business during the year and the completion of our opalware expansion and increase in amortisation of intangible assets to ₹187.98 lakhs in Financials Year 2024 from ₹26.38 lakhs due to rollout of ERP system during the Financial Year 2024 .

*Other expenses.* Other expenses increased by 9.16% to ₹35,267.31 lakhs in Financial Year 2024 from ₹32,306.88 lakhs in Financial Year 2023, primarily due to increases in:

- (i) sales promotion and conference expenses by 135.50% to ₹ 3,837.49 lakhs in Financial Year 2024 from ₹1,629.47 lakhs in Financial Year 2023, mainly on account of activity of sales promotion and national and regional conference to support our sales growth, expansion of distribution network and brand building;
- (ii) carriage outwards by 63.94% to ₹7,142.12 lakhs in Financial Year 2024 from ₹4,356.67 lakhs in Financial Year 2023, mainly on account of an increase in sale of our products and our Company bearing the majority of the freight outward costs during the Financial Year 2024 as compared with Financial Year 2023, where such costs were also borne by our distributors ;
- (iii) allowances for doubtful debts by 151.09% to ₹170.24 lakhs in Financial Year 2024 from ₹67.80 lakhs in Financial Year 2023, mainly on account of increase in sales and result it in increase in credit exposure to customers, the trade receivable increase to ₹61,058.34 lakhs in Financial Year 2024 from ₹46,230.31 lakhs in Financial Year 2023;
- (iv) advertisements by 14.08% to ₹2,703.35 lakhs in Financial Year 2024 from ₹2,369.76 lakhs in Financial Year 2023, due to an increase in advertisement expenses for our consumer houseware product category towards television and online marketplace advertisements, and over-the-top marketing to support Brand building and increase reach of products;
- (v) consumption of stores and spares by 42.73% to ₹1,058.60 lakhs in Financial Year 2024 from ₹741.68 lakhs in Financial Year 2023 in line with overall increase in scale of our operations backed by increasing manufacturing activity;
- (vi) labour/jobwork charges by 15.45% to ₹3,909.62 lakhs in Financial Year 2024 from ₹3,386.52 lakhs in Financial Year 2023, mainly on account of increases in our work force during the year to support the increase in scale of our business during the Financial Year 2024; and
- (vii) travel and conveyance by 12.58% to ₹1,435.30 lakhs in Financial Year 2024 from ₹1,274.89 lakhs in Financial Year 2023, mainly due to increase in our sales workforce, Sales network and sales field activity to support Sales growth.

In addition, we also recognized net loss on financial liability measured at fair value through profit or loss, relating to compulsory convertible preference shares, amounting to ₹810.00 lakhs in Financial Year 2023 which were issued by our Company during the Financial Year 2023.

*Total Tax expenses.* Our total tax expenses increased to ₹11,881.85 lakhs in Financial Year 2024 from ₹10,013.41 lakhs in Financial Year 2023, primarily due to an increase in current tax to ₹11,439.27 lakhs in Financial Year 2024 from ₹10,162.63 lakhs in Financial Year 2023. The increase in current tax was mainly on account of an increase in our profit before tax to ₹47,500.21 lakhs in Financial Year 2024 from ₹38,518.49 lakhs in Financial Year 2023.

*Profit for the year.* As a result of the foregoing, we reported a profit after tax of ₹ 35,618.36 lakhs for Financial Year 2024 as compared to ₹ 28,505.08 lakhs for Financial Year 2023.

## **Financial Year 2023 compared to Financial Year 2022**

### ***Income***

*Total income.* Total income increased by 31.88% to ₹1,81,343.48 lakhs in Financial Year 2023 from ₹1,37,510.72 lakhs in Financial Year 2022, primarily due to an increase in revenue from operations.

*Revenue from operations.* Revenue from operations increased by 32.19% to ₹1,79,669.50 lakhs in Financial Year 2023 from ₹1,35,917.44 lakhs in Financial Year 2022, primarily due to an increase in sale of products to ₹1,78,493.44 lakhs in Financial Year 2023 from ₹1,34,700.70 lakhs in Financial Year 2022. This increase was mainly on account of an overall increase in demand and sales of our products across our three product categories.

Revenue from our consumer houseware product category increased to ₹1,18,107.95 lakhs in Financial Year 2023 from ₹87,108.89 lakhs in Financial Year 2022. Revenue from our writing instruments and stationery product category increased to ₹28,499.85 lakhs in Financial Year 2023 from ₹16,933.45 lakhs in Financial Year 2022. Revenue from our moulded furniture and allied products product category increased to ₹33,061.70 lakhs in Financial Year 2023 from ₹31,875.10 lakhs in Financial Year 2022.

Across our product categories, the increase in revenues were mainly on account of increases in the sales of existing and new products. The table below sets forth certain details in relation to new product launches during Financial Year 2023 and Financial Year 2022:

Product Category	Financial Year 2023		Financial Year 2022	
	Number of new products launched	Total sales of units of products under the product category (₹ in lakhs)	Number of new products launched	Total sales of units of products under the product category (₹ in lakhs)
Consumer Houseware	322	738.62	123	565.26
Writing Instruments and Stationery Products	47	4,581.00	34	2,642.70
Moulded Furniture and Allied Products	11	103.56	12	110.45

Further, the increase in revenue from operations is also due to an increase in other operating income to ₹1,021.36 lakhs in Financial Year 2023 from ₹903.90 lakhs in Financial Year 2022, primarily due to an increase in scrap sales and export incentives as a result of an overall increase in production levels across our manufacturing facilities to meet higher demand for our products.

*Other income.* Other income increased by 5.07% to ₹1,673.98 lakhs in Financial Year 2023 from ₹1,593.28 lakhs in Financial Year 2022, primarily due to an increase in interest income on financial assets measured at amortised cost to ₹693.90 lakhs in Financial Year 2023 from ₹505.33 lakhs in Financial Year 2022, mainly on account of an increase in interest income on bank deposits measured at amortized cost to ₹201.80 lakhs in Financial Year 2023 from ₹116.71 lakhs in Financial Year 2022. The increase in interest income on financial assets was mainly on account of an increase in bank deposits arising from proceeds of compulsory convertible preference shares issued during the Financial Year 2023. The increase in interest income on bank deposits measured at amortized cost was mainly on account of an increase in interest rate and an increase in bank deposits in Financial Year 2023.

### ***Expenses***

*Cost of material consumed.* Our cost of material consumed increased by 21.71% to ₹64,779.18 lakhs in Financial Year 2023 from ₹53,224.39 lakhs in Financial Year 2022, primarily due to an increase in our consumption of raw materials (in particular, plastic polymer, plastic granules, for our consumer houseware product category, and ink and tips for our writing instruments and stationery product category) and packing materials. This increase in



consumption was primarily due to higher demand for our products and is in line with the increase in sale of products during the Financial Year 2023.

*Purchases of stock-in-trade.* Purchases of stock-in-trade increased by 54.21% to ₹30,889.88 lakhs in Financial Year 2023 from ₹ 20,030.90 lakhs in Financial Year 2022, primarily due to an increase in volume of stock-in-trade purchased by us during the Financial Year 2023 in line with the increase in sale of products during the Financial Year 2023.

*Changes in inventories of finished goods, semi-finished goods and stock-in-trade.* The changes in inventories of finished goods, semi-finished goods and stock-in-trade was ₹(6,330.19) lakhs in Financial Year 2023. We had inventories aggregating to ₹23,939.84 lakhs at the beginning of Financial Year 2023 and inventories aggregating to ₹(30,057.65) lakhs at the end of Financial Year 2023. The increase in inventory was due to an increase in sale of finished and traded goods and an increase in value of inventories held by us.

*Employee benefit expense.* Employee benefit expense increased by 19.45% to ₹15,757.58 lakhs in Financial Year 2023 from ₹13,192.15 lakhs in Financial Year 2022, primarily due to an increase in salaries, wages and bonus to ₹14,571.34 lakhs in Financial Year 2023 from ₹12,198.56 lakhs in Financial Year 2022 and an increase in contributions to provident and other funds to ₹714.96 lakhs in Financial Year 2023 from ₹579.19 lakhs in Financial Year 2022. This was mainly attributable to an increase in our work force during the year to support the increase in scale of our business (across our three product categories) during the Financial Year 2023. Our total employees (which includes field employees) increased to 5,078 as of March 31, 2023 from 4,512 as of March 31, 2022. Further, salary increments and higher annual incentive payments in Financial Year 2023 also contributed to the increase in our employee benefit expense.

*Finance costs.* Finance costs decreased by 38.42% to ₹175.60 lakhs in Financial Year 2023 from ₹285.16 lakhs in Financial Year 2022, primarily due to a decrease in interest and finance charges on financial liabilities carried at amortised cost to ₹159.76 lakhs in Financial Year 2023 from ₹279.09 lakhs in Financial Year 2022. This decrease in interest and finance charges on financial liabilities carried at amortized cost is primarily due to a decrease in interest and finance charges on loan from bank carried at amortised cost to ₹35.26 lakhs in Financial Year 2023 from ₹160.84 lakhs in Financial Year 2022 and a decrease in interest and finance charges on lease liabilities carried at amortized cost to ₹95.15 lakhs in Financial Year 2023 from ₹103.31 lakhs in Financial Year 2022. The decrease in interest and finance charges on loan from bank carried at amortized cost was mainly on account of a decrease in bank borrowings. The decrease in interest and finance charges on lease liabilities carried at amortised cost was mainly on account of the adoption of Ind AS 116 according to statutory requirements.

*Depreciation and amortization expense.* Depreciation and amortization expense increased by 5.83% to ₹ 5,032.54 lakhs in Financial Year 2023 from ₹4,755.45 lakhs for the Financial Year 2022, primarily due to an increase in depreciation of property, plant and equipment to ₹4,774.50 lakhs in Financial Year 2023 from ₹4,524.52 lakhs in Financial Year 2022. The increase in depreciation of property, plant and equipment was mainly on account of an increase in property, plant and equipment to support the increase in scale of our business during the year.

*Other expenses.* Other expenses increased by 50.17% to ₹32,306.88 lakhs in Financial Year 2023 from ₹21,513.52 lakhs in Financial Year 2022, primarily due to increases in:

- (i) advertisements by 127.38% to ₹2,369.76 lakhs in Financial Year 2023 from ₹1,042.21 lakhs in Financial Year 2022, mainly on account of an increase in advertisement expenses for our consumer houseware product category towards television and online marketplace advertisements, and over-the-top marketing;
- (ii) labour/jobwork charges by 30.18% to ₹3,386.52 lakhs in Financial Year 2023 from ₹2,601.35 lakhs in Financial Year 2022, mainly on account of increases in (i) our work force during the year to support the increase in scale of our business during the Financial Year 2023, and (ii) assembly and packing charges for our writing instruments and stationery product category (in particular, the pen division);
- (iii) electricity charges by 17.61% to ₹5,691.82 lakhs in Financial Year 2023 from ₹4,839.64 lakhs in Financial Year 2022, mainly on account of an increase in electricity usage across our manufacturing facilities in line with production growth to support the increase in scale of our business during the Financial Year 2023, which was partially offset by electricity generated from solar panels at certain of our manufacturing facilities;

- (iv) legal and professional charges by 282.86% to ₹1,757.27 lakhs in Financial Year 2023 from ₹ 458.99 lakhs in Financial Year 2022, mainly on account of an increase in compliance expenses during the year; and
- (v) carriage outward by 20.71% to ₹4,356.67 lakhs in Financial Year 2023 from ₹3,609.15 lakhs in Financial Year 2022, mainly on account of an increase in sale of our products and a marginal increase in fuel cost during the Financial Year 2023.

In addition, we also recognized net loss on financial liability measured at fair value through profit or loss, relating to compulsory convertible preference shares, amounting to ₹810.00 lakhs in Financial Year 2023 which were issued by our Company during the Financial Year 2023.

*Total Tax expenses.* Our total tax expenses increased to ₹10,013.41 lakhs in Financial Year 2023 from ₹7,957.44 lakhs in Financial Year 2022, primarily due to an increase in current tax to ₹10,162.63 lakhs in Financial Year 2023 from ₹8,072.76 lakhs in Financial Year 2022. The increase in current tax was mainly on account of an increase in our profit before tax to ₹38,518.49 lakhs in Financial Year 2023 from ₹29,909.19 lakhs in Financial Year 2022.

*Profit for the year.* As a result of the foregoing, we reported a profit for the year of ₹28,505.08 lakhs for Financial Year 2023 as compared to a profit after tax of ₹21,951.75 lakhs for Financial Year 2022.

### Liquidity and Capital Resources

Our primary source of liquidity is cash generated from operations. As of March 31, 2024, we had cash and cash equivalents of ₹3,217.80 lakhs.

Our funding requirements are primarily for working capital purposes. For details, see “*Use of Proceeds*” on page 79. We expect that cash generated from operations and the Net Proceeds will continue to be our principal source of funds in the short to medium term. We evaluate our funding requirements periodically in light of our net cash flow from operating activities, the requirements of our business and operations and market conditions.

### Cash Flows

The following table summarizes our cash flows data for the Financial Years 2024, 2023 and 2022:

Particulars	For the Financial Year		
	2024	2023	2022
	(₹ in lakhs)		
Net cash generated by operating activities	23,118.14	22,734.98	18,726.39
Net cash used in investing activities	(25,562.81)	(55,682.22)	(26,180.98)
Net cash generated in financing activities	2,600.79	32,382.00	9,410.63
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>156.13</b>	<b>(565.24)</b>	<b>1,956.03</b>
Cash and cash equivalents at the beginning of the year	3,061.67	3,626.91	1,670.88
<b>Cash and cash equivalents at the end of the year</b>	<b>3,217.80</b>	<b>3,061.67</b>	<b>3,626.91</b>

#### *Net cash generated by operating activities*

Net cash generated by operating activities was ₹23,118.14 lakhs in Financial Year 2024. While we had a profit before tax for the year of ₹47,500.22 lakhs for the Financial Year 2024, we had an operating profit before change in working capital of ₹51,386.29 lakhs, primarily as a result of depreciation and amortisation expenses of ₹5,674.60 lakhs, which was partially offset by net gain on investments of ₹958.89 lakhs. Our movements in working capital primarily consisted of increase in trade payables of ₹902.02 lakhs, which was offset by increases in (i) trade and other receivables of ₹14,807.88 lakhs and (ii) inventories of ₹3,239.36 lakhs.

Net cash generated by operating activities was ₹22,734.98 lakhs in Financial Year 2023. While we had a profit before tax for the year of ₹38,518.49 lakhs for the Financial Year 2023, we had an operating profit before change

in working capital of ₹44,335.93 lakhs, primarily as a result of depreciation and amortisation expenses of ₹5,032.54 lakhs, which was partially offset by net gain on investments of ₹537.00 lakhs. Our movements in working capital primarily consisted of increase in trade payables of ₹893.69 lakhs, which was offset by increases in (i) trade and other receivables of ₹6,355.10 lakhs and (ii) inventories of ₹5,321.61 lakhs.

Net cash generated by operating activities was ₹18,726.39 lakhs in Financial Year 2022. While we had a profit before tax for the year of ₹29,909.19 lakhs for the Financial Year 2022, we had an operating profit before change in working capital of ₹34,428.96 lakhs, primarily as a result of depreciation and amortisation expenses of ₹4,755.45 lakhs, which was partially offset by net gain on investments of ₹660.36 lakhs. Our movements in working capital primarily consisted of an increase in trade and other payables of ₹3,614.92 lakhs, which was offset by increases in (i) inventories of ₹7,161.93 lakhs, (ii) trade and other receivables of ₹4,202.58 lakhs and financial and other assets of ₹739.62 lakhs.

#### *Net cash flows (used in)/generated by investing activities*

Net cash flows used in investing activities was ₹25,562.81 lakhs in Financial Year 2024, primarily consisting of purchase of property, plant and equipment including capital advances of ₹26,400.84 lakhs and investment in units of mutual funds / bonds / shares / commodities of ₹23,393.30 lakhs as partially offset by sale of investments amounting to ₹23,786.26 lakhs. The property, plant and equipment purchased during the year consists of land, plant and machinery, moulds, electric installation and furniture, computers and vehicles.

Net cash flows used in investing activities was ₹55,682.22 lakhs in Financial Year 2023, primarily consisting of payments made on slump sale of ₹8,265.78 lakhs and payment made on acquisition of Subsidiary of ₹33,113.79 lakhs, purchase of property, plant and equipment (including capital advances) of ₹11,209.85 lakhs and investment in units of mutual funds / bonds / shares / commodities of ₹3,959.43 lakhs, and partially offset by sale of property, plant and equipment of ₹1,103.33 lakhs and sale of investment of ₹519.68 lakhs. Payment made on slump sale refers to payment made for the acquisition of certain businesses by the Group by way of slump sale transactions during the year. The property, plant and equipment purchased during the year consists of land, plant and machinery, moulds, building, electric installation and furniture and vehicles.

Net cash flows used in investing activities was ₹26,180.98 lakhs in Financial Year 2022, primarily consisting of payment made on slump sale of ₹18,655.32 lakhs, purchase of property, plant and equipment (including capital advances) of ₹4,914.30 lakhs and investment in units of mutual funds / bonds / shares / commodities of ₹4,223.43 lakhs, and partially offset by sale of investment of ₹1,872.01 lakhs. Payment made on slump sale refers to payment made for the acquisition of certain businesses by the Group by way of slump sale transactions during the year. The property, plant and equipment purchased during the year consists of plant and machinery, moulds, building, computers, electric installation and vehicles.

#### *Net cash generated in financing activities*

Net cash flow generated in financing activities was ₹2,600.79 lakhs in Financial Year 2024, primarily consisting of loan taken from related parties of ₹6,713.45 lakhs and loan received from bank of ₹4,063.18 lakhs. This was partially offset by loan repaid to related parties aggregating to ₹4,841.00 lakhs, loan repaid to bank aggregating to ₹2,153.95 lakhs and payment of dividend aggregating to ₹463.77 lakhs.

Net cash flow generated in financing activities was ₹32,382.00 lakhs in Financial Year 2023, primarily consisting of issue of compulsorily convertible preference shares of ₹47,500.00 lakhs and loan taken from related parties of ₹15,370.00 lakhs. This was partially offset by loan repaid to related parties aggregating to ₹27,954.30 lakhs, buyback of equity shares aggregating to ₹1,511.89 lakhs and payment of dividend aggregating to ₹961.07 lakhs.

Net cash flow generated by financing activities was ₹9,410.63 lakhs in Financial Year 2022, primarily consisting of loan taken from related parties of ₹39,137.15 lakhs. This was partially offset by loan repaid to banks aggregating to ₹14,915.88 lakhs, loan repaid to related parties aggregating to ₹11,841.40 lakhs, payment to erstwhile partners (on account of business combinations) aggregating to ₹2,103.49 lakhs and payment of dividend aggregating to ₹604.34 lakhs.

#### **Indebtedness**

As of March 31, 2024, we had total borrowings (including lease liabilities) amounting to ₹37,071.21 lakhs on a consolidated basis.

### Capital and other commitments

The following table sets forth details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis:

Particulars	As at March 31,		
	2024	2023	2022
	(₹ in lakhs)		
Less than one year	298.34	265.13	261.41
One to five years	604.34	807.03	1,026.67
More than five years	64.85	65.86	66.87

### Capital Expenditure

For the Financial Year 2024, 2023 and 2022, our capital expenditure was ₹14,396.06 lakhs, ₹7,906.18 lakhs and ₹4,480.94 lakhs, respectively, primarily towards plant, machinery, moulds, building, computer, electric installation, furniture and vehicles.

### Contingent liabilities and Commitments

The following table sets forth our contingent liabilities as of March 31, 2024:

Nature of Contingent Liability	As at March 31, 2024
	(₹ in lakhs)
Sales Tax Act claims disputed by the Group relating to tax rate determination and pending declaration forms	324.10
Bank guarantees	1,905.16
Trade mark	30.00
Litigation - Complaints by Consumer	2.23
Civil Matters	3.70

The following table sets forth our commitments as of March 31, 2024:

Nature of Commitments	As at March 31, 2024
	(₹ in lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	6,135.35

### Off-balance sheet commitments and arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

### Related party transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see “Financial Information – Note 44 - Related Party Disclosures” on page F-96.

### Quantitative and qualitative analysis of market risks

We are exposed to various types of market risks during the ordinary course of business. The market risks we are exposed to include market risk, interest rate risk, liquidity risk and foreign currency risk.

### *Market risk*

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our long-term and short term debt obligations with floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. We manage our interest rate risk by having fixed and variable rate loans and borrowings.

### *Liquidity risk*

Liquidity risk is the risk that we will not be able to meet our financial obligations as they become due. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs.

### *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities denominated in foreign currency.

### *Product price risk*

In a potentially inflationary economy, we expect periodical price increases across our product lines. Product price increases which are not in line with the levels of our customers' discretionary spends, may affect the business/sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to customers to sustain volumes. We negotiate with our vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the customers. This helps us to protect ourselves from significant product margin losses.

### **Unusual or infrequent events or transactions**

Except as disclosed in this Placement Document, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

### **Known trends or uncertainties**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*", beginning on pages 47 and 94, respectively. Except as disclosed in this Placement Document, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **Supplier or Customer Concentration**

We do not have any material dependence on a single or few suppliers. We have a wide customer base and do not have any material dependence on any particular customer.

### **New Products or Business Segments**

Except as disclosed in this Placement Document, including as described in “*Our Business*” beginning on page 163, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

### **Seasonality**

Our business is subject to seasonality as we generally see higher demand of our products from our customers during the festive seasons. Further, our products also face varied demand based on weather conditions across the seasonal cycles. For details, see “*Risk Factors – Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition*” on page 54.

### **Competitive conditions**

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. Some of our competitors also have competitive advantages such as longer operating histories, better brand recognition and more established supply relationships. For further details, see “*Risk Factors — Internal Risk Factors — 5. We face significant competition which may lead to a reduction in our market share, cause us to increase our expenditure on advertising and marketing as well as cause us to offer discounts, which may result in an adverse effect on our business, results of operations, financial condition and cash flows.*” on page 52.

### **Future relationship between cost and income**

Other than as described in “*Risk Factors*”, “*Our Business*” and above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting our Results of Operations*” beginning on pages 47, 163 and 94, respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

### **Significant Developments after March 31, 2024**

Except as set out in this Placement Document, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Placement Document which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## INDUSTRY OVERVIEW

Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled “Consumerware, Stationery & Moulded Furniture Markets in India” dated July 1, 2024 prepared by Technopak Advisors Private Limited (“**Technopak**” and such report, the “**Technopak Report**”). We have commissioned and paid for the Technopak Report for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to an engagement letter dated June 13, 2024. The data included in this section includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to commissioned reports, see “Risk Factors — Internal Risk Factors — This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Technopak Advisors Private Limited (“**Technopak**”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.” on page 66.

### 1. Overview of Global and Indian Economy

#### 1.1. Macroeconomic Overview - GDP and GDP Growth

***India is the world's 5th largest economy and expected to be in top 3 global economies by FY 2030***

India ranked fifth in the world in terms of nominal gross domestic product ("GDP") for FY 2023 and is the third largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to be a ~USD 5.8 trillion economy by FY 2028 and is estimated to be the third largest economy by FY 2030 surpassing Germany and Japan. India's nominal GDP has grown at a CAGR of 9.0% between CY 2018 and CY 2023 and is expected to continue this trend by registering a CAGR of 11.9 % for the 5-year time-period from CY 2023 to CY 2028.

***India's GDP Growth almost twice as that of the World Economy***

Since FY 2005, the Indian economy's growth rate had been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. Between CY 2023 and CY 2028, India's real GDP is expected to grow at a CAGR of 4.4%, which compares favourably to the world average (3.2%) and with other major economies, including China (3.9%), UK (1.4%), Japan (0.8%) and the USA (2.2%) for the similar period of CY 2023 to CY 2028. It is also expected that the growth trajectory of Indian economy will enable India to be among the top 3 global economies by FY 2028.

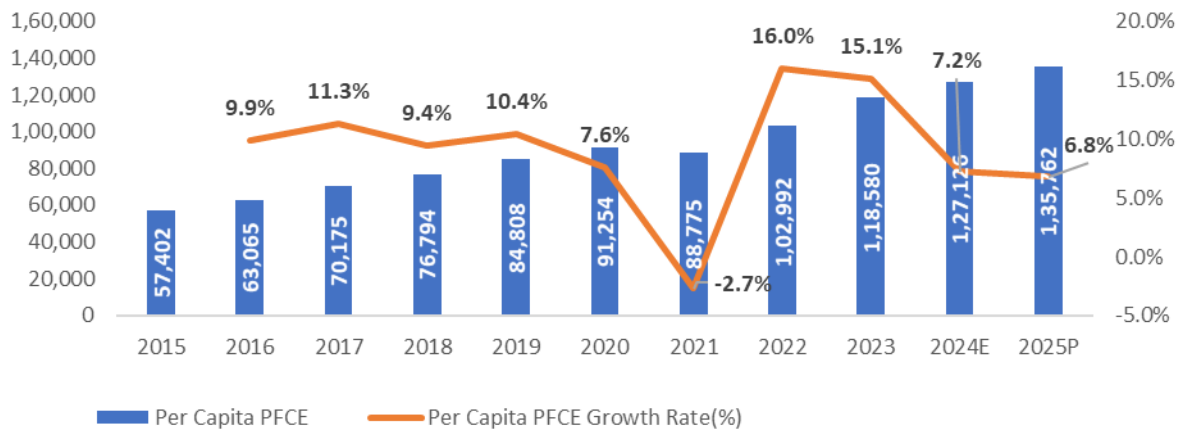
#### 1.2. Private Final Consumption Expenditure

***High share of domestic consumption in Private Final Consumption Expenditure***

GDP growth in India is expected to be driven by rising Private Final Consumption Expenditure (PFCE). India is a private consumption-driven economy, where the share of domestic consumption is measured as PFCE. This private consumption expenditure comprises both goods (food, lifestyle, home, pharmacy, etc.) and services (food services, education, healthcare, etc.). The high share of private consumption to GDP has the advantage of insulating India from volatility in the global economy. It also implies that sustainable economic growth directly translates into sustained consumer demand for goods and services. India's domestic consumption has grown at a CAGR of 10.4% between FY 2016 and FY 2023, while China's growth during the similar period is estimated at 6.9% from CY 2015 to CY 2022.

In FY 2023, PFCE accounted for ~60% of India's GDP, which was higher than that in China (~53%), but lower than other large economies such as Germany (~73%), Japan (~77%) and UK (~83%) during a similar period of CY 2022. With the rapidly growing GDP and PFCE, India is expected to be among the top consumer markets in the world. It is estimated that the PFCE's contribution to India's GDP will be 58.5% for FY 2024.

**Exhibit 1.3: India's Per Capita Consumption Expenditure (at Current Prices) and growth (%) (in INR) (FY)**

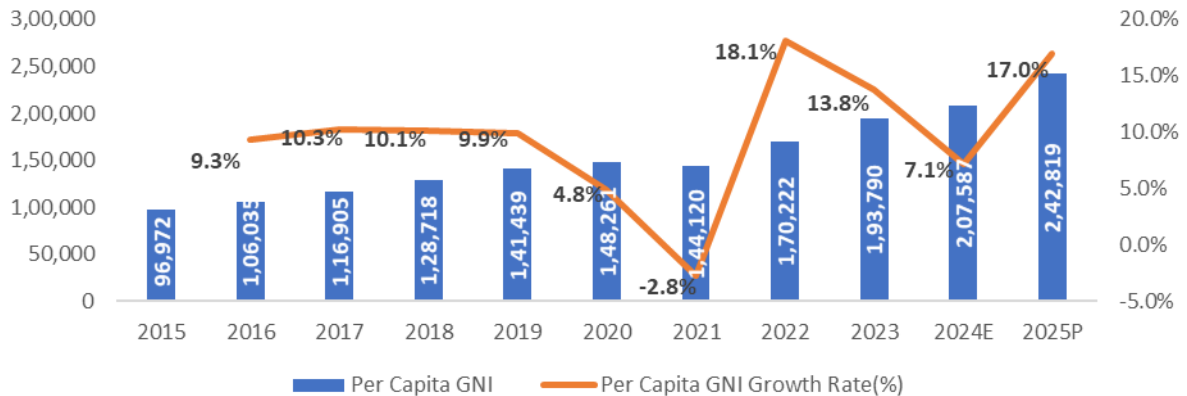


Source: RBI, MOSPI, Technopak Analysis

### Per Capita Income Growth

India's income growth is one of the strongest drivers for higher private consumption trends. In recent years, the rate of growth of per capita Gross National Income (GNI) has accelerated, indicating that the Indian economy has been growing at a faster rate. The per capita GNI for India is expected at at INR 2,07,587 in FY 2024, marking a ~61.3% increase from INR 1,28,718 in FY 2018, exhibiting a CAGR of 8.3% during the period.

**Exhibit 1.4: India's per capita Gross National Income in INR (Current Prices) and y-o-y growth trend (%) (FY)**



Source: RBI, MOSPI, Technopak Analysis

## 1.3. Key growth drivers

### 1. Demographic profile of India

India has one of the youngest populations globally compared to other leading economies. The median age in India is estimated to be 29.5 years for CY 2023 as compared to 38.5 years and 39.8 years in the United States and China, respectively, and is expected to remain under 30 years until CY 2030. With a growing young population, the demand for premiumization is also growing. The younger population is naturally pre-disposed to adopting new trends and exploration given their educational profile and their exposure to media and technology, which presents an opportunity for domestic consumption in the form of branded products and organized retail.

**Exhibit 1.5: Median Age: Key Emerging & Developed Economies in (CY 2023)**



Country	India	China	USA	Singapore	Russia	South Korea	Canada	UK
Median Age (Yrs.)	29.5	39.8	38.5	38.9	41.5	45	42.4	40.6

Source: World Population Review

### More than half of India's population falls in the 15-49 year age bracket

As of April 2024, India was the most populated country in the world, home to 1.44 billion people, which is about one-sixth of the world's population. About 54% of the total population falls within the 15 to 49 years age group, while 80% of the population is below 50 years old. This demographic distribution highlights that India's youth and working-age population contribute to positive demographics.

## 2. Women Workforce

Numerous factors, including better healthcare and greater media focus, are allowing women in India, in both urban and rural areas, to exercise greater influence on their families and society. The most important factor, however, is educational opportunity. Additionally, this increase of women in the workforce has led to a shift in household activity patterns, including an upward trend towards purchase of branded products, including fashion and lifestyle. The female labour force participation rate in the country has improved significantly by 4.2 percentage points from 32.8% in FY 2022 to 37.0% in FY 2023 owing to improvement in education, work opportunities and government initiatives.

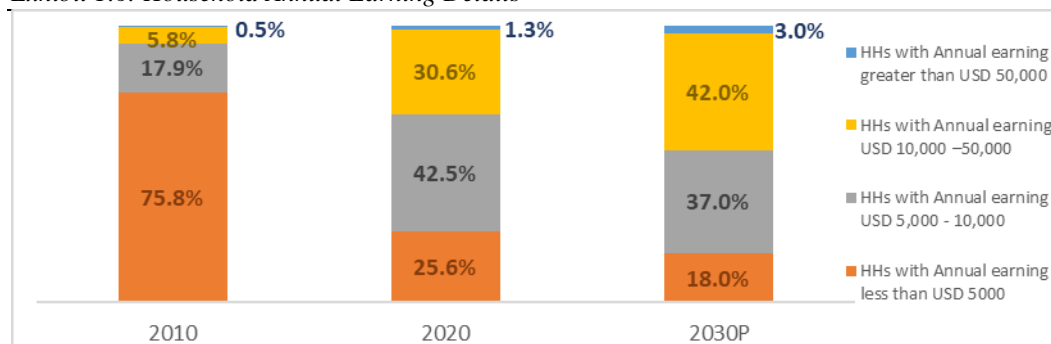
## 3. Urbanization

Urbanization is one of the most important pillars of India's growth story, as urban areas serve as the core drivers for consumption. India had the second-largest urban population in the world (in absolute terms) at 508 million in CY 2022, ranking only below China. Indian urban system constitutes ~11% of the total global Urban population. However, only 36% of India's population is classified as urban, compared to a global average of ~58%. It is the pace of India's urbanization that is a key trend fuelling India's economic growth. Currently, the urban population contributes 63% to India's GDP. Looking ahead, it is estimated that 37% (519 million) of India's population will be living in urban centres by CY 2025 and is expected to account for 75% of India's GDP in FY 2026. This trend is expected to continue, with approximately 41% of India's population living in urban centres by CY 2030.

## 4. Growing Middle Class

The increase in number of households with annual earnings ranging from USD 10,000 to USD 50,000 is poised to drive the Indian economy by fostering demand for a wide array of goods, improved services, housing, healthcare, education, and more. Households with an annual income between USD 10,000 and USD 50,000 constituted a minor portion, accounting for 5.8% of the total population in FY 2010. This share increased to 30.6% in FY 2020 and is expected to continue in the same vein, rising to 42% of the total population by FY 2030. The expanding middle class sector in India is accompanied by a growing appetite for premiumization across various sectors, including goods and services, construction, housing services, financial services, telecommunications, and retail.

Exhibit 1.6: Household Annual Earning Details



Source: EIU, \*Technopak Estimates

## 5. Nuclearization

The growth in the number of households currently exceeds population growth, which indicates an increase in nuclearization in India. Average household size has reduced from 5.3 in FY 2001 to 4.2 in FY 2021 and is further projected to reduce to 3.9 by FY 2030. 69% of households had less than five members in FY 2011 as compared to 62% in FY 2001. Growth in the number of nuclear families is leading to an increase in the number of households, thereby creating a strong demand for housing units and discretionary expenditure in India.

### 1.4. Retail Market in India

The Indian retail market as a whole has historically been characterized as largely fragmented and unorganized. In FY 2015, the total retail market in India stood at USD 461 Bn. Organized retail, while still in its nascent stage contributed 8.8% (in 2015) to the total retail market in India while the unorganized sector had a significant share, contributing to 91.2% of the total retail market.

While the total retail market in India in FY 2023 reached a value of USD 951 Bn and grew by 9.5% CAGR over previous 8 years, the organized retail market reached a value of USD 150 Bn contributing to 15.8% of the overall retail market and grew by 18.7% CAGR over 8 years. In FY 2024, the total retail market is expected to reach a value of USD 1,061 Bn and the organized retail market is expected to reach a value of USD 196 Bn contributing 18.5% of the overall retail market. By FY 2027, the values for total retail and organized retail are expected to reach USD 1,417 Bn and USD 325 Bn respectively, exhibiting CAGR of 10.1% and 18.4% for total and organized retail respectively from FY 2024 to FY 2027.

*Exhibit 1.7: Growth of Organised Retail in India (in USD Bn)*

	2015	2020	2021	2022	2023	2024	2025P	2027P	2015-20	CAGR 2022- 25P	2024- 27P
<b>Total Retail in India</b>	461	746	722	844	951	1,061	1,164	1,418	10.1%	11.3%	10.1%
<b>Unorganised Retail</b>	423	655	635	735	801	865	932	1,093	9.1%	8.2%	8.1%
<b>Organized Retail</b>	38	91	87	109	150	196	233	325	19.1%	28.8%	18.4%
<i>Modern Retail (Brick &amp; Mortar)</i>	33	57	44	60	84	109	124	169	11.9%	27.5%	15.7%
<i>E-commerce/Online Retail</i>	6	34	42	49	66	87	109	156	43.4%	30.4%	21.5%
<b>Share of Organized Retail</b>	8.2%	12.2%	12.1%	12.9%	15.8%	18.5%	20.0%	22.9%	-	-	-

Source: Technopak analysis

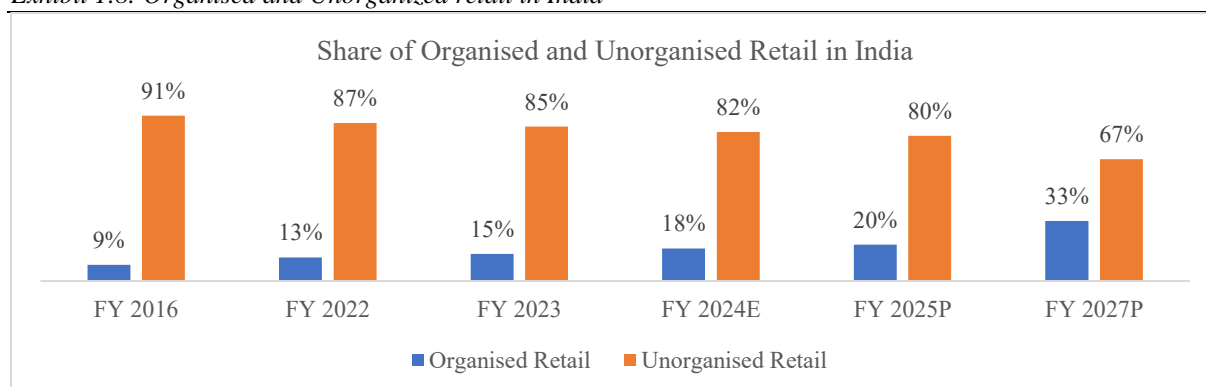
General trade (GT) refers to the unorganized retail market. This channel has the largest share in the retail category and is dominated by unorganized players having wide reach to the market. GT channel is expected to grow at a CAGR of 8.1% from FY 2024 to FY 2027. However, going forward this segment is estimated to be key for online + offline collaborations and formalization of retail.

Modern Retail – Brick and Mortar retail (Modern Trade) is key in evolution of organized retail in India. Share of modern trade in India retail is projected to increase from 10.3% in FY 2024 to 11.9% in FY 2027, implying a 18.4% CAGR. This growth in the channel will be driven by market entry beyond top 500 cities and growth of omnichannel in the retail sector. The key component of growth in modern trade retail is through robust consumption growth in Urban Consumption Centres, increased customer reach and brand awareness.

Online Retail or E-Commerce has the highest growth rate across all retail channels and has witnessed a CAGR of 43.4% between FY 2015 and FY 2020. This growth was driven by Increased internet penetration and consumer preference for ordering from the comfort of homes. In CY 2023, ~46% of population was using the internet in India which is expected to increase further with increase in consumer spending. Online retail is estimated to grow at a CAGR of 21.6% from FY 2024 to FY 2027.

## Organized and Unorganized retail penetration

Exhibit 1.8: Organised and Unorganised retail in India



Source: Secondary Research, Technopak analysis

The organized retail industry has seen the maximum growth worldwide, especially in the economies like India, China, South Korea, etc. India's organized retail contribution to total retail was 18.5% in FY 2024, and is expected to increase to ~33% by FY 2027.

Emerging economies like India have a growing middle class, who are willing to explore modern retail and seek organized retail formats as they offer both awareness and access to global brands. India is the fifth largest and preferred destination globally for retail. India's retail sector is experiencing exponential growth with retail development taking place in major cities and metros along with Tier 2 and Tier 3 cities. This has led to a generation of employment in the country and has positively benefitted the economic environment in the country as well.

## Share of Retail and Services in India's Consumption Basket

India's consumption basket includes need-based retail, discretionary retail and services availed by the consumers. The total consumption market in FY 2015 stood at USD 966 Bn which was ~58% of the GDP. The total consumption basket of India is expected to witness a CAGR of ~11% from FY 2024 to FY 2027. The spending by customers on discretionary categories has seen a rise owing to higher income levels and enhanced standards of living.

Exhibit 1.9: India's Consumption Basket (values in USD Bn) (FY)

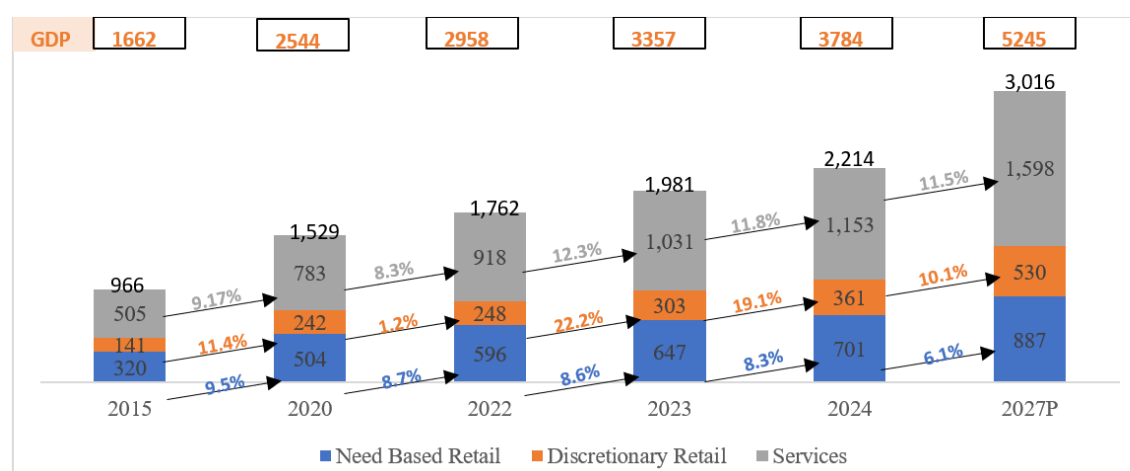
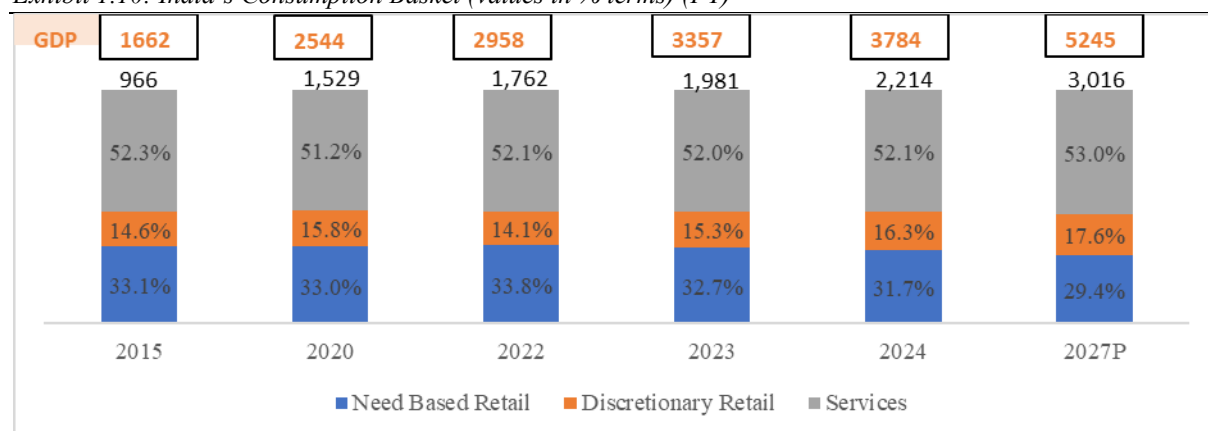


Exhibit 1.10: India's Consumption Basket (values in % terms) (FY)



Source: Secondary Research, Technopak analysis

Note: Percentages in exhibit 1.9 represent CAGRs for the respective time periods.

### Key Discretionary Categories across Retail and Services

The share of Home & Living which includes Houseware is expected to grow to 4.5% in FY 2027, growing at a CAGR of 13.3% from FY 2024 to FY 2027. It is expected to grow faster than the overall retail market which is expected to register a CAGR of 10.1% from FY 2024 to FY 2027. Apparel, Accessories & Watches; Jewellery; Consumer Electronics and Home and Living are the key categories which accounted for 8.9%, 7.9%, 7.1% and 4.3% of overall retail respectively in FY 2024.

Exhibit 1.11: India's Consumption Basket (values in USD Bn) (% Share of Discretionary Categories in Total retail)

Categories	2015	2020	2022	2023	2024	2025P	2027P	CAGR 2015-20	CAGR 2024-27
<b>Total Retail</b>	<b>461</b>	<b>746</b>	<b>844</b>	<b>951</b>	<b>1,061</b>	<b>1,164</b>	<b>1,418</b>	<b>10.1%</b>	<b>10.1%</b>
Apparel, Accessories & Watches	38	62	57	76	95	111	147	10.0%	15.8%
Jewellery	33	56	56	70	84	95	124	11.1%	14.0%
Consumer Electronics	25	48	53	63	75	85	111	13.7%	14.1%
Home & living	21	32	32	38	45	51	65	8.8%	13.3%
Footwear	6	9	8	10	12	14	19	8.4%	16.9%
Others	17	35	43	47	51	56	66	15.4%	8.9%
<b>Total Discretionary</b>	<b>141</b>	<b>242</b>	<b>248</b>	<b>303</b>	<b>361</b>	<b>413</b>	<b>531</b>	<b>11.4%</b>	<b>13.7%</b>
<b>% of Total Retail</b>	<b>31%</b>	<b>32%</b>	<b>29%</b>	<b>32%</b>	<b>34%</b>	<b>35%</b>	<b>37%</b>	-	-

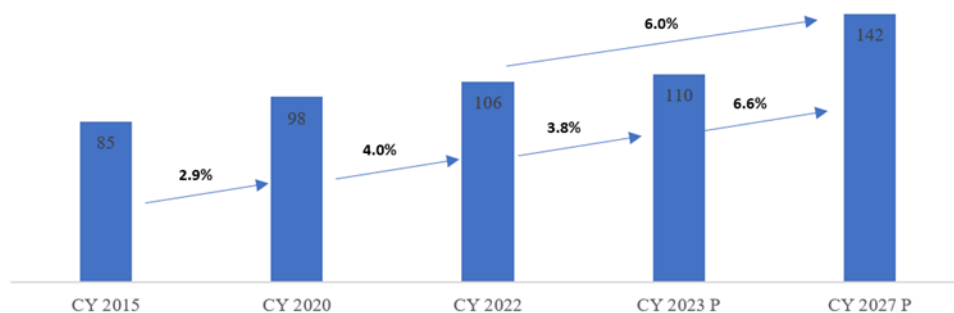
Source: Technopak Analysis

## 2. Indian Consumerware Market

### 2.1 Global Consumerware Market

The Global Consumerware market was valued at USD 106 Bn in CY 2022. This market has witnessed a steady growth over the years with market size increasing from USD 98 Bn in CY 2020 to USD 106 Bn, growing at a CAGR of 4%. Various factors like increasing disposable income, changing consumer lifestyles and preferences, growing demand for modular kitchens and functional living spaces are further adding to the growth of the global Consumerware industry. Consequently, the market size is expected to reach USD 142 Bn in CY 2027 from USD 110 Bn in CY 2023 growing at a CAGR of 6.6%.

Exhibit 2.1: Market size of Global Consumerware Industry (In USD Bn)



Source: Technopak Analysis. Consumerware including Consumer Houseware and Consumer Glassware defined as- Houseware: Hydration (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). Cookware (Includes Cooking range of pans, cookers etc made of steel, non-stick, cast iron etc). Insulated Ware (Includes casseroles made of plastic, steel, mix of materials). Lunchboxes (Made of plastic, steel, glass, mix of materials). Storage containers (Made of plastic, steel, glass, mix of materials). Small kitchen appliances (like food processors, OTG, toasters, grillers etc). Cleaning products (like mops, scrubs etc. not including cleaning chemicals/consumables). Glassware: Glass, opal, melamine, porcelain made--dinner sets, cups/mugs, bowls, bakeware, serving plates and glasses (Excluding glassware covered in Consumer houseware categories i.e. glass bottles, flasks, Insulated Ware, lunchboxes, containers).

The key consumption markets in the Global Consumerware market are USA, Europe (Germany, UK, France dominate in Europe) and Asia Pacific (China being the dominant country in this region). The industry's growth is driven by several factors common to these regions, such as increasing urbanization, rising disposable income, and the growth of e-commerce.

### Key Growth Drivers

- 1. Increasing Disposable Income:** Rising disposable income has resulted in an increase in demand for premium and high-quality houseware products. Consumers are increasingly opting for products that offer functionality, durability, and aesthetics.
- 2. Introduction of Advanced and Affordable Materials:** The Consumerware industry has been introducing advanced and quality materials at affordable prices. For instance, ceramic ware has gained popularity in hotels due to its durability, heat resistance, and aesthetic appeal. The availability of such materials at reasonable prices has expanded the market and driven the adoption of Consumerware products.
- 3. Rise of Modular Kitchens & Aesthetic Consumerware:** The surge in popularity of modular kitchens and the growing demand for aesthetic Consumerware products have sparked increased spending on remodelling and improvement endeavours. Consumers are increasingly inclined to invest in premium cookware and tableware items that seamlessly complement the contemporary designs of modular kitchens. This prevailing trend is stimulating the expansion of the Consumerware market, specifically for products that cater to the aesthetic preferences of modular kitchen enthusiasts. Notably, consumers are also actively opting for visually appealing bottles, lunch boxes, and other related items that harmonize with the overall aesthetic appeal of their kitchen spaces.
- 4. Increasing Spend on Remodelling and Improvement Projects:** The COVID-19 pandemic accelerated the need for beautiful and functional homes as more people spent increased time indoors in 2020 and 2021. While the pandemic undoubtedly accelerated this phenomenon, it is crucial to acknowledge that other driving forces, such as the growing trend of households becoming smaller and more independent and the increasing urban population density and related societal transformations, have significantly contributed to the heightened demand for Consumerware products including cookware, tableware, and home decor, as consumers sought to create comfortable and aesthetically pleasing living spaces. Importantly, as travel resumes and social activities regain momentum, the continued preference for home improvement projects reflects a strong and lasting motivation driven by these overarching factors.
- 5. Influence of Social Media:** The rise of social media influencers, particularly in the Consumerware industry, has had a significant impact on consumer behaviour. Influencers with expertise in interior design, home organization, and culinary arts have gained large followings on platforms like Instagram, YouTube, and

Pinterest. They showcase Consumerware products, provide inspiration, and offer tips on styling and usage. The influence of these social media personalities has led to increased consumer awareness and desire for Consumerware products, contributing to higher consumption. This effect is particularly driven by the "aspirational demand" created by exposure to these personalities. As consumers see influencers and celebrities using and endorsing Consumerware products, they develop a strong desire to emulate their lifestyles.

## Key Trends

- 1. Increasing Popularity of non-traditional materials:** The Indian houseware market has witnessed a remarkable shift in consumer preferences towards branded products made from non-traditional materials such as Porcelain and Opalware. Consumers are now more inclined towards modern and contemporary materials, seeking not only aesthetic appeal but also reliability and trust that comes with reputable brands. As lifestyles change and tastes evolve, consumers are increasingly looking for sophisticated Consumerware products from trusted brands that offer a modern and luxurious touch to their homes. Moreover, the acceptance of branded ceramic cookware for its heat retention ability and versatility further reinforces the trend of consumers seeking quality and assurance in their choices. Similarly, silicone's popularity in branded cookware is attributed to its high heat resistance and trusted performance in a variety of cooking situations. Brands that promote sustainability and eco-friendliness, like those using bamboo as a material, also gain favour among environmentally-conscious consumers
- 2. Evolving Distribution Channels:** The distribution channels in the Consumerware market have been evolving. Offline channels, including traditional brick-and-mortar stores, supermarkets, and hypermarkets, still dominate the market globally with ~85% share of the total market. The offline share remains significant as customers prefer to physically verify products like cookware before purchasing because prices varies significantly because of material, design, quality, and size. However, online channels have been gaining traction, consumers are showing a growing interest in branded products available through online platforms, especially amongst young working professionals, who value the convenience of ordering, delivery, and easy returns.
- 3. Growing Trend of Omni Channel market:** In the evolving Consumerware market, branded retailers are embracing omni-channel strategies to enhance the consumer experience with branded products. By establishing a strong online presence and partnering with e-commerce marketplaces, reputable retailers make sure that their branded products are easily accessible to consumers across different channels. The inclusion of branded products within this omni-channel approach instils trust and credibility, as consumers can recognize and rely on the brand's reputation and consistency. They have implemented click-and-collect services, allowing customers to conveniently place orders online and pick up their purchases from nearby physical stores. Moreover, retailers leverage data analytics and customer insights to provide personalized recommendations of branded houseware products, strengthening the bond between consumers and the brands they trust.
- 4. Premiumisation though branded products:** A significant trend in the Indian houseware market is the premiumization of branded products, driven by consumers' increasing willingness to invest in top-quality offerings. Branded Consumerware items have gained popularity among consumers with higher disposable incomes, who seek assurance of superior quality, innovative designs, and enhanced functionality. The aspiration for personalization is satisfied by brands that offer exclusive and innovative products. The value perceived by consumers is amplified when they connect with the brand's reputation and heritage, further highlighting the importance of branded Consumerware in this premiumization trend. Social media and lifestyle trends play a role in showcasing branded products as desirable and aspirational, contributing to the overall success of trusted brands in the Indian Consumerware market.

## Branded Global Consumerware Market

The Global Consumerware market is dominated by branded players, accounting for ~60% of the market share, which grew at CAGR of ~6-7% from CY 2015 to CY 2022. The remaining 40% of the market is accounted for by unbranded players. However, this split may vary as per different regions & locations. In North America, branded players account for approximately 65% of the market share, while in Asia Pacific, they account for about 52% of the market. In Europe, the Middle East, and Africa, branded players account for ~63% of the market share.



In terms of product categories, branded players dominate the market for high-value products such as home appliances, while unbranded players dominate the market for low-value/economy products such as kitchen utensils and cleaning supplies. However, in recent years, branded players have been expanding their product portfolios to include economy products as well, to capture a larger share of the market.

### **Does Indian Market resonate Global trends?**

Indian consumers are becoming increasingly open to embracing global Consumerware trends, resulting in a diverse market that caters to a wide range of preferences and needs. With globalization and increased access to information and technology, consumers in India are becoming more aware of global trends and preferences. This awareness influences their choices and preferences when it comes to Consumerware products.

1. **Smart Water Bottles:** Globally companies like HidrateSpark and Thermos have gained recognition for their innovative smart water bottles. HidrateSpark offers a range of smart water bottles that track hydration levels and sync with mobile apps to provide personalized hydration goals and reminders. In Indian market following similar trend companies like HydraCoach and Boltt have introduced their version of smart water bottles.
2. **Functional Insulated Ware:** Stackable and space-saving Insulated Ware containers have become increasingly popular, allowing for efficient storage in kitchens and on-the-go. Lunch boxes have undergone transformations as well, with bento-style boxes gaining prominence due to their multiple compartments for organized and portioned meals. Insulated lunch bags have also witnessed advancements, combining style with functionality to maintain the temperature of packed meals
3. **Storage Containers:** Stackable and modular designs have gained favor among consumers, enabling efficient utilization of storage space. Airtight and leak-proof containers have seen advancements in sealing mechanisms, ensuring food remains fresh and preventing spills during storage or transport. Clear and transparent containers are increasingly preferred, allowing for easy visibility of stored items and facilitating organization in households and commercial settings.
4. **Small Kitchen Appliances and Health focused Appliances:** The small kitchen appliances segment has also witnessed remarkable trends, with the integration of smart features, such as Wi-Fi connectivity and app control, enhancing functionality and convenience. Compact and multifunctional appliances have gained popularity, catering to the needs of space-constrained kitchens. Moreover, the market has seen a rise in appliances designed for healthier food preparation, such as Cello's cold pressed juicer, air fryers, steamers, and smoothie blenders, aligning with the growing consumer focus on well-being and nutrition.

Overall, the Indian Consumerware market is embracing global trends and adapting them to cater to the unique preferences and needs of Indian consumers.

## **2.2 Indian Consumerware Market**

The Indian Consumerware Market is broadly divided into two categories, Consumer Houseware and Consumer Glassware. The Consumer Houseware and Consumer Glassware markets are further segmented into various subcategories like:

**Consumer Houseware:** Hydration, Cookware, Insulated Ware, Lunchboxes, Storage Containers, Melamine, Small Kitchen Appliances and Cleaning Products.

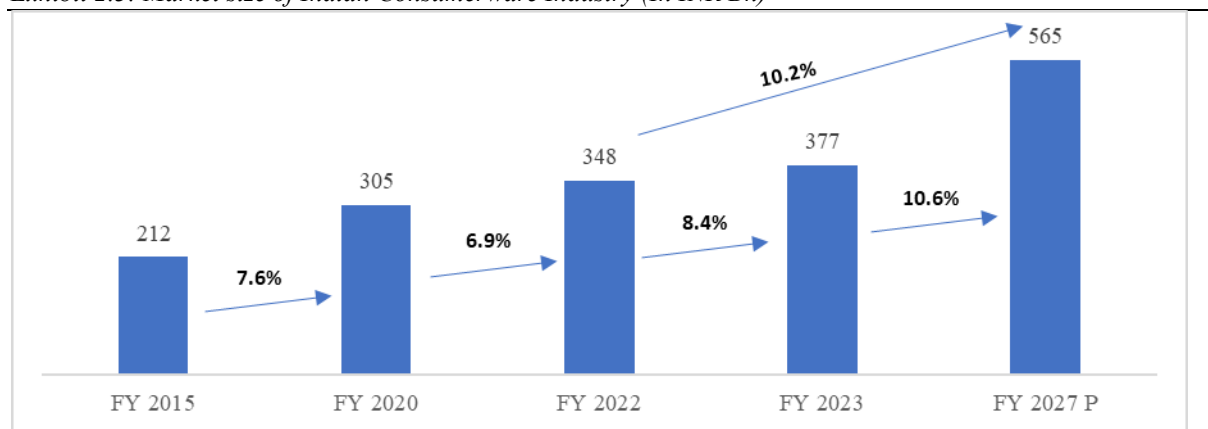
**Consumer Glassware:** Opalware, Glassware and Porcelain

This market was valued at INR 377 Bn in FY 2023. This market has witnessed steady growth over the years with market size increasing from INR 305 Bn in FY 2020 to INR 348 Bn FY 2022 growing at a CAGR of 6.9% and INR 565 Bn Cr in FY 2027 growing at a CAGR of 10.2% for the period FY 2022-2027. Various factors like increasing disposable income, nuclearization of families, and growing demand for organized and functional kitchen spaces are further adding to the growth of the Indian Consumerware Market.

This growth is attributed to factors like favourable demographics with shifting dynamics in kitchen responsibilities and an increase in working women, increasing ownership of products per person and the evolving Indian consumer, with increased discretionary spending and improved product availability through online platforms and

multi-brand outlets. Additionally, the shift towards innovative and creative products that prioritize aesthetics and functionality have accelerated the growth of branded players in the market and thus the industry itself.

*Exhibit 2.3: Market size of Indian Consumerware Industry (In INR Bn)*



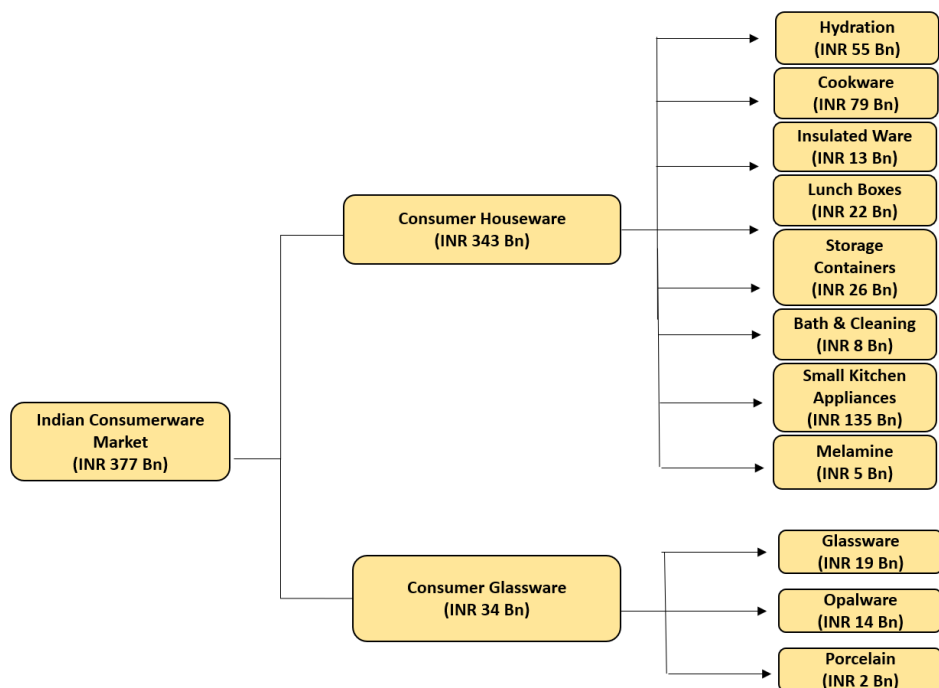
Source: Technopak Analysis

**Houseware:** Hydration (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). Cookware (Includes Cooking range of pans, cookers, kadhais etc made of steel, non-stick, cast iron, aluminium etc). Insulated Ware (Includes casseroles made of plastic, steel, mix of materials). Lunchboxes (Made of plastic, steel, glass, mix of materials). Storage containers (Made of plastic, steel, glass, mix of materials). Small kitchen appliances (like food processors, OTG, toasters, grillers etc). Cleaning products (like mops, scrubs etc. not including cleaning chemicals/consumables).

**Glassware:** Glass, opal, melamine, porcelain made—dinner sets, cups/mugs, bowls, bakeware, serving plates and glasses (Excluding glassware covered in Consumer houseware categories i.e. glass bottles, flasks, Insulated Ware, lunchboxes, containers).

### Consumerware Market Segmentation

*Exhibit 2.4: Category wise segmentation of Indian Consumerware Market. Market size-FY 2023*



Source: Technopak Analysis

Both Houseware and Glassware categories have shown a steady growth over the period of time. The consumer Houseware industry was valued at INR 343 Bn in FY 2023. By 2027, the Consumer Houseware industry is expected to grow at 10.0% to reach INR 502 Bn, indicating strong growth potential for companies operating

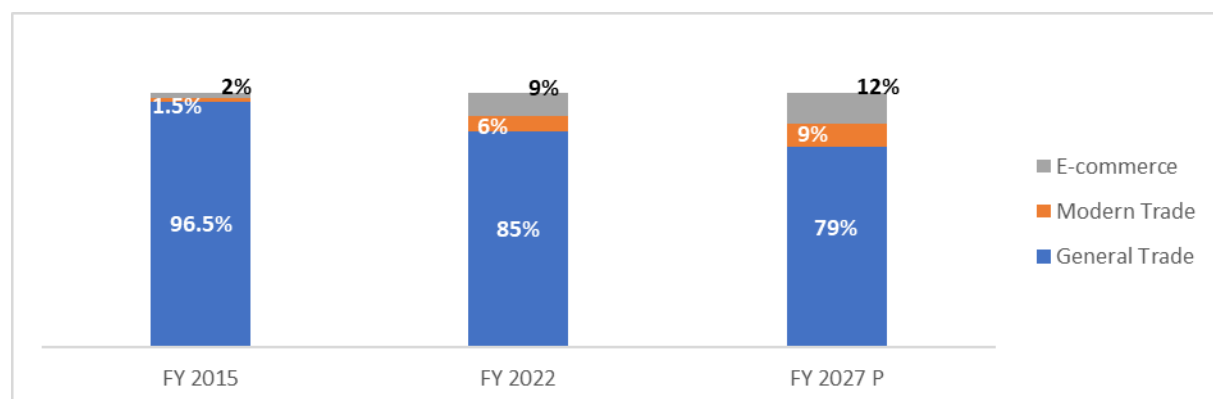


within this space. The Consumer Glassware industry has been growing at a double digit CAGR over the years and it expected to continue the growth momentum reaching INR 63 Bn by FY 2027.

### Consumerware Channel Segmentation

The Indian Consumerware market has witnessed a significant transformation in its channel segmentation over the years. In FY 2015, the general trade held a dominant position, accounting for a substantial market share of 96.5%. However, as the market evolved, there has been a gradual decline in the general trade's contribution, but nevertheless, it remains the dominant channel for this category.

Exhibit 2.5: Channel wise market segmentation of Indian Consumerware Market



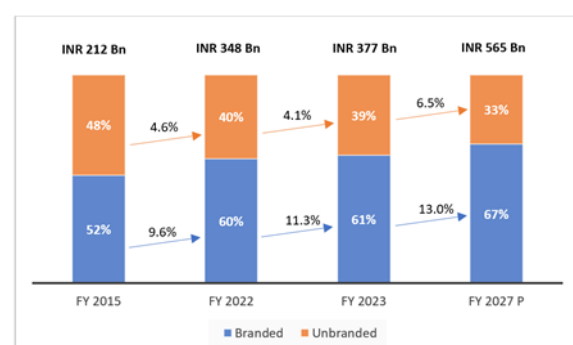
Source: Technopak Analysis

The emergence of e-commerce has also played a pivotal role in shaping Consumerware market's channel segmentation. In FY 2015, e-commerce held a relatively small share of 2%. However, as consumers increasingly embraced online shopping, the e-commerce sector experienced rapid growth, capturing a share of 9% by FY 2022. This growth is likely to continue, with a projected share of 12% by FY 2027, driven by factors such as convenience, wider product selection, competitive pricing, and the increasing penetration of internet connectivity in India.

### Branded Indian Consumerware Market

As of FY 2023, Branded play dominated nearly 61% (~INR 230 Bn) of the Consumerware market in India. This represents a significant increase from the share of around 52% (~ INR 110 Bn) recorded in the FY 2015, reflecting a CAGR of 9.6% for the Branded market. The Branded play is estimated to capture ~67% (~INR 377 Bn) share by FY 2027 at the CAGR of 13% for the period FY 2023-27 as the branded market continues to grow with a double digit CAGR, and a rate much faster than the unbranded market. In the branded Consumerware market, Cello occupied a market share of 8% for FY 2023. Its market share was 4.9% in the overall Consumerware market for the same period.

Exhibit 2.6: Share of Branded & Unbranded Consumerware Market



Source: Technopak Analysis

## Growth Drivers for Branded Market

### 1. *Rising Awareness among consumers towards safety and quality*

The escalating consumer awareness regarding safety and quality has become a significant driver for the growth of branded players in the Indian market. Consumers in India have developed a heightened sense of brand consciousness, recognizing branded products as indicators of trust, superior quality, and safety. This trend has resulted in a preference for branded offerings across various income segments, providing branded players with ample opportunities to expand their market share through strategic investments in marketing and advertising initiatives, thereby enhancing brand visibility and consumer awareness.

### 2. *Technological Intervention*

Branded players in the Indian Consumerware market are making significant investments in research and development to drive technological innovation and offer novel products that cater to the changing needs and preferences of consumers. This strategic approach enables them to differentiate themselves from unbranded alternatives by delivering superior innovation and product quality. One prominent example of this trend is the introduction of technologically advanced Consumerware products that enhance convenience and functionality. Branded players have brought innovations such as microwave-safe and oven-proof glassware, electric lunch boxes with inbuilt heating capabilities, and insulated casseroles and lunch boxes designed to keep food warm for extended periods. These innovations address the growing demand for on-the-go food containers and provide added value to consumers seeking convenient meal solutions. Cello, as a prominent player in the industry, has consistently demonstrated its ability to innovate and launch superior products that set it apart in the market. Notable instances of product innovation can be seen in their Vegetable and Fruit Cleaner and the Quick Boil Glassy H2O Electric Kettle. Borosil was one of the early innovators for microwavable glass in India.

### 3. *Economies of Scale*

Branded players are also leveraging their economies of scale to improve distribution efficiencies and expand their reach into new markets. Brands like Cello, Prestige, Milton, and Borosil have been investing heavily in technology and logistics to improve their supply chain management and distribution networks. For instance, Cello has established a strong distribution network with more than 74,037 retailers across India for the Consumer Houseware division. The company has also invested in technology to improve its supply chain management and has implemented an SAP system for better inventory management and production planning. Milton too has implemented an ERP system for better inventory management, production planning, and sales forecasting.

### 4. *Evolving Aspirations: From Utility to Lifestyle*

In tandem with the rise in disposable income, the aspirations of Indian consumers have undergone a significant transformation. There is a shift from houseware being perceived as utilitarian essentials to viewing them as lifestyle-enhancing accessories. Today, consumers are actively seeking products that not only fulfil their basic needs but also align with their unique personal taste, style, and individuality. To effectively tap into these evolving aspirations, brands must offer innovative designs, appealing aesthetics, and captivating product experiences. By doing so, they can position themselves to capture the attention and loyalty of Indian consumers, ultimately driving their purchasing decisions.

### 5. *GST Regime:*

The introduction of the Goods and Services Tax (GST) regime has had a significant impact on the transparency of the entire value chain from manufacturers to retailers. This has resulted in a strong disincentive for trade practices such as underreporting of production and sales, non-billed transactions, and non-compliant behaviour. Additionally, the availability of input tax credits for taxes paid at different stages of the value chain has made the trade of branded products more acceptable. As a result, GST compliance has increased input costs for unbranded players, thereby narrowing the price gap between branded and unbranded products, and hence creating an opportunity for branded players to increase their market share.

## Why Branded Players Have an Edge?

1. **Brand recognition:** Branded players benefit from strong brand recognition and a positive brand image. This helps to build trust and loyalty among consumers, making it easier to introduce new products and expand into new markets. For example, Cello has been a household name for several decades in India, known for its wide

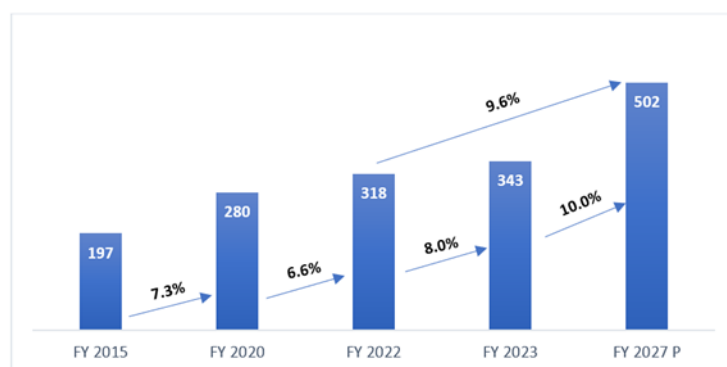
range of quality plastic Consumerware products. This brand recognition helps when a brand expands into other categories, for example, Cello now has a wide range of Consumerware and houseware products across materials like plastic, steel, glass, porcelain, melamine, opal etc. Similarly, La Opala is a household name in the in the Opalware & Glassware category and Milton is a brand trusted for its wide range of household products, particularly insulated water bottles and lunch boxes.

2. **Economies of scale:** Bigger brands have access to economies of scale, which allows them to produce and sell products at a lower cost than their competitors. This helps them to price their products competitively and gain market share.
3. **Distribution network:** Established brands have well-developed distribution networks that allow them to reach a wider audience and expand their customer base. This helps them to gain a competitive advantage and increase their market share. For example, Tupperware has a strong distribution network, with products available in over 100 countries through a network of direct sales agents and retail outlets. Cello also has a very strong distribution network with more than 1,45,745 retailers overall and 74,037 retailers in Consumer Houseware division across India.
4. **Research and development:** Brands have the resources to invest in research and development, which helps them to innovate and introduce new products that cater to the changing needs and preferences of consumers. For example, Cello has recently launched a range of innovative kitchen appliances, such as electric kettles and air fryers, which have gained popularity among consumers looking for convenient and efficient cooking solutions. Players like Cello, Milton etc. often act as category-creators introducing new product innovations, while unbranded players follow them once a product gains traction.
5. **Marketing and advertising:** Established brands have larger marketing budgets, which allows them to promote their products more effectively and build brand awareness. This helps them to attract new customers and retain existing ones. For example, Cello, Milton, LaOpala etc. has been running successful advertising campaigns featuring popular Bollywood celebrities, helping to reinforce their brand image as a trusted and reliable brand in the Indian Consumerware market.

## 2.3 Consumer Houseware Market

The Indian Houseware Market was valued at INR 343 Bn in FY 2023. The market size grew at a CAGR of 8.0% from market size of INR 318 Bn in FY 2022. By 2027, the market is projected to reach INR 502 Bn, with a CAGR of 9.6% over the five-year period.

*Exhibit 2.7: Market size of Indian Consumer Houseware Market (In INR Bn)*



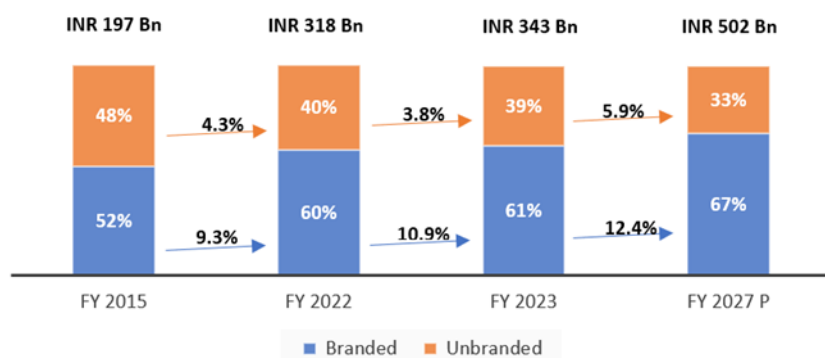
Source: Technopak Analysis

### **Branded Vs Unbranded**

As of FY 2022, Branded play controlled nearly 60% (~INR 189 Bn) of the Houseware market in India. This was a significant increase from the share of around 52% (~ INR 101 Bn) recorded in the FY 2015, reflecting a CAGR of 9.3% for the Branded market. The Branded play is estimated to capture ~67% (~INR 334 Bn) share by FY

2027 at the CAGR of 12.4% for the period FY 2023-27. The branded market is growing at a higher rate compared to the unbranded market driving the growth of the Houseware market.

Exhibit 2.8: Share of Branded & Unbranded Consumer Houseware Market

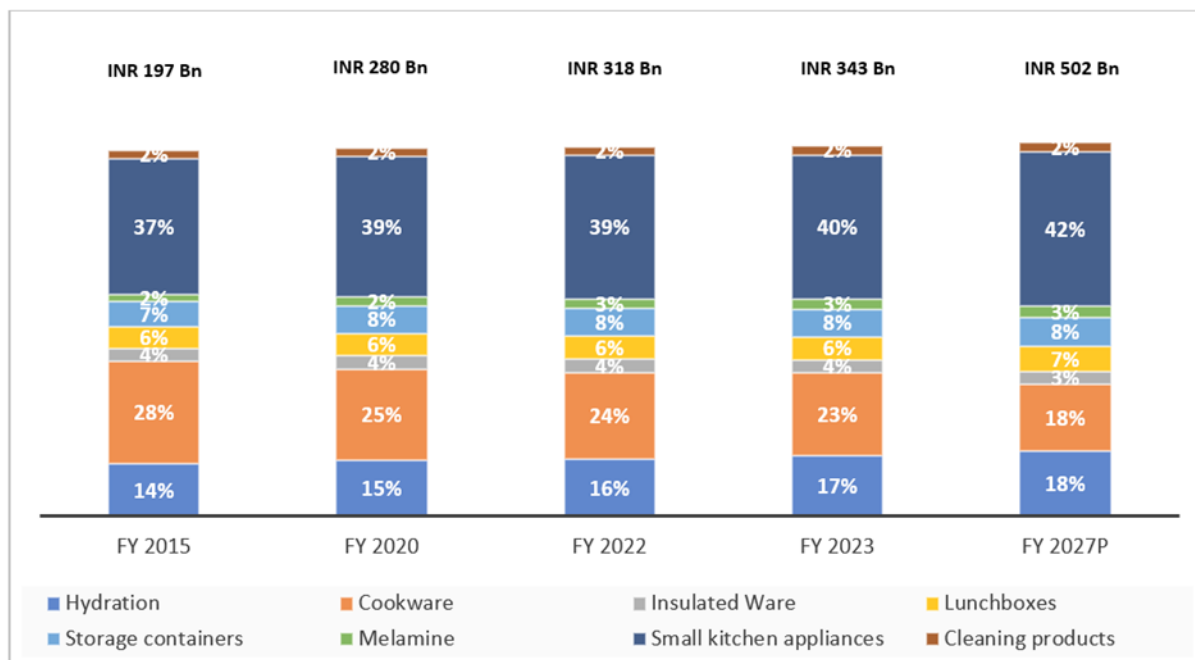


Source: Technopak Analysis

### Category wise segmentation

The Consumer Houseware market in India includes a diverse range of products with Small Kitchen Appliances and accounted for 39% of total sales in this market in FY 2022. This was followed by Cookware at 24% and Hydration products at 16% for the same time period. The remaining categories, including Lunchboxes, Melamine, Storage Containers, Insulated Ware, and Cleaning Products made up the remaining 22% of the market. The growth of this market can be attributed to factors such as increasing disposable incomes, changing lifestyle preferences, and the increase in nuclear families.

Exhibit 2.9: Category wise share- Indian Consumer Houseware Market



Source: Technopak Analysis.

**Note-Houseware includes- Hydration** (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). **Cookware** (Includes Cooking range of pans, cookers, kadhais etc made of steel, non-stick, cast iron, aluminium etc). **Insulated Ware** (Includes casseroles made of plastic, steel, mix of materials). **Lunchboxes** (Made of plastic, steel, glass, mix of materials). **Small kitchen appliances** (like food processors, OTG, toasters, grillers etc). **Cleaning products** (like mops, scrubs etc. not including cleaning chemicals/consumables).

- 2.3.1 **Hydration:** The hydration category includes products that are designed for storing and serving beverages. These products are typically used to store water, juice, tea, coffee, and other cold or hot drinks. Hydration products come in a variety of materials, such as glass, plastic, stainless steel, and ceramic. One of the most popular products in this category is the water bottle, which is used for carrying water while on the go. Water bottles come in different shapes and sizes, and are made of different materials such as plastic, stainless steel, and glass. In addition to water bottles, hydration products also include insulated flasks and jugs, which are designed to keep drinks hot or cold for longer periods of time. Insulated flasks are commonly used for carrying coffee, tea, or hot water, while insulated mugs are used for drinking hot or cold beverages. The Hydration market constituted approximately 16% of the Indian Consumer Houseware Industry in FY 2022. It has grown at a CAGR of 7.7% from INR 43 Bn in FY 2020 to INR 50 Bn in FY 2022. In FY 2023 the market size is expected to reach INR 55 Bn and is further expected to grow at a CAGR of 14.6% from FY 2022 till FY 2027 to reach a market value of INR 95 Bn. The Hydration market is organised with some of the key players being brands such as Cello, Milton, Borosil, and Tupperware. This category is expected to grow in the coming years, driven by factors such as increasing health awareness, the rise of the fitness industry, and the growing popularity of outdoor activities.
- 2.3.2 **Cookware:** Cookware includes a range of products such as frying pans, saucepans, stockpots, and pressure cookers, among others. Cookware is made from a variety of materials such as stainless steel, aluminium, cast iron, copper, and ceramic, among others, with each material having its own unique properties. Stainless steel is a popular material for cookware due to its durability, corrosion resistance, and ease of cleaning. Cast iron is known for its heat retention properties, while copper is a good conductor of heat. Ceramic cookware is preferred for its non-stick properties. In the Indian market, various players in this category are Cello, Prestige, Hawkins, Pigeon, and Vinod Cookware, among others. These brands offer a range of cookware products that cater to different cooking needs and preferences. The cookware category is constantly evolving with new materials, designs, and technologies being introduced to meet the changing needs of consumers. The Cookware market constituted approximately 24% of the Indian Consumer Houseware Industry in FY 2022 and is expected to grow at a CAGR of 6.2% from FY 2022 till FY 2027 to reach a market value of INR 101 Bn.
- 2.3.3 **Insulated Ware:** Insulated Ware is a category of products designed to keep food and beverages hot or cold for an extended period of time. It is commonly made of plastic, glass, or stainless steel and uses insulation technology to maintain the temperature of the contents and is popularly known as Thermoware amongst the customers. Insulated Ware products include vacuum flasks, insulated water bottles, lunch boxes, and food containers i.e. casseroles. These products are ideal for those who prefer to carry homemade food and beverages to work, school, or while travelling. The key benefit of Insulated Ware is that it allows users to enjoy hot or cold food and drinks without the need for heating or cooling, making it a convenient option for people on-the-go. Key players in the Insulated Ware category in India include Milton, Cello, Borosil, and Tupperware. These brands offer a range of Insulated Ware products in different sizes, designs, and materials to cater to a variety of customer needs and preferences. *Note-* For the purpose of market sizing, Casseroles have been included in Insulated Ware, as insulated bottles/flasks have been taken in Hydration, while insulated lunchboxes in the category of Lunch Boxes. The Insulated Ware market constituted approximately 4% of the Indian Consumer Houseware Industry in FY 2022 and is expected to grow at a CAGR of 9.5% from FY 2022 till FY 2027 to reach a market value of INR 18 Bn.
- 2.3.4 **Lunch Boxes:** Lunch boxes are containers used to carry food for consumption away from home. They come in various sizes, designs, and materials such as plastic, stainless steel, and glass. Lunch boxes are popular in India due to the culture of carrying home-cooked meals to work or school. Some lunch boxes also come with insulated containers that help to keep food warm or cold for extended periods. Key players in the Indian market for lunch boxes include brands such as Milton, Tupperware, Cello, Signoraware and Borosil. The Lunch Boxes market constituted approximately 6% of the Indian Consumer Houseware Industry in FY 2022. It has grown at a CAGR of 7.2% from INR 17 Bn in FY 2020 to INR 20 Bn in FY 2022. In FY 2023 the market size is expected to reach INR 22 Bn and is further expected to grow at a CAGR of 11.2% from FY 2022 till FY 2027 to reach a market value of INR 34 Bn.
- 2.3.5 **Storage Containers:** Storage containers are used to keep food fresh and to store dry food items such as cereals, pulses, and spices. These containers come in various sizes and materials such as plastic, glass, and steel. Some storage containers are stackable, airtight, and leak-proof, making them convenient for

use in the kitchen and for carrying food while traveling. Key players in the Indian market for storage containers include brands such as Tupperware, Cello, Milton, Borosil, and Lock & Lock. The Storage Container market constituted approximately 8% of the Indian Consumer Houseware Industry in FY 2022 and is expected to grow at a CAGR of 11.6% from FY 2022 till FY 2027 to reach a market value of INR 42 Bn

2.3.6 **Melamine:** Melamine is a type of plastic that is commonly used in the manufacturing of tableware products. It is known for its durability and resistance to chipping, making it an ideal choice for outdoor and casual dining. Melamine products are also lightweight and easy to clean, adding to their convenience. The category includes a range of products such as plates, bowls, and serving dishes, and is widely used in India. Players in the Melamine category in India include brands such as Cello, Milton, Signoraware etc. The Melamine market is expected to grow at a CAGR of 4.6% from FY 2022 till FY 2027 to reach a market value of INR 6 Bn.

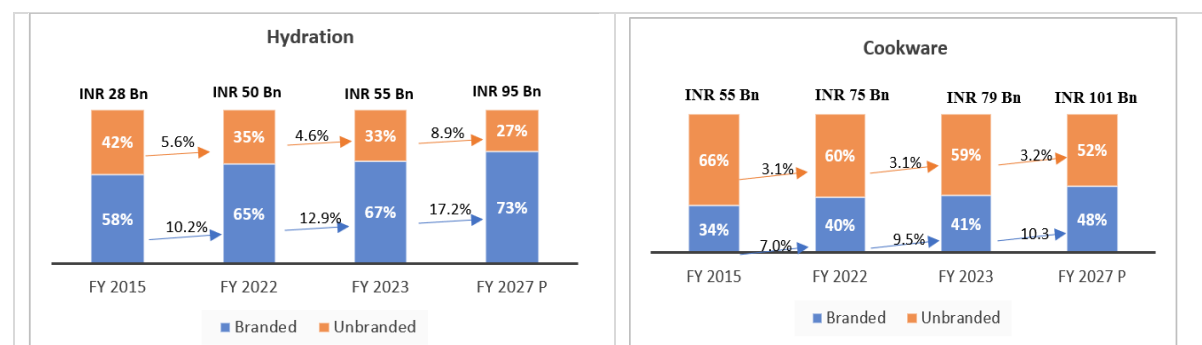
2.3.7 **Small Kitchen Appliances:** Small kitchen appliances are electric appliances that are used for food preparation and cooking. These include appliances such as blenders, mixers, juicers, toasters, coffee makers, microwaves/ovens, cooker hoods, food processors etc. Small kitchen appliances can save time and effort in the kitchen and are popular among busy households in India. Players in the Indian market for small kitchen appliances include brands such as Philips, Bajaj, TTK Prestige, Cello, Milton, Havells etc. The Small Kitchen Appliances market constituted approximately 39% of the Indian Consumer Houseware Industry for FY 2022. It has grown at a CAGR of 7.7% from INR 108 Bn in FY 2020 to INR 125 Bn in FY 2022. In FY 2023 the market size was INR 135 Bn and is further expected to grow at a CAGR of 9.3% till FY 2027 to reach a market value of INR 195 Bn.

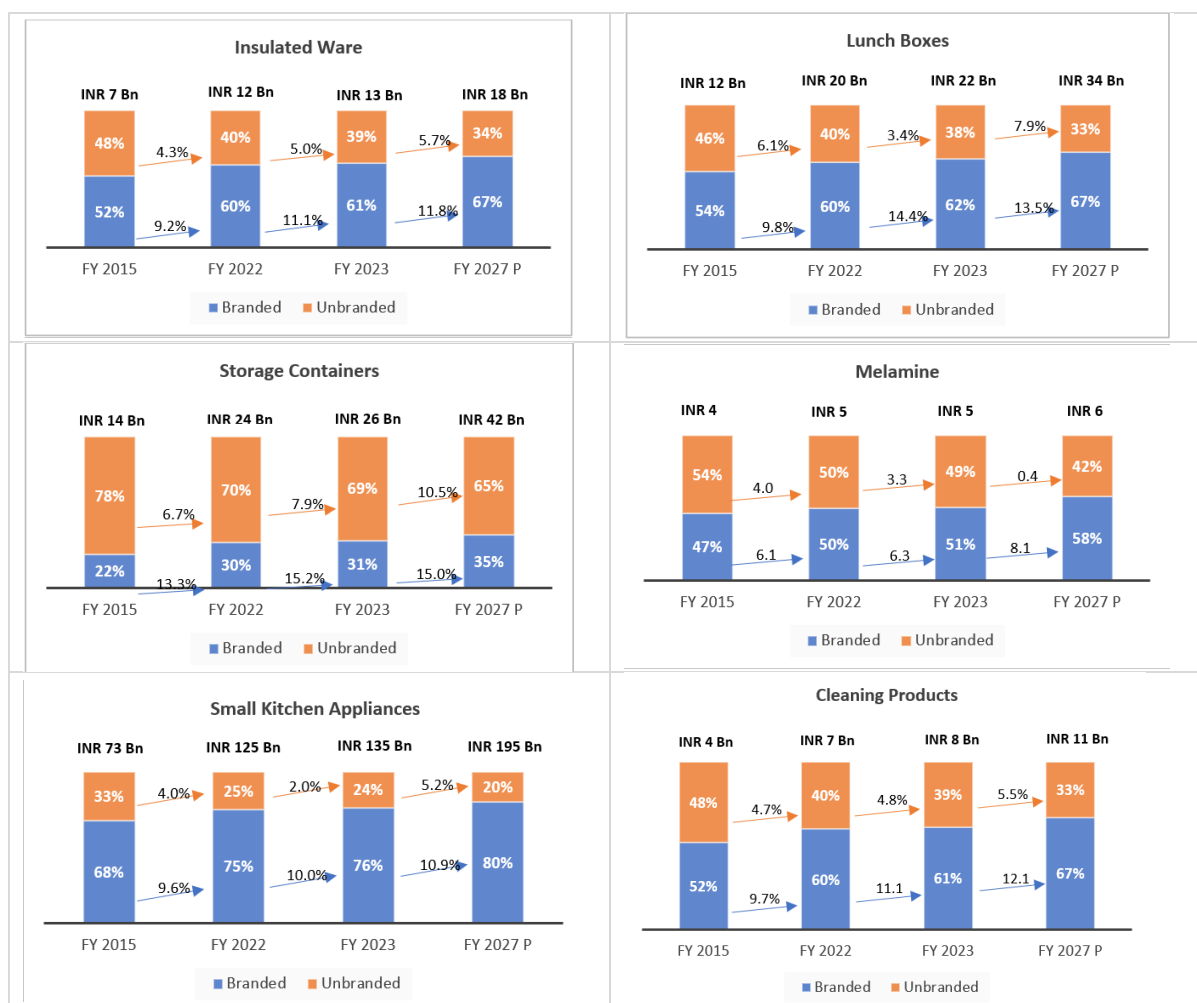
2.3.8 **Cleaning Products:** Cleaning products are used for maintaining hygiene and cleanliness in the kitchen and household. These include scrubs, mops, dusting clothes etc. and excludes cleaning chemicals/ consumables. Players with presence in this category are Cello, Scotch Brite, TTK Prestige etc. The Cleaning Products market constituted approximately 2% of the Indian Consumer Houseware Industry for FY 2022 and is expected to grow at a CAGR of 9.5 % till FY 2027 to reach a market value of INR 11 Bn in the period FY 2022-27

### Branded Play in Consumer Houseware Market

Categories like Hydration, Insulated Ware, Lunch Boxes, Small Kitchen Appliances and Cleaning Products had a higher share of branded play in the market in FY 2022, whereas categories like Cookware and Storage Containers are mostly unbranded.

Exhibit 2.10: Category wise share of branded play in Indian Consumer Houseware Market





Source: Technopak Analysis

**Note- Hydration** (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). **Cookware** (Includes Cooking range of pans, cookers, kadhais etc made of steel, non-stick, cast iron, aluminium etc). **Insulated Ware** (Includes casseroles made of plastic, steel, mix of materials). **Lunchboxes** (Made of plastic, steel, glass, mix of materials). **Storage containers** (Made of plastic, steel, glass, mix of materials). **Small kitchen appliances** (like food processors, OTG, toasters, grillers etc). **Cleaning products** (like mops, scrubs etc. not including cleaning chemicals/consumables).

## 2.4 Consumer Glassware Market

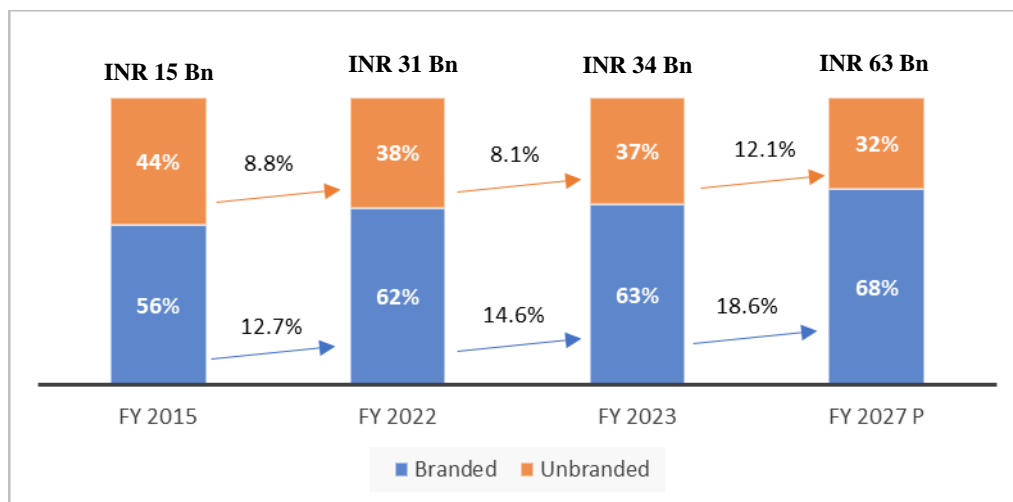
The Indian Glassware Market was valued at INR 34 Bn in FY 2023. The market size grew at a CAGR of 9.7% from market size of INR 31 Bn in FY 2022. By 2027, the market is projected to reach INR 63 Bn, with a CAGR of 15.2% over the five-year period.

### Branded Vs Unbranded

As of FY 2022, branded play controls nearly 62% (~INR 18 Bn) of the Glassware market in India. This represents a significant increase from the share of around 56% (~ INR 8 Bn) recorded in the FY 2015, reflecting a notable CAGR of 12.7% for the branded market. The branded play is estimated to capture ~68% (~INR 43 Bn) share by FY 2027. The branded market is growing at a higher rate compared to the unbranded market driving the growth of this segment.

Exhibit 2.11: Share of Branded and Unbranded in Consumer Glassware Market





### 2.4.1 Glassware

Glassware refers to a range of products made from glass, such as tumblers, wine glasses, serving glasses etc. It is known for its clarity, which allows for the appreciation of the colour and texture of the beverage. It is also microwave safe, making it a popular choice for reheating liquids. Glassware is available in a variety of designs and shapes and is often used for special occasions/ guests. Players in the Glassware category in India include brands such as Borosil, Milton, Cello, Ocean Glassware etc. The Glassware market constituted the maximum share of approximately 53% of the Indian Consumer Glassware Industry in FY 2022.

### 2.4.2 Opalware

Opalware is a type of glass-like ceramic dinnerware that is produced from a mixture of natural raw materials, such as quartz, feldspar, and bone ash. It is known for its durability and resistance to chipping, making it a popular choice for everyday use. Opalware is also microwave and dishwasher safe, which adds to its convenience. The category includes a range of products such as plates, bowls, cups, and saucers, and is widely used in India. Players in the Opalware category in India include brands such as La Opala, Corelle, Cello, Luminarc etc. The Opalware market constituted a share of approximately 39% of the Indian Consumer Glassware Industry in FY 2022. Cello is a major Opalware players in India, along with Lo Opala and Borosil.

### 2.4.3 Porcelain

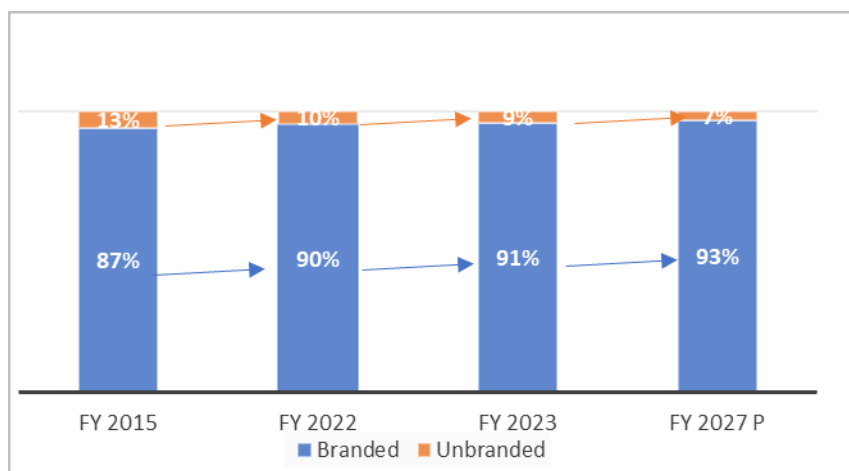
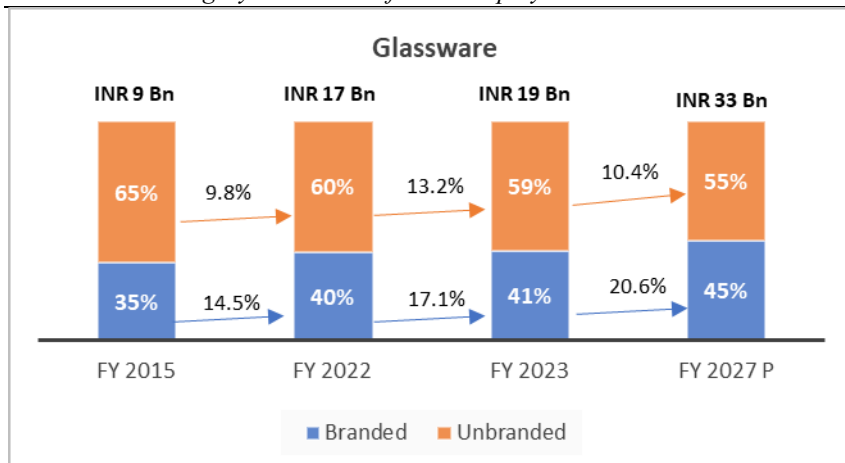
Porcelain is a type of ceramic dinnerware that is known for its strength, translucency, and delicate appearance. It is made from a mixture of kaolin, feldspar, and quartz, and is fired at high temperatures to achieve its hardness and resistance to chipping. Porcelain dinnerware is often decorated with intricate designs and patterns and is a popular choice for formal occasions and events. The category includes a range of products such as plates, bowls, and tea sets. Players in the Porcelain category in India include brands such as Noritake, Ariane, Cello, Hitkari etc. The Porcelain market constituted a share of approximately 5% of the Indian Consumer Glassware Industry in FY 2022 and is expected to grow at a CAGR of 15.6% from FY 2022 till FY 2027 to reach a market value of INR 4 Bn.

#### **Branded Play in Consumer Glassware Market**

Branded players enjoy a multitude of advantages in the Indian Glassware market, such as strong brand recognition, economies of scale, well-developed distribution networks, research and development capabilities, and larger marketing budgets. These advantages have resulted in a branded share of ~80% for Porcelain and ~90% for Opalware, while Glassware have 40% of branded sales. With these benefits, branded players have been able to build trust and loyalty among consumers, price their products competitively, introduce new and innovative products, and effectively promote their brand. For e.g., Cello is expected to become the only domestic consumer products company which has presence across all material types to have an in-house glassware manufacturing unit in India.



Exhibit 2.12: Category wise share of branded play in Indian Consumer Glassware Market (FY 2022) (In INR Bn)



Source: Technopak Analysis

### Supply Constraints, manufacturing capabilities & Import in the Indian Consumer Glassware Industry

Indian Consumer Glassware market imported products valued INR 11 Bn in CY 2021. Glassware products constituted ~ 77% of the total imported value. Opalware and Melamine constituted ~15% and ~8% respectively. The glassware industry in India is influenced by several interconnected dynamics that impact the availability of glassware products in the market. One of the primary challenges faced by the industry is the limited manufacturing capacity, coupled with a shortage of skilled labour. This combination hinders manufacturers from meeting the growing market demand, resulting in supply shortages. Manufacturers face restrictions due to insufficient production lines and constrained capacities, limiting their ability to scale up operations effectively. In response to these challenges, prominent brands like Cello are addressing these issues by investing in a new facility with a planned capacity of more than 30,000 tonnes per annum (Glass factory with capacity of 20,000 tonnes planned for Rajasthan and Opalware manufacturing capacity of 10,000 tonnes planned in Daman), aiming to bridge the gap between supply and demand. Similarly, La Opala has announced the opening of a new factory in Sitarganj, Uttarakhand, which will increase their manufacturing capacity and meet the growing demand for glassware products. These strategic initiatives by prominent brands demonstrate their commitment to overcoming capacity constraints and ensuring a steady supply of glassware in the market.

Raw material availability plays a crucial role in glassware production as it relies on various raw materials such as silica, soda ash, limestone, and chemicals. Disruptions in the supply chain of these materials can lead to supply constraints, affecting the manufacturing of glassware.

Import dependencies add another layer of complexity to the industry dynamics. India heavily relies on imported glassware to meet domestic demand. Changes in import policies, customs regulations, or trade disputes can have a significant impact on the availability of imported glassware products. Any restrictions or delays in imports can

create supply constraints, resulting in a limited availability of consumer glassware in the market. These import dependencies, combined with potential disruptions in the supply chain, contribute to the challenges faced by the glassware industry in meeting the demands of the market.

### **Price Segmentation in Consumer Glassware Industry**

The Consumer Glassware Industry can be classified into three distinct price segments - economy, mid-premium and premium - based on price points. Effective segmentation strategies based on the various raw materials used can help companies create more targeted product offerings and pricing structures, thereby better serving their customer base and capturing greater market share.

Cello, a prominent company in Consumerware market in India, has products in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products categories. Within consumer houseware, Cello offers products made of different types of materials, such as plastic, steel, copper, opal, glass, porcelain and melamine, thus having the most diversified product portfolio among its peers. This extensive range of products not only offers Cello a robust risk diversification strategy against demand shocks within any particular product category but also grants the company a considerable advantage in terms of utilizing their already established retail channels and effectively introducing new products or categories. In comparison, its competitors such as LaOpala, which focuses solely on Opalware and glassware, Milton, specializing in melamine and glassware, and Borosil, operating in Opalware and glassware, have narrower portfolios limited to specific material categories. This unique strength of Cello in offering a wider array of products enhances its ability to adapt to market fluctuations, capture diverse consumer preferences, and maintain a dominant position within the industry.

*Exhibit 2.13: 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	✓✓	✓	-

*Note- For comparison purpose, Milton's brand Treo is considered here for the glassware category. Number of ticks indicate the presence and the degree of concentration of the SKUs sold in each category*

*Source – Secondary research, Technopak Analysis*

## **2.5 Key growth drivers of the Indian Consumerware Market**

- **Favourable Demographics:** The current market trend in the Consumerware industry suggests a shift in demographics, with people of all ages and genders contributing to kitchen responsibilities. Also, the increase in number of working women, further fuelled by increasing urbanization and the nuclearization of families, as individuals move to larger cities for work purposes, is resulting in changes in the dynamics of kitchen requirements. Customers are looking for simpler and smart kitchen tools that are both aesthetically pleasing and trendy, while also being less time and energy-consuming. As a result, the demand for Consumerware products is increasing and is expected to see continued growth in the future For e.g. Electric Kettles, Coffee Makers, Egg Boilers, Bread makers, electric choppers etc.
- **Evolving Indian consumer – increased discretionary spends, increased penetration and availability of products:** there has been an increase in discretionary spending on products that are easy to handle and operate.

Increased availability of products due to the expansion of online platforms, as well as the launch of exclusive and multi-brand outlets in tier II and III cities, providing greater access to different brands and product offerings. This gives the consumers option to compare the product quality with each other and make better buying decision which ultimately creates discretionary demands.

- **Increasing ownership of products per person:** Owing to the increase in nuclearization of families and increasing working class population, the ownership of products per person or families has equally increased. The demand of the products per households is increasing as consumers are inclined towards better organised and functional kitchen setup nowadays, thus, increasing the demand for overall Consumerware segment. Also, consumers are buying Consumerware products basis occasion, cuisine etc. for example, separate plates for pasta, separate glasses for wine/beer etc.
- **Shift towards innovative and creative products, aesthetics of products:** People are shifting towards stylizing of Consumerware in order to transform the product from the functional kitchen tool to making it a part of an aspiration lifestyle. The compact design Consumerware products that are colourful, stylish, sleek and smart have been introduced in the market especially for small homes, apartments and travelling purposes that have made complicated kitchen life much simpler even in small spaces. For e.g. Vegetable and Fruit cleaner by Cello that can remove all harmful substances from fruits and vegetables which may include chemicals and thus, helps to keep check on health. Opal and Crystal Glassware by LaOpala does not contain any Bone Ash in its manufacturing process and is made up of non-porous materials which is completely hygienic and safe for human use, Woofer tiffin range by Milton has smart features such as enabled Bluetooth speaker, phone call facility, volume adjustment feature etc. and is light and easy to carry around.
- **Shorter Replacement Cycle Increasing replacement rates:** Consumers moving into new houses or remodelling their existing home often prefer the latest collections to match the interior of their kitchens that increases the replacement demands of the products. Also, the health and safety concerns of the material used in the product manufacturing is a replacement factor in this segment. People are now more aware of the products. For e.g. Consumers are shifting towards glassware products to enhance the aesthetics of the kitchen and good quality stainless steel products which are healthy to use over any other products. Cello, Milton, LaOpala etc. offers wide variety of these products to choose from.
- **Gifting trends:** Gifting of Consumerware products have always been a key trend over the years be it a housewarming gift, a wedding gift etc. Customers often prefer to purchase Consumerware products as gifts for occasions like weddings due to their affordability, attractive colours and designs, and practical utility in the kitchen rather than passing it as a gift to someone else. Many brands offer their Gifting collection as a separate product category to provide that extra comfort and variety to choose from for the consumers. For e.g. LaOpala, Cello etc. offers a wide collection of gifting range.
- **Loyalty to established brands:** In the Indian Consumerware market, consumer loyalty predominantly resides with well-established brands such as Cello, Milton, Borosil, Tupperware etc as compared to new-age brands entering the market. These known brands have built a strong reputation over the years and enjoy the trust and familiarity of consumers as there is a certain reliability, quality, and brand equity associated with established players.

## 2.5 Key restraints/ Risk Factors in the Indian Consumerware Market

- **Change in customer preferences:** Consumerware trends are constantly evolving and so is the change in the preferences of the consumers in terms of the product's quality, colour, design and aesthetics. Nowadays, consumers are more demanding and informed about the products and their distinctive characteristics and like to compare different brands before making the purchase. This results in additional cost pressure especially for smaller manufacturers that need to keep constant watch on changing trends and identify new product lines on a regular basis that can be offered to the consumers to have a competitive edge over other players.
- **Macro-Economic factors:** The situations of economic constraints such as COVID-19 crisis or lower than expected GDP growth etc. can lead to job losses and in turn reduce spending on non-essential goods by the consumers.
- **Increased Competition:** The emergence of new players offering similar product categories has increased competition in terms of product quality, pricing, color, and design. Competitors are introducing innovative

products at reasonable prices, intensifying overall market competition, and affecting profit margins for players.

- **Volatility in raw material commodity prices:** The Consumerware industry relies on raw materials like steel, whose prices are linked to the global commodity market. Fluctuations in global demand, supply, and currency exchange rates can increase the base price for players. Raw materials like plastic and glass are largely imported from China, so any price changes in China's Price Index affect material prices for other importing countries. Established companies like Cello, La Opala, Milton etc can pass on higher raw material costs to consumers due to their strong brand, but failure to do so may impact operating margins and create pressure in the near term.
- **Presence of Unbranded players:** There are several unbranded players present across various categories in the Consumerware segment that sells through unorganized market and E-commerce platforms. Owing to the cheap prices and similar-looking product offerings, they occupy a noticeable market share in this category.
- **Change in Geo-political situation:** The relationship between countries often plays a crucial role in the domestic market. Any disruptions or stress may have an adverse impact and could pose a considerable risk for the consumer business especially when one country is dependent on the other for raw materials etc. It may create disruptions in the supply chains leading to delays in procuring raw materials, finished products or capital goods, gaps in fulfilment of demands and project implementation. In the Consumerware segment in India, considerable number of products and raw materials are being imported from China and political relations often impact trade posing as a risk factor.

## 2.7 Case Studies – Global Consumerware Players

### i. Supor: Establishing a Household Brand in China

Supor, a Chinese Consumerware brand, has emerged as a household name in China through its product innovation, quality, and customer satisfaction. Supor was established in 1994, and initially focused on producing pressure cookers. Today it has grown into a significant player in the Consumerware industry. With over 10,000 employees, the company showcases its dedication to innovation through an extensive portfolio of 3,016 patents. Achieving an impressive average annual growth rate of 23.8% over the past 12 years, Supor operates five factories across China and Vietnam, ensuring efficient manufacturing capabilities. With a strong presence in over 50 countries, especially in East Asia, Supor continues to establish itself as a key brand in the Consumerware market. Supor's revenue for CY 2022 was USD 2.83 Bn.

*Exhibit 2.14: Supor Product portfolio*

Category	Products
Cookware	Aluminum Cookware, Stainless Steel Cookware, Pressure Cooker, Wok and roaster
Domestic Appliances	Electric pressure cooker, Rice Cooker, Electric Kettle, Air Fryer, Blenders

The company invests significantly in research and development to introduce technologically advanced and user-friendly products. Supor's products are known for their durability, performance, and aesthetic appeal, resonating well with Chinese consumers.

### 2.7.2 KitchenAid: A Case Study on Long-Term Growth in the US Consumerware Market

Founded in 1919, Kitchenaid has evolved into one of the key Consumerware brand in the United States. The brand gained widespread recognition and popularity with its Pilot product, the KitchenAid Stand Mixer, which aided food preparation in American households. Over the years, KitchenAid expanded its product portfolio to encompass a wide range of appliances, cookware, and kitchen accessories, cementing its reputation as a go-to brand for culinary enthusiasts.

#### Key Growth Strategies of KitchenAid

KitchenAid's long-term growth is driven by a commitment to product innovation, quality, and durability. For instance, KitchenAid expanded its offerings beyond stand mixers to include blenders, toasters, coffee makers, and food processors, diversifying its product range and capturing a broader market segment. By continuously innovating and staying ahead of consumer trends, KitchenAid has maintained its relevance in a highly competitive industry.

Notably, collaborations with renowned chefs and culinary experts, such as Jacques Pépin and Christina Tosi, have further enhanced KitchenAid's credibility and visibility in the culinary world. These partnerships showcase the brand's association with culinary excellence and resonate with consumers seeking top-tier Consumerware.

*Exhibit 2.15: KitchenAid product portfolio*

Category	Products
Cleaning	Dishwashers, Disposers, Dustbins
Refrigeration	Wine Cellars, Ice Makers, Fridge
Appliances	Wall Ovens, Cooktops, Microwave Ovens, Grills, Toasters etc.
Cookware	Stainless steel, Cast Iron, Hard Anodized

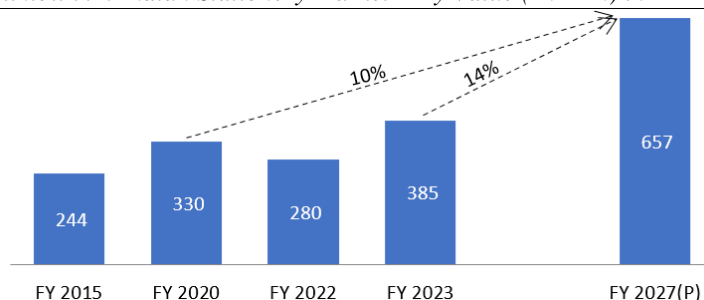
### 3. Indian Stationery Market

#### 3.1 Key Segments of Indian Stationery Market

**By Product Type:** Indian stationery market can be segmented into paper stationery and non-paper stationery products, with the latter constituting the larger share in the market by value. Paper stationery products can be further sub-divided into notebooks and papers, with notebooks accounting for the larger share by value. Non-paper stationery products can be sub-divided into writing instruments, office supplies, art and craft products etc., with writing instruments accounting for the larger share by value.

**Indian Stationery Market Size:** The Indian stationery market has exhibited consistent growth over the years, with a market value of INR 244 Bn in FY 2015, which increased to INR 330 Bn in FY 2020, representing a CAGR of 6%. However, the market witnessed a substantial sales dip in FY 2021 due to Covid, during which schools, colleges were closed and had shifted to online mode of education and offices also went into work from home mode. The overall stationery market bounced back at a rate of 35% in FY 2022 due to revival in demand post reopening of schools, colleges, and resumption of work from office mode. As of FY 2023, the Indian stationery market had an estimated size of INR 385 Bn by value and is expected to grow at a CAGR of ~14% during FY 2023-27 period to reach a market value of INR 657 Bn by FY 2027.

*Exhibit 3.1: Indian Stationery Market – By Value (INR Bn) in FY*

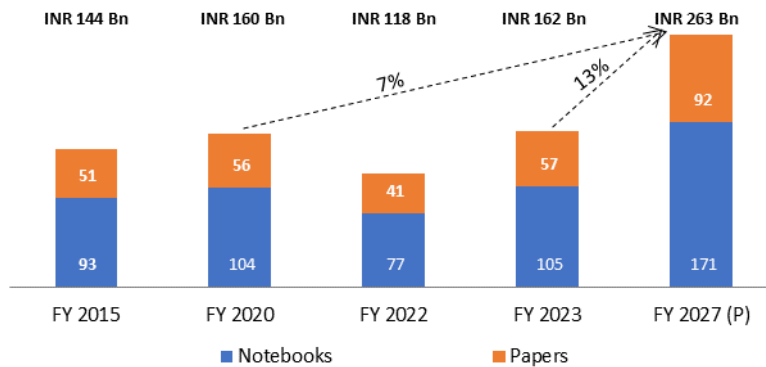


Source – Technopak Analysis

Note-This does not include exports.

As of FY 2023, Paper stationery contributes ~42% (INR 162 Bn) to the Indian stationery market by value. Out of the total paper stationery market, notebooks and papers contribute ~65% (INR 105 Bn) and ~35% (INR 57 Bn) respectively. Paper stationery market is expected to grow at a CAGR of ~13% during FY 2023-27 period to reach a market value of INR 263 Bn by FY 2027.

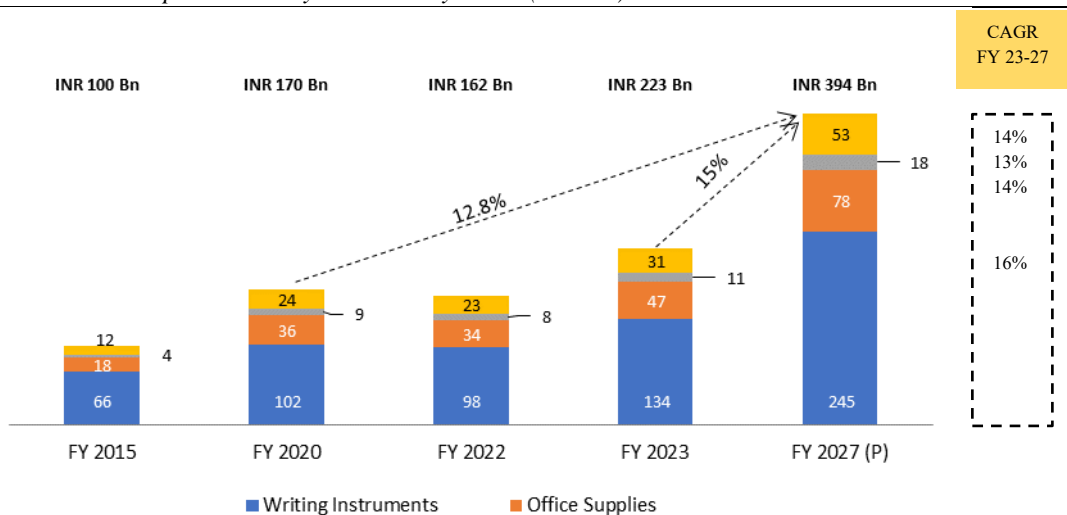
*Exhibit 3.2: Indian Paper Stationery Market – By Value (INR Bn) in FY*



Source – Technopak Analysis

As of FY 2023, non-paper stationery contributes ~58% (INR 223 Bn) to the Indian stationery market by value. Out of the total non-paper stationery market, writing instruments, office supplies and art and craft contribute ~60% (INR 133.5 Bn), ~21% (INR 47 Bn) and ~5% (INR 11.2 Bn) respectively. Non-paper stationery market is expected to grow at a CAGR of ~15% during FY 2023-27 period to reach a market value of INR 39 Bn by FY 2027.

Exhibit 3.3: Indian Non-Paper Stationery Market – By Value (INR Bn) in FY



Source – Technopak Analysis

Note-This does not include exports.

Office supplies include files and folders, staplers, paper punches, stamp pad and inks etc., Art and Craft include basic arts products like crayons, oil pastels, sketch pens etc. and fine arts products like water colours, oil colours, artist brushes, canvas board etc., Others include Mathematical instrument boxes, Computer Stationery (printer cartridges, printer inks etc.), Glues and Adhesives, Calculators, Erasers, Sharpener, scissors, chalks etc.

### 3.2 Trends Shaping Indian Stationery Market

#### Gradual shift towards Branded Play

As of FY 2023, Branded play consisted of nearly 36% (~INR 139 Bn) of the stationery market in India. This represents a significant increase from the share of around 28% (~ INR 69 Bn) recorded in FY 2015, reflecting a notable growth trajectory for the branded market. The branded play is estimated to capture ~41% (~INR 270 Bn) share by FY 2027. Cello occupied a market share of 1.8% in the branded stationery market and 0.7% share in the overall stationery market for FY 2023.

The stationery market in India is gradually shifting towards branded play, owing to reasons such as shift in consumer preference towards premium and innovative products, GST implementation, branded players undertaking various brand building initiatives and economies of pan-India distribution network by branded players.

### ***Shift towards innovative and creative products***

Indian stationery market is witnessing increased demand for innovative and creative products across price segments, as there has been a shift in consumer mindset towards products which are aesthetically designed and have good functionalities. Additionally, increase in disposable income of people have increased their purchasing power, which in turn has accelerated the demand for premium stationery products in India.

### ***China plus one strategy***

In the 1990s, many global manufacturing entities in US, Europe etc shifted production to China due to favourable factors of production, making it the centre of the global supply chain. However, during the post-pandemic recovery in 2021, China's Zero Covid policy and supply chain disruptions affected their ability to meet demand. As a result, companies are now considering diversifying their business and investments away from China. This "China plus one" strategy presents a significant opportunity for India. With its large manufacturing base, favourable production factors, strong business ecosystem, and incentivizing government policies, India is poised to grow its exports market, including the stationery industry. In CY 2021, India experienced a 20% growth rate in stationery exports

### ***Rising Penetration of E-Commerce***

With the advent of E-Commerce, the buying behaviour of consumers for stationery products have been transformed to a certain extent. Now the customers are purchasing products right from the comfort of their homes on online retailing platforms like Amazon and Flipkart, offering a wide range of products at competitive price levels with convenient delivery options.

## **3.3 Key growth drivers for Indian Stationery Market**

***Favourable Demographics:*** India has a higher share of youth population. “Youth in India 2022” report by Ministry of Statistics and Programme Implementation uses age group of 15 to 29 for defining youth. As of CY 2021, ~26% of the population in India are in the age group of 0-14 and ~27% of the population belong to the young age group of 15-29. This signifies a huge potential for school, colleges, and other educational institutes, which in turn is going to drive the demand for stationery products in India. In addition to that, India also has a higher share of working age group in its population. As of CY 2022, ~68% of the population belong to the working age group of 15 to 64 years. Such growing working class are going to drive the demand for office stationery in India.

***Short Replacement Cycle:*** Stationery products like pencils, pens, eraser etc. are need based products and have short lifecycle. This results in high replacement demand, thereby driving the growth of stationery products, specially of mass market products in India.

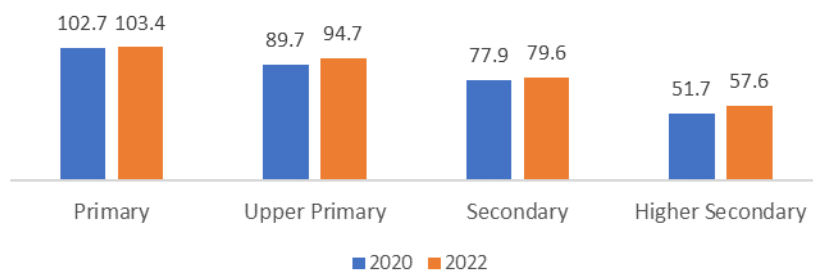
***Increasing ownership of stationery products per person:*** Now customers are purchasing more number of stationery products at a time. Students are buying multiple pens of different colours, multiple pencils, erasers etc. at a time. This increasing ownership of stationery products per person is driving the Indian stationery market by volume, thereby increasing its size by value.

***Rising Literacy rate of India:*** India’s literacy rate in CY 2022 was 77.7%, which was ~65% in CY 2001. Various government initiatives for improving literacy such as New India Literacy Programme (NILP), Right to Education Act (RTE) 2009, Sarva Siksha Abhiyan, NIPUN Bharat Scheme etc. along with increasing investments by Central and State governments on education sector, have contributed immensely towards the growth in literacy rate. Therefore, this rising literacy rate along with high population growth rate is going to provide a huge customer base for Indian stationery market in future, there by serving as a key growth driver.

***Improvement in Gross Enrolment Ratio (GER) and increase in number of schools and institutions:*** GER is defined as total enrolment in a particular level of school education, regardless of age, expressed as a percentage of the population of the official age-group which corresponds to the given level of school education in a given school year. As of FY 2022, there are 265 Mn student studying across 1.49 Mn schools in India. As of FY 2021, ~41 Mn students are studying in higher education across 56,200 higher education institutes in India. Such larger number of schools and institutions along with improvement in GER is going to immensely increase the consumer base for stationery products, there by driving its demand.



Exhibit 3.4: School Gross Enrolment Ratios in FY



Source – Economic Survey 2022-23

**Increasing private coaching segment:** In India, a greater number of private coaching institutes for board and competitive exams are opening now a days. Such institutes give branded kits to their students including notepads, pens, highlighters etc. As of CY 2022, the market size of Indian coaching industry is ~INR 581 Bn by value, which is projected to reach ~INR 1,340 Bn by CY 2028. This is going to drive the demand for stationery products in India.

**Gifting Trends:** Corporate gifting has become an important part of businesses. Corporates give stationery gifts to existing as well as new clients in order to maintain good relationship. Corporate gifts are also given to employees as a way of acknowledging their hard work and loyalty towards the company. Innovative and customised stationery products such as customised pens with company’s brand logo on it, are one of the most preferred choices for corporate gifting. Such gifting trends are going to drive the demand for stationery products especially of premium category in India. Additionally, Children are also given kits and combos stationery gifts by parents on their birthdays and as return gift. This gifting trend among children is also going to drive the stationery market in India.

**Policy Reforms:** Various policy reforms have been incorporated by Government of India (GOI) to develop education infrastructure and improve teaching and learning accessibility. Such interventions are going to contribute towards the growth of education industry in India. As of FY 2022, the Indian educational industry is valued at INR 10,553 Bn, which is expected to grow at a CAGR of 14% to reach INR 20,295 Bn by FY 2027. GOI has allocated INR 1,120Bn for education in union budget 2023-24, an increase of ~8.2% of the allocated amount in union budget 2022-23. Such growth in educational industry and increasing expenditure on education by government, are going to boost the demand for stationery products in India.

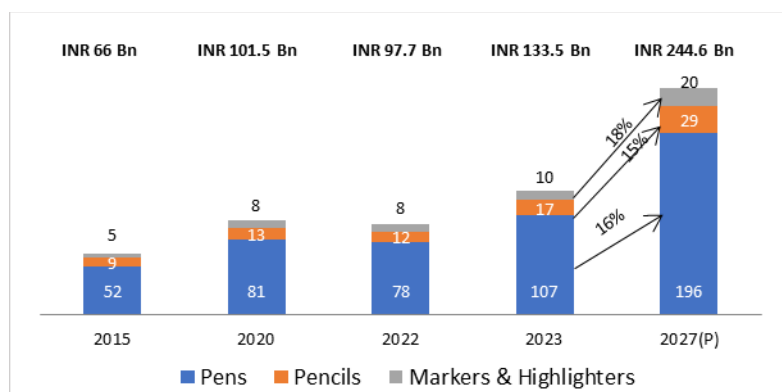
**CSR Initiatives by different companies with focus on education:** Many companies are making substantial investments to improve the quality of education in India, as a part of their mandatory CSR activities. For example, the CSR initiative named “School and Teacher Education Reform Programme” by ICICI has covered 3 million+ students and ~3 lakhs teachers have benefitted out of it. Such activities are going to boost the institutional / B2B demand for stationery products in India.

### 3.5 Indian Writing Instrument Market

**Writing Instrument Market Size:** Writing instrument market in India comprises of pens, pencils and markers and highlighters. It has exhibited continuous growth over the years, with a market value of INR 66 Bn in FY 2015, which increased to INR 101.5 Bn in FY 2020, representing a CAGR of 9%. However, the market witnessed a slight dip in sales from FY 2020 to FY 2022, the reason for which can be attributed to the suppression in consumer demand and supply chain disruptions due to Covid. As of FY 2023, the Indian writing instrument market had an estimated size of INR 133.5 Bn by value and is expected to grow at a CAGR of ~16% during FY 2023-27 period to reach a market value of INR 244.6 Bn by FY 2027.

Exhibit 3.5: Indian Domestic Writing Instrument Market – By Value (INR Bn) in FY





Source – Technopak Analysis  
 Note-This does not include exports.

### Key Sub-Categories of Writing Instruments

Exhibit 3.6: Key Sub-Categories of Indian Writing Instruments Industry and their product types – by Value in FY 2022

Sub-Category	Share by Value in Indian Writing Instruments Industry	Product Type	Share by Value in sub-category
Pen	80%	Ballpoint	68%
		Gel	20%
		Rollerball	12%
Pencil	12%	Wooden	97%
		Mechanical	3%
Markers and Highlighters	8%	-	-

Source – Secondary Research and Technopak Analysis

**Pens:** Pens accounted for ~80% (INR 78 Bn) of the total writing instruments market of INR 97.7 Bn in FY 2022. On the basis of product type, pens can be sub-categorised into ballpoint pen, gel pen and rollerball pen. As of FY 2022, ballpoint pens capture ~68% of the pen market in India by value, followed by gel pens and rollerball pens capturing ~20% and ~12% of the market by value. Based on price points, pens can be classified into mass market, premium and super premium pens. Generally, pens priced up to INR 15 are referred to as mass market pens, those priced between INR 15 to INR 400 are referred to as premium pens and those priced above INR 400 are referred to as super premium pens. The mass market pens constitute ~80% of the pen market in India by value. Mass market segment is primarily driven by volume and price point becomes critical in this (difficult to increase price). Students and corporate supplies are the primary customer segment of mass market pens. Premium segment is driven by both price and volume, where in the premiumisation is built on product design and branding. These are primarily used by professionals and in corporate giftings. Super premium segment is primarily driven by price. There are also many international players like Muji, Parker and Montblanc offering pens in premium and super premium segment.

Exhibit 3.7: Price segmentation of Pens in India and their Share - by Value in FY 2022

Segments	Price Points	Share by Value	Major players
Mass market	Up to INR 15	80%	Unomax, Linc, Flair
Premium	INR 15 – INR 400	16%	Luxor, Unomax
Super Premium	>INR 400	4%	Parker, Montblanc

The above segmentation is as per FY 2022.

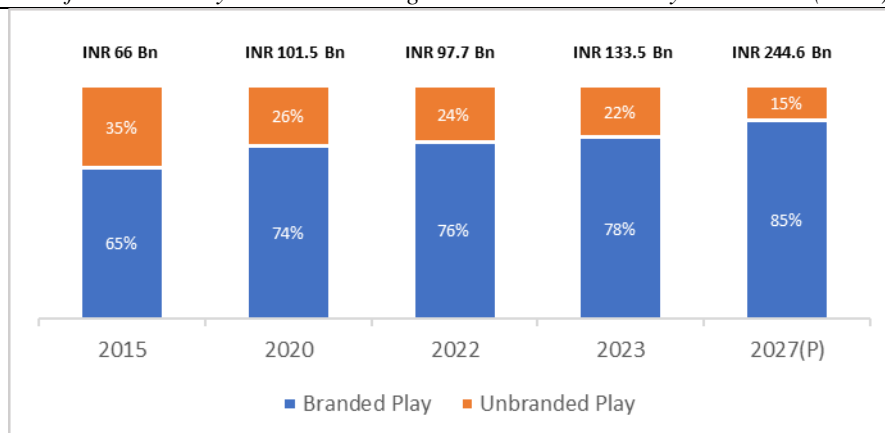
Note-Parent company of Unomax is Cello World Private Limited. Parent company of BIC Cello is the French company BIC.

Source – Secondary Research and Technopak Analysis

Indian writing instrument market is primarily dominated by branded play and its share has been growing over the last few years. As of FY 2023, Branded play had a share of nearly 78% (~INR 104 Bn) of the writing instrument market in India. It is estimated to capture ~85% (~INR 207.9 Bn) share by FY 2027. Cello held a market share of 2.4% in the branded writing instruments market, and a share of 1.9% in the overall writing instruments market. Change in consumer preference towards premium, innovative, and customised products, advent of GST regime,

above the line (ATL) focussed brand building by branded players and strong distribution network of branded players servicing extensive retail footprint are going to serve as key success factors for branded players.

**Exhibit 3.8: Share of Branded Play in Indian Writing Instrument Market – By Value in % (in FY)**



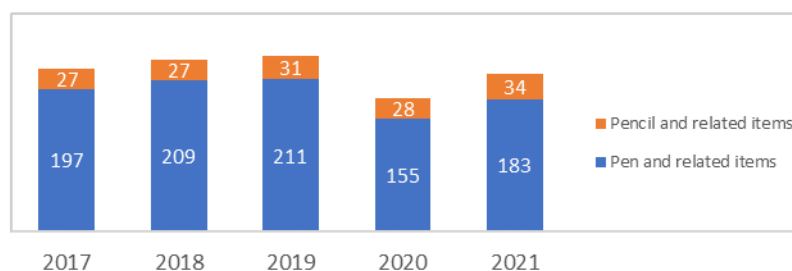
Source – Technopak Analysis

All the key trends shaping Indian stationery market such as shift towards branded play, shift towards innovative and creative products, rising penetration of e-commerce etc. are also going to shape the Indian writing instruments market. All the key growth drivers for Indian stationery market such as favourable demographics, short replacement cycle, increasing ownership of pens per person, improvement in GER, increase in number of schools and institutions, gifting trends, impulse purchase, policy reforms by Government of India etc. are also going to drive the Indian writing instruments market.

### Exports of Writing Instruments

Indian writing instrument market exported products valued ~US\$ 217 million in CY 2021. Pen and related items formed the majority share constituting ~85% of the total writing instrument exports. India majorly exports to USA constituting ~29% of exports, followed by UAE constituting ~5%, as of CY 2021.

**Exhibit 3.9: Export of Writing Instrument Products – by Value in US\$ Million (CY)**



Source – ITC Trade Map and Technopak Analysis

HS Code for Pen and related items: 9608, HS Code for Pencil and related items: 9609

### Key Players in the Industry

As of FY 2022, nearly 35% (~INR 98 Bn) of the stationery market in India is controlled by branded play. Within the domestic branded stationery market, eleven players namely ITC, Hindustan Pencils, DOMS, Camlin, Flair, Luxor, Linc, BIC Cello, Navneet, Rorito and Unomax garner ~ 72% market share. ITC is the market leader, followed by Hindustan Pencils, DOMS, Camlin, Flair etc. Stationery category is a distribution led category wherein the role of distributors and retail touchpoints is critical for capturing the market. For instance, players

like Unomax have 1,522 distributors and 29 super stockists spread across pan-India and has 64,868 retail touchpoints as of FY 2023. Unomax had the highest material margin percentage, along with Kangaroo for FY 2022 at 53%, followed by Flair at 47%, and the highest EBITDA margin for the listed years of FY 2021, FY 2022, FY 2023.

*Exhibit 3.10: Key Financial Metrics for Branded Players in FY 2023*

Player	Revenue (INR Mn)	Domestic Sales (INR Mn)	Export Sales (INR Mn)
Unomax*	1,693	631	1,062
Camlin	7,749	7,406	327
DOMS	12,077	9,502	2,575
Hindustan Pencils*	7,700	6,040	1,660
Navneet	16,968	11,454	5,514
Luxor	4,897	4,738	142
Linc	4,878	3,863	1,014
Flair	9,039	7,105	1,834
Rorito	1,740	1,740	0
BIC Cello	4,900	4,900	0
ITC Stationery*	19,940	15,950	3,990

Source – Technopak Analysis, \*FY 22 figures.

Note-Parent company of Unomax is Cello World Private Limited. Parent company of BIC Cello is the French company BIC.

## Key Challenges

**Volatility in prices of raw materials:** Prices of raw materials involved in manufacturing of pens such as polypropylene have been volatile over the past few years. These poses key challenge to stationery manufacturers as increase in price of polypropylene leads to increase in raw material costs. This increase can either be passed on to the consumer or absorbed by the manufacturer or a combination of both. In volume driven category, where in the price points become critical, the corresponding increase in raw material costs is primarily absorbed by the manufacturers, thereby impacting the overall margin structure of the players. However, in high margin products, the corresponding increase in raw material cost is also passed on to the consumers. Therefore, the industry follows a combination of both absorption of costs and passing on the increase in cost to consumers.

**Intense Competition:** Several companies have entered the stationery market with attractive and differentiated offerings at similar / lower price points, thereby, compelling existing players to come up with continuous innovation in order to maintain and grow their market share. Many companies are also diversifying into new stationery categories in order to increase their market share. Additionally, branded players through above the line (ATL) focussed brand building are concentrating on further increasing their market share in stationery market. All these have given rise to intense competition in stationery market in India.

**Digitalisation:** Digitalisation is transforming the way businesses and education ecosystem work. There has been increased adoption of digital technologies in corporates, schools, and colleges. The degree of digitalisation is higher in case of corporates, because of which there has been some impact on paper stationery products, office supplies etc. While in education sector, digitalisation is happening at a faster rate, which was clearly visible during Covid, but after reopening of schools, colleges and offline coaching post covid, the usage of digital technologies has been limited. Therefore, conventional stationery is largely prevalent in Indian education sector and will continue to be prevalent in future.

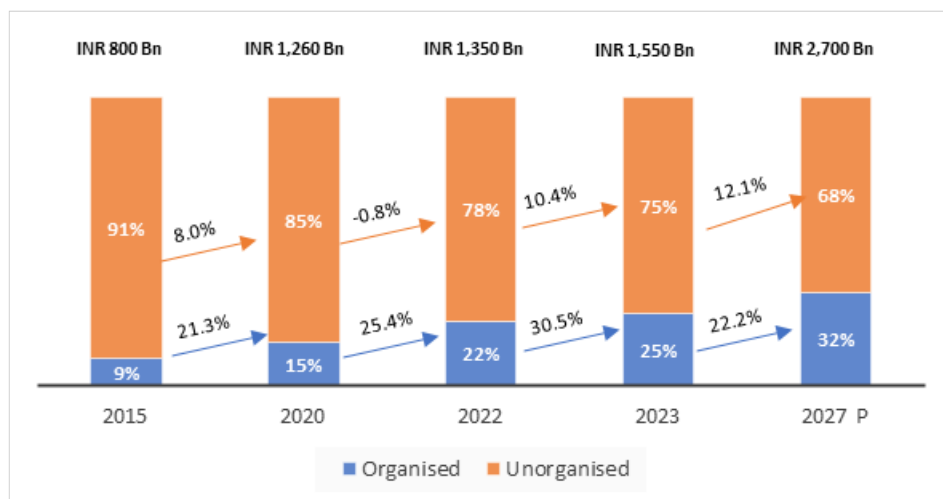
## 4. Indian Moulded Furniture Market

### Indian Furniture Market

The Indian Retail Furniture market has demonstrated a consistent growth trajectory over the years, with a market value of INR 800 Bn in FY 2015, which increased to INR 1260 Bn by FY 2020, representing a CAGR of 9.5%. However, the market experienced a dip in growth, with a CAGR of 3.5% from 2020 to 2022, largely attributable to the pandemic-related supply chain disruptions and weakened consumer demand. The market is, however, expected to grow at a CAGR of ~15% in the next 5 years.

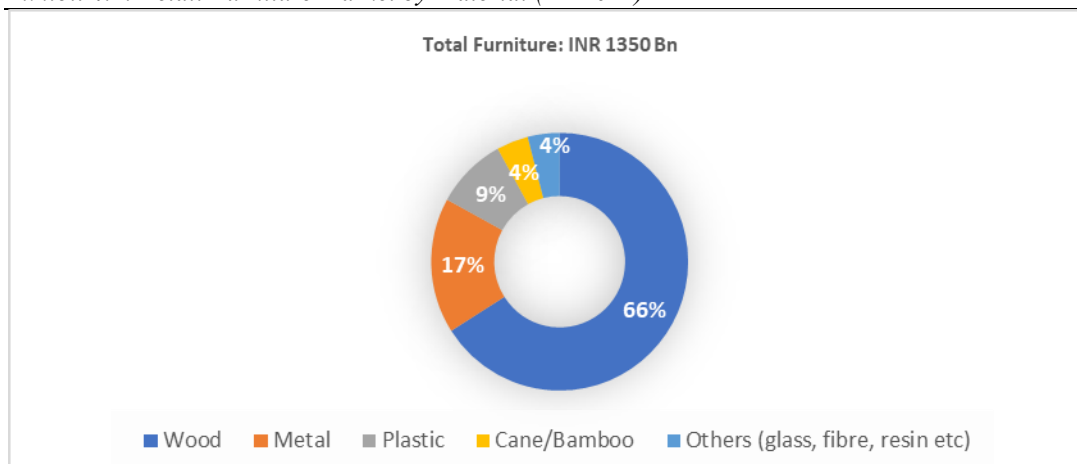
The organized furniture market in India market expanded from INR 72 Bn to INR 189 Bn from FY 2015 to FY 2020 and is expected to reach a market size of INR 864 Bn by FY 2027. This trajectory reflects a CAGR of 23.8% between FY 2022 and FY 2027.

*Exhibit 4.1: Retail Channel Segmentation of Indian Furniture Market (FY 2015-2027)*



Source: Technopak Analysis

*Exhibit 4.2: Retail Furniture Market by Material (FY 2022)*



Source: Technopak Analysis

The Indian Furniture market is further segmented into Material type wherein furniture made out of wood accounted for 66% share. The demand for wooden furniture in the Indian market is mainly driven by the residential sector, and this market is predominantly dominated by the unorganised sector. Organised sector includes players like Godrej Interio, Durian, Pepperfry etc. However, with wood becoming scarce and hence costly, metal and plastic furniture have become popular due to their durability and reasonable cost in India.

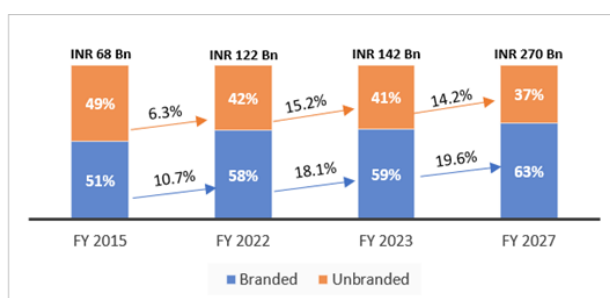
Metal and Plastic furniture accounted for 17% and 9% respectively, of the total furniture market of INR 1,350 Bn in the FY 2022. The products include almirahs, metal framed beds, chairs, tables, metal framed sofas etc. Plastic furniture had a market size of INR 122 Bn in FY 2022, which is almost entirely moulded, and demand for plastics is on the rise, due to their cost and convenience factors, especially among mass-mid income group. There has been a gradual shift from wooden and metal furniture to more accessible and durable materials like plastic which has gradually lowered the production costs, making furniture available to more people. Cane and bamboo contribute around 4%, highlighting the eco-friendly and rustic charm of these materials. The remaining 4% is allocated to other materials like glass, fiber, and resin, indicating the inclusion of specialized designs and accents.

## Indian Plastic Moulded Furniture Market

Moulded furniture refers to furniture items that are produced using a moulding process. This process involves shaping plastic into specific designs and forms, resulting in furniture pieces that have a uniform and consistent appearance. The plastic moulded furniture market in India was valued at INR 68 Bn in 2015. Over the next five years, the market size grew at a CAGR of 10.8%, reaching INR 113 Bn in FY 2020. The market was valued at INR 122 Bn in FY 2022 (almost entire Plastic furniture is moulded and is expected to reach INR 270 Bn by FY 2027 growing at a CAGR of 17.3%. Moulded furniture is gaining popularity as it offers features unavailable in conventional wooden and metal furniture, such as easy maintenance, light weight, durability, designs etc.

The Air cooler industry in India has also emerged as a key growth segment in the home appliances market, primarily driven by the country's hot and humid climate. The industry caters to a broad spectrum of consumers, ranging from the urban middle-class to rural households, thereby presenting significant growth potential for market players. The Indian air cooler industry has witnessed a significant growth trajectory in recent years. The market size of the Indian air cooler industry was INR 33 Bn in FY 2015, which reached INR 57 Bn in FY 2020, and INR 56 Bn in FY 2022. The market is projected to reach a size of INR 108 Bn by FY 2027, showcasing a growth rate of 14% over the next five years. As of FY 2022, branded play controls nearly 58% (~INR 70 Bn) of the Plastic Moulded Furniture market in India. This represents a significant increase from the share of around 51% (~INR 35 Bn) recorded in the FY 2015, reflecting a CAGR of 10.7% for the Branded market. The Branded play is estimated to capture ~63% (~INR 170 Bn) share by FY 2027 at the CAGR of 19.6% for the period FY 2023-27. The branded market is growing at a higher rate compared to the unbranded market driving the growth of the Plastic Moulded Furniture market. Cello had a market share of 4.7% in the branded moulded furniture market which was valued at ~INR 84 bn for FY 2023. Its share was 2.8% in the overall moulded furniture market for the same period.

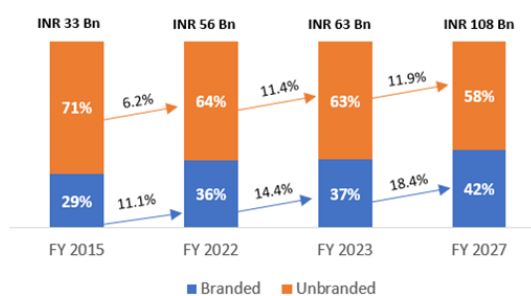
*Exhibit 4.3: Share of Branded & Unbranded Indian Plastic Moulded Furniture Market (INR Bn)*



Source: Technopak Analysis

As of FY 2022, Branded play controls nearly 36% (~INR 20 Bn) of the Air Cooler market in India. This represents a significant increase from the share of around 29% (~ INR 10 Bn) recorded in the FY 2015, reflecting a CAGR of 11.1% for the Branded market. The Branded play is estimated to capture ~42% (~INR 45 Bn) share by FY 2027 at the CAGR of 18.4% for the period FY 2023-27. The branded market is growing at a higher rate compared to the unbranded market driving the growth of the Air Cooler market.

*Exhibit 4.4: Share of Branded & Unbranded Indian Air Cooler Market (INR Bn)*



Source: Technopak Analysis

## Key Product Categories

The plastic moulded furniture market has been growing steadily and offers a wide range of product categories, including chairs and seating, stools, tables and storage, kids' furniture.

Exhibit 4.5: Product segmentation across Key Players of Moulded Furniture Market

Key Players	Chairs & Seatings	Stool & Tables	Storage	Kids Furniture
Cello Wimplast				
Supreme				
Nilkamal Ltd				
Avro Furnitures				
Anmol Industries				
Prima Plastics				
Italica				

Source: Secondary Research, Technopak Analysis

## Key Trends & Growth Drivers

### 1. Growing Demand for Affordable Furniture

Consumers seek cost-effective furniture without compromising style, making plastic-based moulded furniture popular for its affordability. The COVID-19 pandemic has further accelerated the demand for functional furniture, especially for home offices and study spaces. Moulded furniture's practicality, affordability, and ease of assembly cater to the needs of remote work and distance learning, driving its growth in India and beyond.

### 2. Urbanization and Rising Middle-Class Population:

The affordable and trendy furniture is favoured by urban dwellers with limited space. Additionally, there is increasing demand for durable outdoor furniture, and Moulded furniture's easy maintenance and versatility make it a popular choice for both indoor and outdoor spaces.

### 3. Affinity to Branded Products:

As consumers become increasingly brand-conscious, they seek higher quality products that offer a combination of style, durability, and value. Branded moulded furniture meets these criteria, making it an attractive choice for customers. There is a heightened consumer awareness that branded products are a proxy for trust, quality, and safety, leading customers across income segments to prefer branded products over unbranded.

### 4. Ease of Manufacturing:

Compared to traditional furniture, Moulded furniture is relatively easy to manufacture and involves minimal manual labour as it involves melting plastic and injecting it into moulds, which can be easily replicated to produce identical pieces of furniture. The simplicity of the manufacturing process allows producers to scale up production and meet the growing demand for Moulded furniture in India. Moreover, it enables manufacturers to offer a wide range of designs and styles, making Moulded furniture a popular choice among consumers.

### 5. Growth of the Tourism and Hospitality Industry:

The Moulded furniture industry in India is also driven by the growth of the tourism and hospitality industry. Moulded furniture is an excellent option for the hospitality industry because of its durability and ease of cleaning. Additionally, Moulded furniture is available in various colours and styles, making it easy for hotel owners to match it with the decor of their establishments.

### 6. Technological Advancements:

The Moulded furniture industry in India is experiencing growth due to the rapid advancements in technology. New manufacturing technologies enable players to manufacture furniture more efficiently and cost-effectively.

## Key Risks and Challenges

### 1. *Unbranded Play as a Threat*

Unbranded players leverage sub-standard raw materials to manufacture furniture at a lower cost, thereby offering their products at a more competitive price point than established branded players. This phenomenon has resulted in the emergence of a parallel economy in the market, which poses a challenge to the growth and sustainability of branded players. Furthermore, the use of sub-standard raw materials often leads to the production of furniture with compromised quality, which may not meet the necessary safety and quality standards. This presents a risk to consumers and impacting the perception of consumers regarding plastic moulded furniture. However, despite the risks posed by unbranded players, the Indian Moulded Furniture market remains a promising opportunity for established players.

### 2. *Not Accepted Readily by High-income Consumers*

The moulded furniture industry in India faces the challenge of limited acceptance by high-income consumers, who are more discerning and selective in their choice of furniture and may not readily accept moulded furniture due to its perceived lower aesthetics and lack of exclusivity.

### 3. *Perception of Plastic being harmful to the environment*

Despite the fact that moulded plastic furniture is almost 100% recyclable and does not cause deforestation like wooden furniture, the plastic industry is still viewed negatively by some due to the pervasive threat of plastic pollution as a harmful and toxic threat to the environment. There is lack of awareness among a large percentage of the customer base regarding the positive environmental impact of plastic furniture due to its recyclable nature.

## 5. Operational Benchmarking

### Key Players & Product Categories

The Consumerware and related categories have a wide range of product categories and a diverse price range. It includes segments like Houseware (Tableware, Dinnerware, Drinkware etc.) and Glassware segment, which are made up of different materials such as steel, melamine, porcelain, glass, plastic etc. Other related categories include Small kitchen appliances, Cleaning supplies etc. The Consumerware players offer these products in various colours, designs, sizes etc. which define the various options available. Price ranges vary widely within a category due to varied prices for different materials, functionality, style etc.

Cello has a diverse range of products across different product categories, types of material and price points enabling it to serve as a “one-stop-shop”, with consumers across all income levels purchasing their products. Cello's extensive product range spanning Drinkware, Insulatedware, Dinnerware, Serveware, and Glassware, and categories like Cleaning supplies, Stationery, Small kitchen appliances, Moulded furniture and Air coolers positions the company strongly in the Indian market. This diversified offering serves as a buffer against seasonality in demand by catering to various seasons, age categories, and occasions like home, office, gym, and outdoor settings. By providing options suitable for different needs, Cello maintains a more consistent level of demand throughout the year, minimizing the impact of seasonal fluctuations. Additionally, the company's ability to address diverse consumer preferences through the use of different raw materials such as plastic, steel, glass, and more ensures a broad appeal and enhances customer satisfaction.

Cello's utilization of various raw materials across their wide product range helps safeguard profit margins when facing fluctuations in raw material prices. By leveraging a mix of materials based on market dynamics, the company can adapt and prioritize those with more stable or favourable pricing, effectively managing costs and preserving margins.

*Exhibit 5.1: Key Players, Product Categories, Price Range of various product categories in Consumerware*

Category	Players	Product Categories	Price Range (INR)
Consumerware	Cello	Drinkware	193-2,299
		Lunch box and Storage	379-1,599
		Dinnerware & Serveware	299- 5,295
		Insulated ware	331-2,650
		Cookware	595- 5,999

Category	Players	Product Categories	Price Range (INR)
	<b>Milton</b>	Kitchen Appliances	1,455-10,995
		Drinkware	85- 3800
		Lunch box and Storage	112-3,265
		Dinnerware & Serveware	138-1,995
		Insulated ware	195-2,999
		Cookware	410- 5,000
	<b>TTK Prestige</b>	Cookware	475- 5,430
		Small Kitchen Appliances	1,080-13,995
		Drinkware	445-1,895
	<b>StoveKraft</b>	Cookware	895-5,390
		Small Kitchen Appliances	1,195-15,995
	<b>Hawkins</b>	Cookware	395-4,620
	<b>LaOpala</b>	Dinnerware & Serveware	350-8,695
		Lunch box and Storage	275-775
	<b>Borosil</b>	Drinkware	170-4,055
		Lunch box and Storage	375-6,205
		Dinnerware & Serveware	245-4,720
		Insulated ware	725-1,670
		Cookware	945-4,390
		Kitchen Appliances	495-12,490
	<b>Corelle</b>	Lunch box and Storage	299-925
		Dinnerware & Serveware	325-48,373
		Cookware	6,840-11,880
	<b>LocknLock</b>	Drinkware	195-980
		Lunch box and Storage	360-2,545
		Cookware	NA
	<b>Tupperware</b>	Drinkware	490-2,980
		Lunch box and Storage	325- 2,050
		Dinnerware & Serveware	1,200
		Cookware	4,200
		Kitchen appliances	12,000
	<b>Signoraware</b>	Drinkware	85-2,700
		Lunch box and Storage	70-3,999
		Dinnerware & Serveware	45-3,645
		Cookware	449-5,480
		Insulated ware	1,120-1,690
	<b>Roxx</b>	Drinkware	149-1,795
		Lunch box and Storage	195-755
		Dinnerware & Serveware	155-565
		Cookware	295-965
		Kitchen Appliances	NA
		Insulated ware	NA

Source: Secondary Research, NA- Not Available

Note: Price range for all the brands are from their brand websites except for Stovekraft, LaOpala, LocknLock which has been taken from marketplaces like Amazon, Flipkart etc.



Note: Prices are MRP Prices as of June 2024

Product categories- Drinkware includes- Bottles, Carafes, Dispensers, Jugs, Tumblers, Flasks etc. Lunch Box & Storage includes -Tiffins, Casseroles, Storage containers, Jars etc. Dinnerware & Serveware includes- Dinner sets, Baking dishes, Mixing and Serving bowls etc. Cookware includes- Non-stick cookware, Pressure cookers, Tope and Saucepans, Frying pans, Tawa etc. Kitchen Appliances includes- OTGs, Mixer Grinders, Juicers, Air fryers, Electric Kettles etc.

Exhibit 5.2: Key Players and their presence across various Consumerware and related categories

Key Players	Drinkware			Insulated Ware			Dinnerware & Serveware					Glassware			Cookware			Small Kitchen Appliances	Stationery	Cleaning Supplies	Moulded Furniture	Air Coolers	
	Plastic	Plastic/Steel	Steel	Glass/copper	Plastic	Plastic/Steel	Steel	Onaluzugs	Melamine	Porcelain	Steel	Plastic	Borosilicate	Sodaling	Vitrele	Hard-Anodised	Non-Stack	Stainless Steel					
Cello																							
Milton																							
LaOpala																							
Borosil																							
Corelle																							
LocknLock																							
Tupperware																							
Signoraware																							
Roxx																							
Prestige																							
Hawkins																							
Gala																							
Scotch-Brite																							
Camlin																							
Luxor																							
LINC																							
DOMS																							
Flair																							
Supreme																							
Nilkamal Ltd.																							
Stovekraft																							

Source: Technopak Analysis

The Cleaning supplies includes product categories like wipers, brooms, mops, scrubs etc. It comes in various designs, colours and price range to meet the regular demands of customers. The changing patterns of cleaning tools over the years has made the life of people simpler and easier such that people are shifting from floor cloths to wipers and mops for cleaning and mopping purposes. New material scrubs are available for cleaning of utensils as well as it can be used in Bathroom, Garden etc. wherever needed and serves as all-purpose tools.

Exhibit 5.3: Key Players, Product Categories, Price Range of various product categories in Cleaning Supplies

Category	Brands	Product Categories	Price Range (INR)
Cleaning Supplies	Kleeno By Cello	Cleaning Aids (Brushes, Wipers, Mops, Cloths, Dustbins)	138-2,149
		Brooms, brushes, dust pans	199-452
	Gala	Spin Mops, mops	659-3,499
		Wipers	90-899
		Microfiber, kitchen sponge, scrubs	1550299
		Toilet Brushes	185-255

Category	Brands	Product Categories	Price Range (INR)
	<b>Stovekraft</b>	Mops	1,195-2,625
	<b>TTK Prestige</b>	Cleaning Aids (Mop, Wiper, Dustbin, Carpet Brush, Bottle Brush, Gloves, Broom, Etc.)	175- 2,495
	<b>Signoraware</b>	Dustbins	150-2,997
		Cleaning Aids (Cleaning clothes, microfiber, pad, scrubber, brushes, wipers)	12-450
		Cleaning Aids (Mops)	780-1,730
	<b>Scotch-Brite</b>	Kitchen cleaning (small wipers, gloves, sponge wipe, bottle cleaner, soap dispensing dishwand)	20-700
		Bathroom cleaning (toilet brush, scrubbers, wipers)	130-1,750
		Floor cleaning (broom, mop, wipers)	450- 4,200
	<b>Spotzero by Milton</b>	Cleaning Aids (Brush, Broom, Dustpan, Scrubbers, Gloves, Plunger, Dustbinetc.)	10-480
		Sensory Dustbins	5,900
		Spin mops and sets	360-4,201
		General Cleaning Aids (Microfiber cloth, Disinfectant, Glass cleaner, Refill)	85-315

Source: Secondary Research, NA- Not Available

Note: Price range has been taken from marketplaces like Amazon, Flipkart etc. except for Cello Kleeno and Spotzero taken from website

Note: Prices are MRP Prices as of June 2024

The Stationery category is further divided broadly into Writing Instruments, Scholastic Products, Notebooks, Arts and Crafts etc. The stationery players offer these products in various colours, designs, sizes etc. and these are marketed basis their usage, functionality and themes like ‘Back to School’ etc.

*Exhibit 5.4: Key Players, Product Categories, Price Range of various product categories in Stationery*

Players	Product Categories	Price Range (INR)
<b>Unomax</b>	Writing Instruments	100-3,000
	Stationery	100-300
<b>Camlin</b>	Writing Instruments	10-70
	Stationary	5-650
	Art & Craft Materials	30-5,200
	Writing Instruments	12-520
<b>Luxor</b>	Stationery	10-900
	Art & Craft Materials	12-1,095
	Writing Instruments	120- 1,299
<b>LINC</b>	Stationery	300-1,080
	Writing Instruments	50-1,000
	Stationery	100-990
<b>DOMS</b>	Art & Craft Materials	84-850
	Writing Instruments	45-1,000
	Stationery	25-500
<b>Hindustan Pencils</b>	Art & Craft Materials	150-400
	Writing Instruments	NA
	Stationery	NA
<b>Claro By Hamilton</b>	Writing Instruments	100-1,000
	Stationery	125-950
	Art & Craft Materials	99-1,999
<b>Flair</b>	Stationery	100-5,500
	Writing Instruments	10- 250
<b>Kangaro</b>	Stationery	
<b>ITC Classmate</b>	Writing Instruments	

	Stationery	80-1,740
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Source: Secondary Research, NA- Not Available

Note: Price range for Kokuyo Camlin is from their website and Luxor, Hindustan Pencils, Unomax , LINC, DOMS, Claro By Hamilton, Flair, Kangaro, ITC Classmate have been taken from website and marketplaces both

Note: Prices are MRP Prices as of June 2024

Product Categories- Writing Instruments includes- Pens, Pencils & Mechanical pencils etc. Stationery includes- Sharpener, Eraser, Scale, Calculator, Notebooks, Accessories etc. Art & Craft Materials includes- Drawing materials, Paints, Brushes, Canvases, Mediums etc.

## Distribution and Retail Network

With the objective of penetrating further into the market and enhancing the presence of the brands, companies are extending their tie-ups with Online Marketplaces, MBOs and Traditional retail shops which remain the mainstay for sale of Consumerware, Stationery and Cleaning Supplies. Players are also expanding their presence and distribution network in tier II, tier III and tier IV cities in both Consumerware and Stationery segment.

Exhibit 5.5: Distribution and retail touch points

Category	Players	Dealers/ Distributors	Retail Outlets
Consumerware	Cello	900	74,037*
	Milton	NA	~57,000
	LaOpala	~200	~20,000
	Borosil	~273	23500+
	Tupperware	~55,000+ direct sellers	107 EBOs
	TTK Prestige	15,500+ dealers and 600+ distributors	680+ Stores
	Stovekraft	600+	82,767+ Retail touchpoints, 150 EBO's
	Hawkins	NA	NA
	Roxx	NA	~6000 (MBOs), 4 (EBOs)
Stationery	Unomax	1,522	64,868
	Camlin	NA	3,00,000+
	Linc	2,866	2,41,537 retailers and 36 channel partners
	DOMS	100+ stockists, 3750+ distributors	1,15,000+
	Rorito	~1800 (Redistribution stockists), 27 main stockists	~5,00,000
Cleaning Supplies	Gala	~250	NA
	Scotch Brite	NA	NA
	Kleeno By Cello	NA	NA
	Spotzero By Milton	NA	NA

Source: Annual Reports and Secondary Research, NA- Not Available.

\*This represents the direct retail outreach of Cello Consumerware

Note: All the above-mentioned players are National players

Cello is a prominent Consumerware player in the Indian Consumerware Market with an overall revenue of INR INR 18 Bn in FY 2023 and INR 20 Bn in FY 2024. It has about 900 distributors and retail reach of approximately 74,037 retail stores in its direct outreach for the Consumerware segment. Borosil, Milton, TTK Prestige are other key players in this segment.

Exhibit 5.6: Distribution and Retail reach for Cello

Product Categories	Distribution Network*
Consumer Houseware	900 distributors and approximately 74,037 retailers across India

<b>Writing Instruments &amp; Stationery</b>	<b>29 super-stockists, approx. 1,522 distributors and approx. 64,868 retailers across India</b>
<b>Moulded Furniture &amp; Allied Products</b>	<b>1,067 distributors and approx. 6,840 retailers across India</b>

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories. Data as of 31 March 2024.

## 6. Financial Benchmarking

### Revenue from Operations

Revenue from operations is the top line parameter for a company's financials. In consumerware market in India, Milton and Borosil are key players besides Cello World. In the stationery space too, Cello World (Unomax) is among the prominent players besides Hindustan Pencils, Kokuyo Camlin, DOMS etc.

Exhibit 6.1: Revenue from Operations for Key Players in INR Mn (in FY)

Company	2021	2022	2023	2024	CAGR 2021-24
<b>Cello World*</b>	10,495	13,592	17,967	20,003	24.0%
<b>Consumerware Players</b>					
<b>Hamilton Housewares (Milton)</b>	14,543	18,594	23,679	NA	27.6%*
<b>Borosil</b>	5,848	8,399	10,271	9,423	17.2%
<b>LaOpala</b>	2,113	3,227	4,523	3,651	20.0%
<b>Tupperware</b>	1,600	1,491	1,758	NA	4.8%*
<b>East Coast Distributors (Roxx)</b>	491	646	1,032	NA	28.0%*
<b>Princeware</b>	1,748	1,943	1,670	NA	-2.3%*
<b>Rajprabhu Traders</b>	79	109	144	NA	35.3%*
<b>Stovekraft</b>	8,590	11,364	12,838	13,643	16.7%
<b>Hawkins</b>	7,685	9,580	10,058	10,242	10.0%
<b>TTK Prestige</b>	21,869	27,225	27,771	26,781	7.0%
<b>Stationery Players</b>					
<b>Kokuyo Camlin Ltd</b>	4,031	5,085	7,749	8,138	26.4%
<b>Linc Ltd</b>	2,567	3,550	4,868	5,019	25.0%
<b>Flair Writing Industries</b>	2,980	5,775	9,427	9,787	48.6%
<b>Luxor Writing Instruments</b>	2,318	3,341	4,896	NA	45.4%*
<b>Rorito International</b>	1,136	1,407	1,740	NA	23.8%*
<b>Hindustan Pencils</b>	4,886	7,703	NA	NA	NA
<b>BIC Cello India</b>	2,646	4,064	4,997	NA	37.4%*
<b>DOMS</b>	4,028	6,836	12,119	15,371	56.3%
<b>Kangaro</b>	2,212	2,927	3,768	NA	30.5%*

Source: Annual Reports, Technopak Analysis

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Cello World, Kokuyo Camlin, Linc, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, DOMS, LaOpala and Borosil financials pertain to consolidated numbers.

Note: Rorito International, Kangaro, Tupperware, Roxx, Hamilton Housewares, Princeware and Rajprabhu Traders financials pertain to standalone numbers.

CAGR marked with "\*" is calculated for the period FY 2021-23 due to unavailability of FY 2024 financials.

### Gross Profit Margin

TTK Prestige, Hamilton Housewares (Milton) and Cello World were the top three companies in terms of gross profit in FY 2022. DOMS registered the highest CAGR of 59.9% for the period FY 2021 to FY 2024. Cello World registered a CAGR of 25.8% during the same period.

Exhibit 6.2: Gross Profit (INR Mn) and Gross Profit Margin (%) for Key Players (in FY)

Company	2021		2022		2023		2024		CAGR 2021-24
	Gross Profit	Margin	Gross Profit	Margin	Gross Profit	Margin	Gross Profit	Margin	
Cello World*	5,280	50.3%	6,806	50.1%	9,012	50.2%	10,518	52.6%	25.8%
<b>Consumerware Players</b>									
Hamilton Housewares (Milton)	5,871	40.4%	7,514	40.4%	9,834	41.5%	NA	NA	29.4%*
Borosil	3,415	58.4%	5,319	63.3%	6,147	59.8%	5,623	59.7%	18.1%
LaOpala	1,543	73.0%	2,595	80.4%	3,733	82.5%	3,145	86.1%	26.8%
Tupperware	1,013	63.3%	939	63.0%	1,143	65.0%	NA	NA	6.2%*
East Coast Distributors (Roxx)	132	26.8%	182	28.2%	318	30.9%	NA	NA	34.1%*
Princeware	914	52.3%	900	46.3%	861	51.6%	NA	NA	-2.9%*
Rajprabhu Traders	27	34.4%	31	28.5%	53	36.6%	NA	NA	39.5%*
Stovekraft	3,007	35.0%	3,629	31.9%	4,204	32.7%	5,040	36.9%	18.8%
Hawkins	4,033	52.5%	4,692	49.0%	4,944	49.2%	5,312	51.9%	-6.1%
TTK Prestige	9,180	42.0%	11,275	41.4%	11,164	40.2%	11,028	41.2%	6.3%
<b>Stationery Players</b>									
Kokuyo Camlin Ltd	1,668	41.4%	1,960	38.5%	2,867	37.0%	3,203	39.4%	24.3%
Linc Ltd	839	32.7%	1,175	33.1%	1,922	39.5%	2,073	41.3%	35.2%
Flair Writing Industries	1,316	44.2%	2,693	46.6%	4,339	46.0%	4,930	50.4%	55.3%
Luxor Writing Instruments	997	43.0%	1,278	38.2%	2,011	41.1%	NA	NA	42.0%*
Rorito International	412	36.2%	499	35.5%	704	40.4%	NA	NA	30.7%*
Hindustan Pencils	2,086	42.7%	2,984	38.7%	NA	NA	NA	NA	NA
BIC Cello India	1,033	39.0%	1,436	35.3%	2,072	41.5%	NA	NA	41.6%*
DOMS	1,575	39.1%	2,515	36.8%	4,485	37.0%	6,444	41.9%	59.9%
Kangaro	1,206	54.5%	1,548	52.9%	1,903	50.5%	NA	NA	25.6%*

Source: Annual Reports, Technopak Analysis

Gross Profit Margin = (Revenue from operations - COGS)

Gross Margin = Gross Profit Margin / Revenue from operations

CAGR marked with "\*" is calculated for the period FY 2021-23 due to unavailability of FY 2024 financials.

Note: NA= Not Available, na(1)= can't be calculated due to unavailability, negative numerator, denominator or both.

Note: Cello World, Kokuyo Camlin, Linc, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, DOMS, LaOpala and Borosil financials pertain to consolidated numbers.

Note: Rorito International, Kangaro, Tupperware, Roxx, Hamilton Housewares, Princeware and Rajprabhu Traders financials pertain to standalone numbers.

### EBITDA Margin

EBITDA margins is largely used to compare the profitability of the companies against competitors. It is also used to standardize the business performance against the industry averages. Cello World registered an EBITDA margin of 25.5% in FY 2024 which was second highest among the players listed below.

Exhibit 6.3: EBITDA (INR Mn) and EBITDA Margin (%) Operations for Key Players (in FY)

Company	2021		2022		2023		2024		CAGR 2021-24
	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	
Cello World*	2,767	26.4%	3,336	24.5%	4,205	23.4%	5,092	25.5%	22.5%
<b>Consumerware Players</b>									
Hamilton Housewares (Milton)	2,369	16.3%	2,581	13.9%	3,359	14.2%	NA	NA	19.1%*
Borosil	823	14.1%	1,436	17.1%	1,263	12.3%	1,327	14.1%	17.3%

Company	2021		2022		2023		2024		CAGR 2021-24
	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	
	A	%	A	%	A	%	A	%	
LaOpala	684	32.4%	1,223	37.9%	1,722	38.1%	1,360	37.3%	25.8%
Tupperware	95	5.9%	108	7.2%	-64	-3.6%	NA	NA	Na(1)
East Coast Distributors (Roxx)	2	0.5%	25	3.8%	79	7.7%	NA	NA	528.5%*
Princeware	243	13.9%	233	12.0%	242	14.5%	NA	NA	-0.1%*
Rajprabhu Traders	6	7.7%	7	6.0%	13	9.3%	NA	NA	49.1%*
Stovekraft	1,130	13.2%	927	8.2%	948	7.4%	1,188	8.7%	1.7%
Hawkins	1,198	14.4%	1,353	12.5%	1,502	13.5%	2,631	14.7%	30.0%
TTK Prestige	3,273	15.0%	4,259	15.6%	3,585	12.9%	3,037	11.3%	-2.5%
<b>Stationery Players</b>									
Kokuyo Camlin Ltd	88	2.2%	165	3.2%	544	7.0%	766	9.4%	105.4%
Linc Ltd	102	4.0%	215	6.1%	614	12.6%	558	11.1%	76.4%
Flair Writing Industries	232	7.8%	980	17.0%	1,835	19.5%	1,912	19.5%	101.9%
Luxor Writing Instruments	46	2.0%	73	2.2%	330	6.7%	NA	NA	168.8%*
Rorito International	-226	-19.9%	-85	-6.1%	1	0.0%	NA	NA	Na(1)
Hindustan Pencils	87	1.8%	223	2.9%	NA	NA	NA	NA	NA
BIC Cello India	-1,397	-52.8%	-1,431	-35.2%	-998	-20.0%	NA	NA	-15.5%*
DOMS	300	7.5%	697	10.2%	1,913	15.8%	2,829	18.4%	111.2%
Kangaro	398	18.0%	518	17.7%	738	19.6%	NA	NA	36.2%*

Source: Annual Reports, Technopak Analysis

EBITDA Margin= EBITDA/ Revenue from Operations

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Cello World, Kokuyo Camlin, Linc, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, DOMS, LaOpala and Borosil financials pertain to consolidated numbers.

Note: Rorito International, Kangaro, Tupperware, Roxx, Hamilton Housewares, Princeware and Rajprabhu Traders financials pertain to standalone numbers.

CAGR marked with "\*" is calculated for the period FY 2021-23 due to unavailability of FY 2024 financials.

## PAT Margin

The profit after tax and PAT margins are used to assess if a company's business is profitable after meeting the operating and overhead costs. LaOpala had the highest PAT margin of 35.0% amongst the peers in the industry in FY 2024, followed by Cello World which registered PAT margin of 17.8% during the same period.

Exhibit 6.4: PAT (INR Mn) and PAT Margin (%) for Key Players (in FY)

Company	2021		2022		2023		2024		CAGR 2021-24
	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin	
Cello World*	1,655	15.8%	2,195	16.2%	2,851	15.9%	3,562	17.8%	29.1%
<b>Consumerware Players</b>									
Hamilton Housewares (Milton)	1,334	9.2%	1,532	8.2%	2,148	9.1%	NA	NA	26.9%*
Borosil	424	7.2%	852	10.1%	902	8.8%	659	7.0%	15.9%
LaOpala	496	23.5%	874	27.1%	1,230	27.2%	1,277	35.0%	37.1%
Tupperware	67	4.2%	67	4.5%	-78	-4.4%	NA	NA	Na(1)
East Coast Distributors (Roxx)	-31	-6.3%	12	1.8%	35	3.4%	NA	NA	Na(1)
Princeware	20	1.1%	36	1.8%	32	1.9%	NA	NA	28.4%*
Rajprabhu Traders	0	0.1%	0	0.2%	3	2.3%	NA	NA	626.9%*
Stovekraft	812	9.5%	562	4.9%	358	2.8%	341	2.5%	-25.2%
Hawkins	806	10.5%	839	8.8%	948	9.4%	1,098	10.7%	10.9%

Company	2021		2022		2023		2024		CAGR 2021-24
	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin	
TTK Prestige	2,368	10.8%	3,048	11.2%	2,550	9.2%	2,253	8.4%	-0.8%
<b>Stationery Players</b>									
Kokuyo Camlin Ltd	-146	-3.6%	-47	-0.9%	244	3.2%	438	5.4%	Na(1)
Linc Ltd	0	0.0%	81	2.3%	374	7.7%	341	6.8%	854.7%
Flair Writing Industries	10	0.3%	562	9.7%	1,181	12.5%	1,185	12.1%	396.2%
Luxor Writing Instruments	-94	-4.1%	-50	-1.5%	66	1.4%	NA	NA	Na(1)
Rorito International	-391	-34.5%	-273	-19.4%	-143	-8.2%	NA	NA	-39.6%*
Hindustan Pencils	-54	-1.1%	68	0.9%	NA	NA	NA	NA	NA
BIC Cello India	-2,155	-81.4%	-1,620	-39.9%	-371	-7.4%	NA	NA	-58.5%*
DOMS	-60	-1.5%	171	2.5%	1,029	8.5%	1,597	10.4%	Na(1)
Kangaro	226	10.2%	306	10.5%	470	12.5%	NA	NA	44.0%*

Source: Annual Reports, Technopak Analysis

PAT Margin= PAT/ Revenue from Operations

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Cello World, Kokuyo Camlin, Linc, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, DOMS, LaOpala and Borosil financials pertain to consolidated numbers.

Note: Rorito International, Kangaro, Tupperware, Roxx, Hamilton Housewares, Princeware and Rajprabhu Traders financials pertain to standalone numbers.

CAGR marked with "\*" is calculated for the period FY 2021-23 due to unavailability of FY 2024 financials.

### Return on Capital Employed

ROCE (Return on Capital Employed) indicated the company's efficiency by measuring the profitability of the business after factoring in the capital used by the company to generate profits. ROCE is a good indicator of the company's performance over long periods. Cello World had the highest ROCE amongst the peers in FY 2021-24.

Exhibit 6.5: Return on Capital Employed for Key Players (in FY)

Company	2021	2022	2023	2024
Cello World*	24.5%	28.3%	31.1%	30.7%
<b>Consumerware Players</b>				
Hamilton Housewares (Milton)	22.2%	20.6%	22.7%	NA
Borosil	8.9%	17.9%	12.7%	11.3%
LaOpala	10.6%	18.0%	22.3%	19.2%
Tupperware	6.9%	8.7%	-6.7%	NA
East Coast Distributors (Roxx)	-0.4%	3.3%	8.1%	NA
Princeware	7.7%	8.7%	8.8%	NA
Rajprabhu Traders	3.1%	3.3%	6.8%	NA
Stovekraft	5.0%	7.8%	4.6%	6.1%
Hawkins	25.7%	21.6%	19.6%	22.6%
TTK Prestige	18.6%	20.7%	15.7%	12.8%
<b>Stationery Players</b>				
Kokuyo Camlin Ltd	-2.7%	-0.2%	12.6%	18.7%
Linc Ltd	-0.7%	8.0%	31.4%	25.2%
Flair Writing Industries	3.4%	20.0%	33.7%	22.6%
Luxor Writing Instruments	-1.5%	1.3%	11.4%	NA
Rorito International	-36.0%	-25.2%	-12.9%	NA
Hindustan Pencils	4.3%	9.0%	NA	NA
BIC Cello India	-25.9%	-35.3%	-7.0%	NA

Company	2021	2022	2023	2024
<b>DOMS</b>	0.4%	10.1%	40.0%	35.8%
<b>Kangaro</b>	10.0%	12.6%	17.2%	NA

Source: Annual Reports, Technopak Analysis

Return on Capital Employed= EBIT (PBT + Finance Cost) / Capital Employed (Total assets - Total liabilities - Intangible assets - Deferred tax assets + Total Borrowings + Deferred tax liability)

Note: NA= Not Available, na(1)- can't be calculated due to unavailability.

Note: Cello World, Kokuyo Camlin, Linc, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, DOMS, LaOpala and Borosil financials pertain to consolidated numbers.

Note: Rorito International, Kangaro, Tupperware, Roxx, Hamilton Housewares, Princeware and Rajprabhu Traders financials pertain to standalone numbers.

## Marketing Spend

Exhibit 6.6: Marketing Spend for Key Players (in FY)

Company	2021	2022	2023	2024
<b>Cello World*</b>	0.9%	0.8%	1.3%	NA
<b>Consumerware Players</b>				
<b>Hamilton Housewares (Milton)</b>	3.3%	3.7%	5.3%	NA
<b>Borosil</b>	4.0%	4.8%	6.2%	NA
<b>LaOpala</b>	0.5%	0.6%	0.0%	NA
<b>Tupperware</b>	5.4%	5.7%	6.1%	NA
<b>East Coast Distributors (Roxx)</b>	3.7%	2.7%	2.8%	NA
<b>Princeware</b>	2.6%	0.5%	0.6%	NA
<b>Rajprabhu Traders</b>	0.4%	0.6%	0.3%	NA
<b>Stovekraft</b>	2.2%	2.5%	2.7%	NA
<b>Hawkins</b>	3.4%	3.5%	3.8%	NA
<b>TTK Prestige</b>	4.5%	5.1%	5.2%	NA
<b>Stationery Players</b>				
<b>Kokuyo Camlin Ltd</b>	1.5%	0.9%	1.6%	NA
<b>Linc Ltd</b>	1.6%	1.7%	NA	NA
<b>Flair Writing Industries</b>	0.6%	0.8%	1.3%	NA
<b>Luxor Writing Instruments</b>	2.6%	3.6%	4.9%	NA
<b>Rorito International</b>	4.4%	0.1%	0.5%	NA
<b>Hindustan Pencils</b>	0.3%	0.1%	NA	NA
<b>BIC Cello India</b>	6.3%	6.4%	5.9%	NA
<b>DOMS</b>	0.4%	0.4%	0.3%	NA
<b>Kangaro</b>	0.8%	0.7%	0.8%	NA

Source: Annual Reports, Technopak Analysis

Note: NA= Not Available, na(1)= can't be calculated due unavailability

Note: Cello World, Kokuyo Camlin, Linc, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, DOMS, LaOpala and Borosil financials pertain to consolidated numbers.

Note: Rorito International, Kangaro, Tupperware, Roxx, Hamilton Housewares, Princeware and Rajprabhu Traders financials pertain to standalone numbers.



## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section titled “Forward Looking Statements” on page 16 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in the section titled “Risk Factors” on page 47. This section should be read in conjunction with such risk factors.*

*Unless otherwise indicated, industry and market data included in this section has been derived from the Technopak Report. This section should be read in conjunction with the “Industry Overview” on page 121. Neither we, nor the BRLMs, nor any other person connected with the Issue has independently verified this information. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ended March 31 of that year.*

*Unless otherwise stated, or the context otherwise requires, the financial information for Fiscals 2024 and 2023 used in this section is derived from our Audited Consolidated Financial Statements and that for Fiscal 2022 has been derived from the Special Purpose Audited Consolidated Financial Statements included in this Placement Document in the section titled “Financial Information” on page 264.*

*Unless otherwise stated, references in this section to “we”, “our” or “us” (including in the context of any financial information) are to our Company along with our Subsidiaries and Associate, on a consolidated basis. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview” and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 47, 121, and 94, respectively, as well as the financial and other information contained in this Placement Document. Additionally, please refer to the section titled “Definitions and Abbreviations” on page 21 for certain terms used in the following section.*

### OVERVIEW

The consumerware market is broadly divided into two categories, consumer houseware and consumer glassware and we are a prominent player in the consumerware market in India with presence in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products and consumer glassware categories, according to the Technopak Report.

While our Company was incorporated only in 2018, our erstwhile promoter Late Ghisulal Dhanraj Rathod, father of two of our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, was associated with Cello Plastic Industrial Works (“CPIW”) and the “Cello” brand since 1962. Our Promoters (through their family) have since diversified our product range and brand portfolio over the last six decades. The six decades of experience of our Promoters (through their family) in the consumer products industry has enabled us to better understand the preferences and needs of consumers in India, diversify our product portfolio and grow our multi-channel distribution network. This has enabled us 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 material and price points. As of March 31, 2024, we offered 17,023 stock-keeping units (“SKUs<sup>1</sup>”) across our product categories. The table below sets forth the brands, sub-brands and range of products offered across our three product categories, through our various group entities:

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<sup>1</sup> SKUs denote the number of units available for sale at any point in time. Our SKUs may be either individual products or products packaged together or products of different colours. Hence, our number of SKUs and products are not equivalent.

Product Categories	Entity(ies) through which product categories are manufactured / sold	Brands	Sub-Brands	Overview of range of products offered
Consumer Houseware	- Cello World Limited - Cello Industries Private Limited - Cello Houseware Private Limited - Cello Household Products Private Limited - Cello Consumerware Private Limited	Cello	Puro, Chef, H2O, Modustack, Kleeno, Maxfresh and Duro.	- Houseware - Insulatedware - Electronic appliances and cookware - Cleaning aids - Opalware - Glassware - Porcelain
Writing Instruments and Stationery	Unomax Stationery Private Limited	Unomax	Ultron2X and Geltron.	- Writing instruments - Stationery
Moulded Furniture and Allied Products	Wim Plast Limited	Cello	-	- Moulded furniture - Allied products

We have a track record of scaling up new businesses and product categories. While our Company was incorporated only in 2018, our Promoters were involved in the launch of the glassware and opalware business in 2017 under the “Cello” brand, and increased our revenue from operations from this business from ₹22,898.82 lakhs in the Financial Year 2022, to ₹27,601.63 lakhs in the Financial Year 2023 and ₹34,254.13 lakhs in the Financial Year 2024, at a CAGR of 22.31%. We also launched our writing instruments and stationery product category in 2019 under the “Unomax” brand and increased our volume of products sold from this product category from 2,642.70 lakh units in the Financial Year 2022, to 5,387.89 lakh units in the Financial Year 2024, at a CAGR of 42.79%. For the Financial Years 2022, 2023 and 2024, revenue from our writing instruments and stationery product category was ₹16,933.45 lakhs, ₹28,499.85 lakhs, and ₹33,358.10 lakhs, respectively. Our “Unomax” brand had the highest EBITDA margin for the Financial Years 2022 and 2023 (*Source: Technopak Report*). Further, our Promoters were involved in the launch of the cleaning aids business in 2017 under the “Kleeno” sub-brand (under the “Cello” brand). We have been able to scale up this business by increasing our volume of products sold from this business from 69.20 lakh units in the Financial Year 2022, to 86.06 lakh units in the Financial Year 2024, at a CAGR of 11.51%. For the Financial Years 2022, 2023 and 2024, revenue from our cleaning aids business was ₹6,077.94 lakhs, ₹6,676.66 lakhs and ₹7,503.41 lakhs, respectively.

We own/lease and operate 14 manufacturing facilities across six locations in India, as of March 31, 2024. On March 16, 2024, one of our Subsidiaries, Cello Consumerware Private Limited, finished the completion of our glassware manufacturing facility in Falna, Rajasthan (“**Rajasthan Glassware Unit**”). The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024 and the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit, is expected to be operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. Our manufacturing capabilities allow us to manufacture a diverse range of products in-house. Our revenue derived from our in-house manufacturing operations aggregated to 82.63%, 79.37% and 77.77% of our total revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture these products with our branding pursuant to arrangements with us. The scale at which we manufacture our products, combined with our supply chain management enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We also endeavor to maintain high quality standards and good manufacturing practices.

We have a strong pan-India distribution network. From the distribution network established by CPIW for its thermoware household articles and plastic materials business, our Promoters (through their group of entities which were subsequently restructured, for details see “*Our Business – Group Restructuring Process*” on page 30) have further expanded the distribution network of our Company over the last six decades. The table below sets forth details relating to our nationwide sales and distribution network across our three product categories:

Product Categories	Distribution Network* (as of March 31, 2024)
Consumer Houseware	900 distributors and approximately 74,037 retailers located across India

Product Categories	Distribution Network* (as of March 31, 2024)
Writing Instruments and Stationery	29 super-stockist, approximately 1,522 distributors and approximately 64,868 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories.

Our nationwide sales and distribution network is supported by our 749 member sales team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors and retailers over the years. Further, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. In addition, we also sell our 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 we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. We 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 our marketing efforts are initiated and coordinated by our marketing team of 35 employees, as of March 31, 2024.

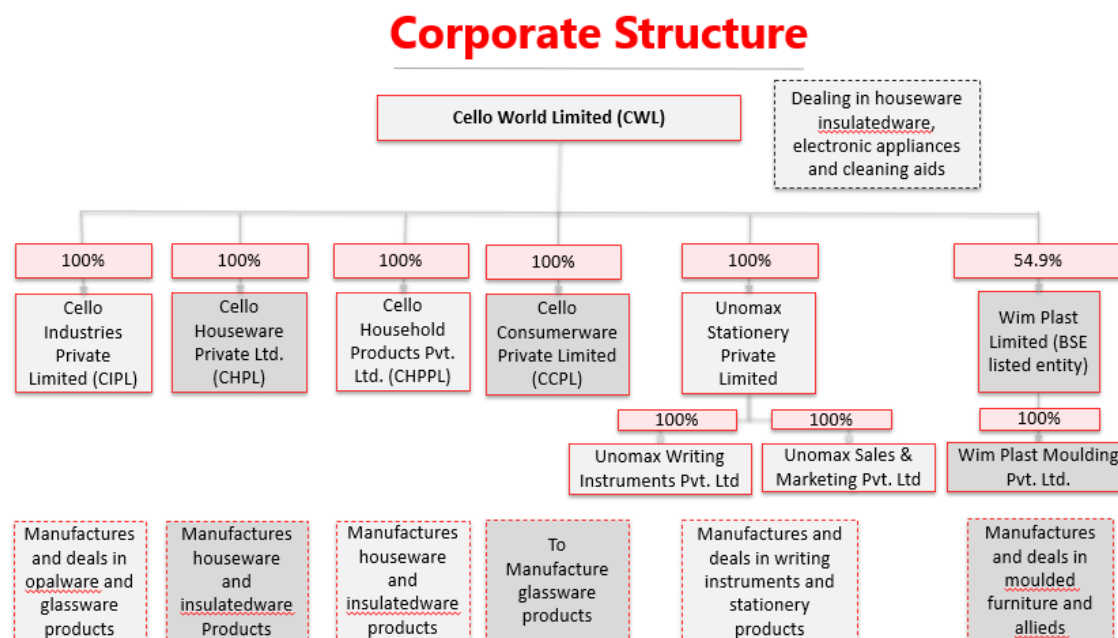
The Promoters of our Company, Pradeep Ghisulal Rathod, Chairman and Managing Director, and, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, Joint Managing Directors, have over 80 years of combined experience in the consumer products industry in India. Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod have nearly 40 and 35 years, respectively, in the business of manufacturing and trading in, among others, plastic articles, insulatedware articles and raw materials. Gaurav Pradeep Rathod holds a master’s degree in business administration from the University of Strathelyde, and is instrumental in the successful launch of opalware range of products, and the growth of the online and e-commerce sales of our Company.

A list of operating and financial metrics for the Financial Years 2022, 2023 and 2024 is set out below:

Metric	Unit	As at / For the financial year ended March 31,		
		2022	2023	2024
<b>Revenue from Operations</b>	(₹ in lakhs)	1,35,917.44	1,79,669.50	2,00,026.41
<b>Gross Profit</b>	(₹ in lakhs)	68,062.19	90,118.25	1,05,184.03
<b>Gross Profit Margin</b>	%	50.08%	50.16%	52.59%
<b>EBITDA</b>	(₹ in lakhs)	34,949.80	43,726.63	53,430.14
<b>EBITDA Margin</b>	%	25.71%	24.34%	26.71%
<b>EBIT</b>	(₹ in lakhs)	30,194.35	38,694.09	47,755.54
<b>EBIT Margin</b>	%	22.22%	21.54%	23.87%
<b>Profit for the year</b>	(₹ in lakhs)	21,951.75	28,505.08	35,618.36
<b>Profit for the year margin</b>	%	16.15%	15.87%	17.81%
<b>ROCE</b>	%	40.91%	44.94%	27.43%
<b>Product Category Revenue Contribution</b>				
Consumer Houseware	(₹ in lakhs, % of total revenue from operations)	87,108.89, (64.09%)	1,18,107.95, (65.74%)	1,32,384.71, (66.18%)
Writing Instruments and Stationery	(₹ in lakhs, % of total revenue from operations)	16,933.45, (12.46%)	28,499.85, (15.86%)	33,358.10, (16.68%)
Moulded Furniture and Allied Products	(₹ in lakhs, % of total revenue from operations)	31,875.10, (23.45%)	33,061.70, (18.40%)	34,283.60, (17.14%)

Our Company trades in houseware, insulatedware, electronic appliances and cleaning aids products. While majority of the products we trade in are manufactured by our Subsidiaries, others are manufactured by third

parties. Further, certain Subsidiaries sell products directly while others sell through our Company. The image below sets forth details relating to the product categories manufactured and/or sold by the subsidiaries in our corporate Group structure:



### Group Restructuring Process

CPIW was a partnership firm formed in 1958. Late Mr. Ghisulal Dhanraj Rathod, father of two of our 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 our Company, the trademarks continue to be held by CPIW. Over the years, our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod and their father, Mr. Ghisulal Dhanraj Rathod formed various entities, which carried on business under the brand name of “Cello”. Cello Plast (partnership firm) was formed in 1991 to carry on the business of manufacturing insulatedware followed by opalware at Daman, Daman and Diu. In 1995, another partnership firm, Cello Plastotech was formed to carry on the business of manufacturing new ranges of consumerware at Daman, Daman and Diu. In 2005, Cello Industries (a partnership firm) was formed to carry on the business of manufacturing new ranges of insulated ware at Haridwar, Uttarakhand. These separate entities were initially formed under the “Cello” brand as each of these entities focussed on distinct businesses within the consumerware sector, and enabled geographic expansion across the country. Pursuant to the group restructuring process undertaken in the Financial Year 2022:

- the business of Cello Plast was acquired by one of our subsidiaries, Cello Industries Private Limited;
- the business of Cello Plastotech was acquired by one of our subsidiaries, Cello Household Products Private Limited;
- Cello Industries was converted into a private limited company, viz. Cello Houseware Private Limited, and is now one of our subsidiaries.

This group restructuring was undertaken through a series of business combinations under common control (as aforesaid) to consolidate the businesses under one parent company i.e. our Company, and to reduce the cost of operating our business by allowing us to explore synergies across the entire Group in areas such as branding, marketing and distribution across our product categories.

While our Company was incorporated only in 2018, Late Ghisulal Dhanraj Rathod and our Promoters, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod (through their family) have been associated

with the Cello brand since 1962. Our Promoters (through their family), therefore, have been able to gain experience in the consumer products industry over the last six decades. Our Company, therefore, benefits from the collective experience of our Promoters who presently occupy key positions on the Board of Directors of our Company viz., Pradeep Ghisulal Rathod who serves as the Chairman and Managing Director, Pankaj Ghisulal Rathod who serves as the Joint Managing Director and Gaurav Pradeep Rathod who serves as the Joint Managing Director.

## **OUR STRENGTHS**

### ***Well-established brand name and strong market positions***

Our strong market positions in the consumer products industry segment are a reflection of our vast experience, continuous product development and consumer understanding. Our brand “Cello” was awarded as one of the most trusted brands of India in 2021 by Commerzify. We are a prominent player in the consumerware market in India with products in the consumer houseware, writing instruments and stationery, and moulded furniture and allied products categories (*Source: Technopak Report*). While our Company was incorporated only in 2018, our erstwhile promoter Late Ghisulal Dhanraj Rathod, father of our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod, was associated with Cello Plastic Industrial Works and the “Cello” brand since 1962. Further, we launched the writing instruments and stationery business in 2019 under the “Unomax” brand. It had the highest EBITDA margin for the Financial Years 2022 and 2023 (*Source: Technopak Report*).

To enhance brand awareness and strengthen brand recall for the brands and sub-brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. For example, we have in the past launched brand advertisements and marketing campaigns such as “Cello – Companion for Life”, “Cello – Rishta Zindagi Bhar Ka”, “Hot Chahiye Toh Cello” and “Don’t Just Write, Glide”. We spent ₹1,042.21 lakhs, ₹2,369.76 lakhs and ₹2703.35 lakhs towards advertisements in Financial Years 2022, 2023 and 2024, respectively, constituting 0.77%, 1.32% and 1.35% of our revenue from operations, respectively. Our brand advertisements and marketing campaigns have been critical in developing our brand identity. We also continuously seek to increase our digital presence and engagements and engage in brand associations. Further, through Cello Plastic Industrial Works (an entity which is member of our Promoter Group), we have also engaged a celebrity as a brand ambassador for endorsing and strengthening the “Cello” brand equity and brand recall among our consumers. We have also engaged with tie-ups with large studios to market our lunch boxes, bottles and stationeries for children, using various cartoon characters.

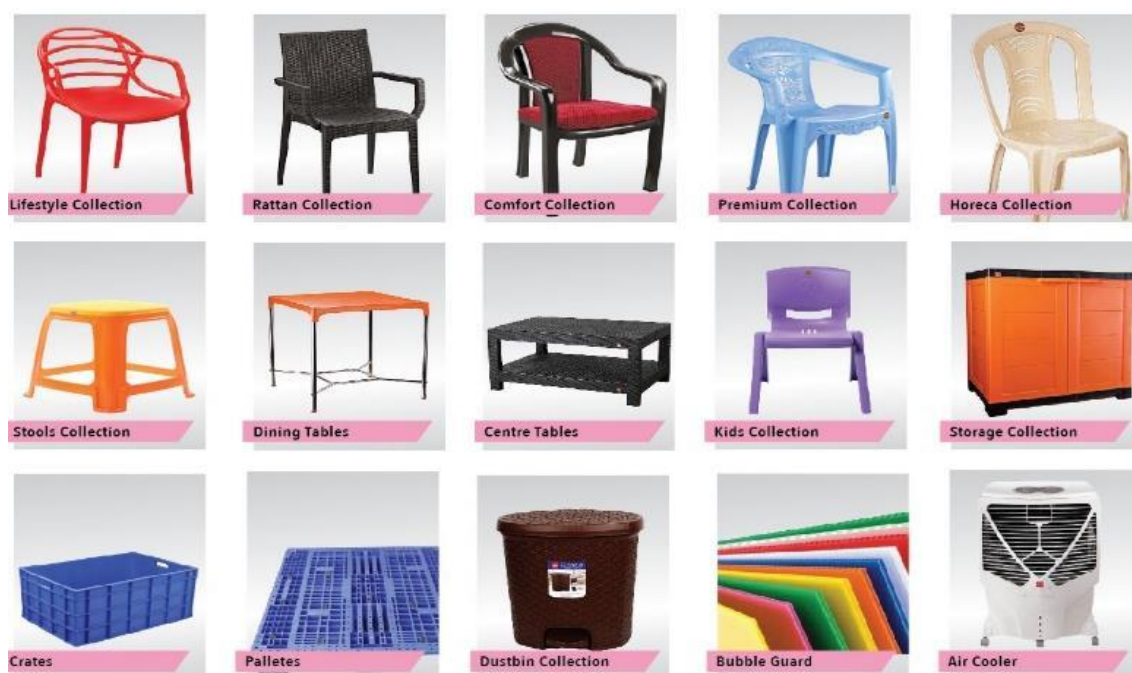
### ***Diversified product portfolio across price points catering to diverse consumer requirements***

We focus on identifying the needs and preferences of our consumers through our network of distributors, and innovating our products to cater to their differing requirements and preferences, while endeavouring that our products are available across various price points and meet quality standards expected by our consumers. As of March 31, 2024, we offered 17,023 SKUs across our product categories. We offer an extensive product range across our three product categories. We have a diverse range of products across different product categories, types of material and price points, which enables us to serve as a “one-stop-shop”, with consumers across all income levels purchasing our products (*Source: Technopak Report*). Our wide spectrum of product offerings cater to a wide range of consumer needs. The image below sets forth a range of our product offerings that are commonly used in the kitchen:



Further, the images below set forth a range of our product offerings under our writing instruments and stationery product category, as well as under our moulded furniture and allied products product category:





We have demonstrated the ability to expand our SKUs and products across various price points. For example, in a number of product categories, we had initially started with more affordable products, and subsequently expanded into value-added products at higher price points. Similarly, in a number of product categories, we had initially started with value-added products at higher price points, and subsequently expanded into more affordable products. Our diversified product portfolio has also allowed us to maintain stable profit margins over the years by enabling us to withstand fluctuations in raw material prices.

Our products are made of different types of materials, such as plastic, steel, opal, glass, copper and melamine. We have the most diversified product portfolio among our peers, with products in the glassware, opalware, melamine and porcelain categories (*Source: Technopak Report*). For details relating to our brands and products, see “*Our Business – Description of Our Business – Brands and Products*” on page 173.

Our diversified product portfolio has allowed us to build a resilient business model that enables us to grow our business. Our diversified product portfolio, which caters to a wide range of consumer uses across different age groups, festive seasons and occasions, has allowed us to maintain stable growth in our revenue over the years by enabling us to withstand fluctuations in demand arising from seasonality of demand for certain of our products.

In order to cater to evolving consumer demands, we seek to constantly develop and launch new range of products by leveraging our vast experience, market knowledge and innovation capabilities. We have been innovating and introducing new range of products, such as our recently launched writing instruments, cleaning aids, opalware, glassware and cookware range of products and appliances, along with moulded furniture and allied products, in order to increase our market share of consumer products market in India as well as grow our revenues and profit. During the Financial Years 2022, 2023 and 2024, we launched 169, 380 and 727 new products (across our three product categories), respectively. As of March 31, 2024, we had 17,023 products (across our three product categories).

#### ***Track record of scaling up new businesses and product categories***

We have a track record of scaling up new businesses and product categories. While our Company was incorporated only in 2018, our Promoters were involved in the launch of the glassware and opalware business in 2017 under the “Cello” brand, and increased our revenue from operations from this business, from ₹22,898.82 lakhs in the Financial Year 2022, to ₹34,254.13 lakhs in the Financial Year 2024, at a CAGR of 22.31%. We also launched our writing instruments and stationery product category in 2019 under the “Unomax” brand, and increased our volume of products sold from this product category, from 2,642.70 lakh units in the Financial Year 2022, to 5,387.89 lakh units in the Financial Year 2024, at a CAGR of 42.79%. For the Financial Years 2022, 2023 and



2024, revenue from our writing instruments and stationery product category was ₹16,933.45 lakhs, ₹28,499.85 lakhs and ₹33,358.10 lakhs, respectively. Our “Unomax” brand had the highest EBITDA margin for the Financial Years 2022 and 2023 (*Source: Technopak Report*). Further, our Promoters were involved in the launch of the cleaning aids business in 2017 under the “Kleeno” sub-brand (under the “Cello” brand). We have been able to scale up this business by increasing our volume of products sold from this business, from 69.20 lakh units in the Financial Year 2022, to 86.06 lakh units in the Financial Year 2024, at a CAGR of 11.51%. For the Financial Years 2022, 2023 and 2024, revenue from our cleaning aids business was ₹6,077.94 lakhs, ₹6,676.66 lakhs and ₹7,503.41 lakhs, respectively. Our track record of scaling up our opalware, writing instruments and stationery, and cleaning aids businesses, as elaborated upon above, is a testament to our ability to scale up new businesses and product categories.

### ***Pan-India distribution network with a presence across multiple channels***

Our pan-India distribution network is one of the key reasons behind our efficient launch of new range of products in the past. The table below sets forth details relating to our nationwide sales and distribution network across our three product categories:

<b>Product Categories</b>	<b>Distribution Network* (as of March 31, 2024)</b>
Consumer Houseware	900 distributors and approximately 74,037 retailers located across India
Writing Instruments and Stationery	29 super-stockists, approximately 1,522 distributors and approximately 64,868 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories.

Our nationwide sales and distribution network is supported by our 749 member sales team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors, and retailers over the years. We regularly interact with our distributors and retailers for insight into consumer preferences and market feedback, which in turn helps us to, among others, (i) check for product-market fit at an early stage before scaling them up, and (ii) structure appropriate pricing discounts and advertisement campaigns during festive seasons.

Our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. We have an established export channel for our stationery business. In addition, we also sell our products in bulk quantities to corporate clients and government departments. The tables below sets forth a breakdown of our revenue from operations for the periods indicated by channels:

	<b>For the Financial Year 2022</b>		<b>For the Financial Year 2023</b>		<b>For the Financial Year 2024</b>	
	<b>(₹ in lakhs)</b>	<b>(% of total revenue from operations)</b>	<b>(₹ in lakhs)</b>	<b>(% of total revenue from operations)</b>	<b>(₹ in lakhs)</b>	<b>(% of total revenue from operations)</b>
General Trade	1,06,297.44	78.21%	1,44,773.60	80.58%	1,53,995.92	76.99%
Export	12,629.94	9.29%	14,020.70	7.80%	20,182.78	10.09%
Online sales (including sales from e-commerce marketplaces and our own websites)	11,384.00	8.38%	14,214.30	7.91%	16,716.34	8.36%
Modern Trade	5,606.10	4.12%	6,660.90	3.71%	9,131.36	4.57%
<b>Total</b>	<b>1,35,917.44</b>	<b>100.00%</b>	<b>1,79,669.50</b>	<b>100.00%</b>	<b>2,00,026.41</b>	<b>100.00%</b>

We strive to balance product availability and inventory levels such that we can continue to deploy resources in an efficient manner. Even with our vast geographical outreach, our operations have the ability to respond to our network of distributors and trade consumers, as well as changing consumer preferences and constantly fluctuating demand.

### ***Ability to manufacture a diverse range of products and maintain optimal inventory levels***



Our manufacturing capabilities allow us to manufacture a diverse range of products in-house, which in turn enables us to scale up production quickly to meet increased demand, reduce time taken to launch new products in the market, maintain quality control of our products, maintain better control over our supply chain and mitigate risk of supply chain disruption. Our revenue derived from our in-house manufacturing operations aggregated to 82.63%, 79.37% and 77.77% of our total revenue from operations for the Financial Years 2022, 2023 and 2024. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to arrangements with us. We own and operate 14 manufacturing facilities across six locations, with an installed annual capacity of 594.33 lakh units of consumer houseware products per annum, 25,000 tonnes of opalware and glassware per annum, 7,000 lakh units of writing instruments and stationery products per annum and 128.00 lakh units of moulded furniture and allied products, as of March 31, 2024. In Fiscal 2024, we established the Rajasthan Glassware Unit, which houses European-made machinery that enables high productivity and precision in design and finish. The Rajasthan Glassware Unit also (i) houses various machines, including fire polishing machines and servo gob feeder; (ii) located close to our raw material suppliers; and (iii) provides a dry weather environment that is suitable for the manufacturing of glassware. We are expected to become the only domestic consumer products company which has presence across all material types to have an in-house glassware manufacturing unit in India (*Source: Technopak Report*). Further, the scale at which we manufacture our products, combined with our supply chain management including raw material sourcing, packaging, transportation, quality control and sales, enables us to derive the benefits of economies of scale across various aspects of our business model, including manufacturing, procurement, supply chain and distribution. Between Financial Year 2022 and Financial Year 2024, our gross profit increased from ₹68,062.19 lakhs to ₹1,05,184.03 lakhs. For details relating to our manufacturing facilities, see “*Our Business – Description of Our Business – Manufacturing Facilities*” on page 177.

We maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information. We have implemented an enterprise resource planning system, which is a systems application and product software, to, among others, help us in tracking consumer demands and maintaining optimum inventory levels for our consumer houseware and moulded furniture and allied products product categories, and we are in the process of implementing the same for our writing instruments and stationery product category. Additionally, we plan our inventory levels by utilising available market information, including existing inventory levels, delivery timelines and expected order pipelines, and our six decades of experience in anticipating and forecasting consumer demand in the consumer products industry. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively.

We also endeavor to maintain high quality standards and good manufacturing practices. We strive to maintain product quality through control and monitoring of the various stages of our manufacturing process, including sourcing, processing, manufacturing, packaging and distribution. As of March 31, 2024, our quality control team comprised 69 employees.

#### ***Skilled and experienced management team***

The Promoters of our Company, Pradeep Ghisulal Rathod, Chairman and Managing Director, and, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, Joint Managing Directors, have over 82 years of combined experience in the consumer products industry in India. Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod have nearly 41 and 35 years, respectively, of experience in the business of manufacturing and trading in, among others, plastic articles, insulatedware articles and raw materials. Gaurav Pradeep Rathod holds a master’s degree in business administration from the University of Strathclyde and is instrumental in the successful launch of opalware range of products, and growth of the online and e-commerce sales of our Company. Our Promoters also have a track record of scaling up new businesses and product categories and have been instrumental to the growth of our business and operations. Our Promoters’ leadership and experience have enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain cordial relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Further, our Key Managerial Personnel and Senior Management team has experience across a range of sectors including finance, production and sales. The sector-specific experience and expertise of our Key Managerial Personnel and Senior Management has contributed significantly to the growth of our Company.

Our Board of Directors support and provide guidance to our management team. Our Board of Directors consists of nine directors including three Executive Directors and six Non-Executive Directors, which further includes one

Nominee Director and five Independent Directors. Our Company has two women Directors. Atul Parolia is our Chief Financial Officer and is an associate of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Hemangi Trivedi is our Company Secretary and Compliance Officer and holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Mumbai.

### ***Strong historical financial results***

We have been continuously growing our business through increase in sales, and the expansion of our brand portfolio, product offerings and distribution network. Our operational efficiencies and supply chain network has resulted in better control of expenses and thereby resulted in an increase in our profit after tax. Our revenue from operations increased, from ₹1,35,917.44 lakhs in the Financial Year 2022 to ₹ 2,00,026.41 lakhs in the Financial Year 2024, at a CAGR of 21.31%. Our profit for the year also increased, from ₹21,951.75 lakhs in the Financial Year 2022, to ₹35,618.36 lakhs in the Financial Year 2024, at a CAGR of 27.38%. Further, as our business scales, we are able to enjoy the benefits of economies of scale across our procurement value-chain, contributing to cost-efficiencies for us. During the Financial Years 2022, 2023 and 2024, our profit for the year margin was 16.15%, 15.87% and 17.81%, respectively. In addition, we also have positive cash flows and relatively low amounts of indebtedness. During the Financial Years 2022, 2023 and 2024, our net cash generated by operating activities amounted to ₹18,726.39 lakhs, ₹22,734.98 lakhs and ₹23,118.14 lakhs, respectively, and our net cash generated in financing activities amounted to ₹9,410.63 lakhs, ₹32,382.00 lakhs and ₹2,600.79 lakhs, respectively. For details, see the list of operating and financial metrics in “*Our Business – Overview*” on page 163.

## **OUR STRATEGIES**

### ***Continued innovation to expand consumer base and grow wallet share***

We intend to utilise our innovation capabilities to expand our existing product portfolio and develop new range of products across our product categories. In particular, we aim to expand our product portfolio in our consumer houseware product category, by focusing on introducing new range of products in the kitchenware, porcelain, appliances, cookware, glassware, writing instruments, and stationery spaces. Through new range of products, we expect to increase our wallet share and repeat orders from existing consumers and to also attract new consumers, in order to increase our market share and scale our business. During the Financial Years 2022, 2023 and 2024, we launched 169, 380 and 727 new products (across our three product categories), respectively.

In order to capture insights into consumer needs and trends promptly, we regularly interact with our distributors and retailers for insights into consumer preferences and market feedback.

### ***Expand our distribution network***

We seek to enhance our addressable market by expanding our sales and distribution network of distributors, sub-distributors and retailers across India. In particular, we aim to expand our distribution network by implementing the following initiatives:

- expand our sales and distribution network in states where we are currently not very active. In these markets, we intend to increase customer wallet share, as well as enter into arrangements with more distributors and continue to nurture existing relationships;
- increase our sales velocity by incentivizing our distributors and retailers to increase the volume of products sold by them;
- increase our interaction with our distributors and retailers, including through our sales and marketing employees;
- incentivise distributors through periodic and festival sales schemes, annual and periodic revenue targets and product-specific schemes (through discounts and gift hampers); and
- increase our presence in existing markets abroad by expanding our distribution network and entering into new markets for our writing instruments and stationery products.

### ***Scale up branding, promotional and digital activities***

Our widespread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the consumer products industry and promote our products, especially new range of products that we launch from time to time. While the “Cello” brand is well established and enjoys strong brand recall among consumers in India, we intend to continue to enhance brand awareness and strengthen brand recall for the newer brands, including in particular the “Kleeno” and “Puro” sub-brands (under the “Cello” brand), by continuing to focus on our branding and promotional activities going forward. We have in the past made significant and timely investments in our promotional and marketing efforts, and we intend to continue to do so because we believe that continuous investments in promotional and marketing efforts are important to strengthen our brand equity and brand recall among consumers, and to enhance consumer awareness towards new range of products that we launch from time to time. During the Financial Years 2022, 2023 and 2024, we spent ₹1,042.21 lakhs, ₹2,369.76 lakhs and ₹2,703.35 lakhs, respectively, towards advertisements, representing 0.77%, 1.32% and 1.35% of our revenue from operations, respectively. We intend to focus our promotional and marketing efforts in areas such as above and below the line marketing, retail branding, product branding, and advertisement channels such as television, digital media and social media. We also continuously seek to increase our digital presence and engagements and engage in brand associations. We have in the past launched effective brand advertisements and marketing campaigns such as “Cello – Companion for Life”, “Cello – Rishita Zindagi Bhar Ka”, “Hot Chahiye Toh Cello” and “Don’t Just Write, Glide”, and we intend to continue to launch similar advertisements and campaigns in the future to enhance brand awareness and promote new range of products.

### ***Grow manufacturing capabilities and expand production capacities***

We intend to grow our manufacturing capabilities so that we are able to quickly and effectively respond to increases in market demand for our products, in order to continue to grow our business. We are in the process of setting up a glassware manufacturing facility in Rajasthan, which is expected to have an installed annual capacity of 20,000 tonnes of glassware per annum. As we currently rely on the import of glassware from third party suppliers outside of India, our planned establishment of a glassware manufacturing facility is expected to lower our dependence on the import of glassware. Further, due to the increasing demand for opalware products, we have also expanded our opalware capacity in our manufacturing facility in Daman to increase our installed annual capacity to 25,000 tonnes of opalware per annum, from 15,000 tonnes of opalware per annum, as of August 6, 2023. Further, we regularly monitor market demand for our products, and may continue to increase our manufacturing capabilities in the future if the forecasted market demand for our products exceed our manufacturing capacities. For example, we intend to undertake planned increases in installed capacities of plastic products, insulatedware, moulded furniture and writing instruments and stationery, on a yearly basis, by utilising land which we own and is available for further expansion to grow our manufacturing capabilities.

We intend to continue to make investments in efficiency and automation of our production processes, where economically viable, to achieve greater efficiency in reducing the time taken and cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes.

## **DESCRIPTION OF OUR BUSINESS**


### **Brands and Products**

We offer our consumer products across three categories: consumer houseware, writing instruments and stationery, and moulded furniture and allied products.

#### *Consumer Houseware*

Our products under the consumer houseware product category are offered and sold by us under the “Cello” brand. The popular sub-brands under the “Cello” brand include “Kleeno”, “Puro”, “Chef”, “H2O”, “Modustack”, “Maxfresh” and “Duro”. The table and images below set forth an overview of our range of products under the consumer houseware product category:

Houseware	Insulatedware	Electronic appliances and cookware	Cleaning aids	Opalware	Glassware
<ul style="list-style-type: none"> <li>- Plastic bottles</li> <li>- Containers</li> <li>- Jugs</li> <li>- Buckets</li> <li>- Drums</li> </ul>	<ul style="list-style-type: none"> <li>- Casseroles</li> <li>- Bottles</li> <li>- Flasks</li> <li>- Lunch boxes</li> <li>- Water Jugs</li> <li>- Tiffin</li> </ul>	<ul style="list-style-type: none"> <li>- Mixers</li> <li>- Sandwich makers</li> <li>- Irons</li> <li>- Hot plates</li> <li>- Pots</li> <li>- Pans</li> </ul>	<ul style="list-style-type: none"> <li>- Brushes</li> <li>- Wipers</li> <li>- Brooms</li> <li>- Mops</li> <li>- Gloves</li> <li>- Dustbins</li> </ul>	<ul style="list-style-type: none"> <li>- Dinner sets</li> <li>- Cups, saucers and mugs</li> <li>- Bowls</li> <li>- Lunch packs</li> <li>- Gift sets</li> <li>- Dessert sets</li> <li>- Condiment sets</li> <li>- Quick bite sets</li> <li>- Vegetable bowl sets</li> <li>- Pudding sets</li> <li>- Hot snacks sets</li> <li>- Coffee sets</li> <li>- Noodle bowl sets</li> <li>- Dry fruit sets</li> </ul>	<ul style="list-style-type: none"> <li>- Tumblers</li> <li>- Jugs</li> <li>- Bottles</li> <li>- Lunch packs</li> <li>- Storage containers</li> <li>- Mixing bowls</li> <li>- Bakeware</li> <li>- Tea and Coffee sets</li> <li>- Gift sets</li> </ul>



## Houseware & Insulatedware





■ Vacusteel Duro



■ Vacusteel Sports



■ Copper



■ Kids Tiffin & Bottles



■ Pet Bottle



■ Puro Insulated Bottle



■ Thermoware



■ Lunch Packs



■ Cookware



■ Kitchen Appliances



■ Storage



■ Kleeno

**cello® Opalware & Glassware**

- Solitaire Series
- Imperial Series
- Dessert Set
- Condiment Set
- Quick Bite Set
- Veg bowl Set
- Pudding Set
- Hot Snacks Set
- Opal Lunch Pack
- Cup & Saucer
- Coffee Set
- Noodles Bowl Set
- Dry Fruit Set
- Mugs
- Borosilicate Drinkware
- Storage Containers
- Mixing Bowl
- Glass Bottle
- Tumbler
- Hot Drinks
- Glass Lunch Pack
- Bakeware
- Gift Set

*Writing Instruments and Stationery*

Our products under the writing instruments and stationery product category are offered and sold by us under the “Unomax” brand. The popular sub-brands under the “Unomax” brand include “Ultron2X” and “Geltron”. The table and image below sets forth an overview of our range of products under the writing instruments and stationery product category:

Writing instruments	Stationery
<ul style="list-style-type: none"> <li>- Ball point pen</li> <li>- Gel pen</li> <li>- Roller pen</li> <li>- Fountain pen</li> <li>- Metal pen</li> <li>- Mechanical pencil</li> </ul>	<ul style="list-style-type: none"> <li>- Highlighters</li> <li>- Markers</li> <li>- Correction Pens</li> </ul>



**UNOMAX**

## Writing Instrument & Stationeries

Don't Just Write, Glide.



■ Liquid Ball Point Pens



■ Roller Pens



■ Metal Ball Point Pens



■ Mechanical Pencil



■ Geltron Pop Gel



■ Fountain Pens



■ Metal Roller Pens



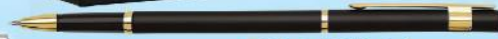
■ Highlighters



■ Marker



■ Gift Set



■ Metal Gift Set

### Moulded Furniture and Allied Products

Our products under the moulded furniture and allied products category are offered and sold by us under the “Cello” brand. The table and image below set forth an overview of our range of products under the moulded furniture and allied products product category:

Moulded furniture	Allied products
<ul style="list-style-type: none"> <li>- Chairs</li> <li>- Tables</li> <li>- Trolleys</li> <li>- Stools</li> <li>- Cabinets</li> <li>- Ladders</li> </ul>	<ul style="list-style-type: none"> <li>- Moulds</li> <li>- Bubble-guards</li> <li>- Crates</li> <li>- Palletes</li> <li>- Dustbin</li> <li>- Storage items</li> </ul>



### Manufacturing Facilities

Our facilities include 14 manufacturing facilities in India, including eight facilities in Daman in the Union Territory of Daman and Diu; two facilities in Haridwar, Uttarakhand; one facility in Baddi, Himachal Pradesh;

one facility in Chennai, Tamil Nadu; one facility in Kolkata, West Bengal; and one facility in Falna, Rajasthan. Our revenue derived from our in-house manufacturing operations aggregated to 82.63%, 79.37% and 77.77% of our total revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. The remaining products (consisting mainly of steel and glassware products) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to contracts with us.

The following table sets forth certain details with respect to our current manufacturing facilities:

Unit	Entity through which manufacturing unit is operated	Products manufactured	Description	Nature of Interest	Certifications
Daman Unit-I (“ <b>Daman Unit-I</b> ”)	Wim Plast Limited	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 (“ <b>Daman Unit-II</b> ”)	Wim Plast Limited	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 (“ <b>Daman Unit-III</b> ”)	Wim Plast Limited	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 (“ <b>Daman Unit-IV</b> ”)	Cello Household Products Private Limited	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 (“ <b>Daman Unit-V</b> ”)	Cello Household Products Private Limited	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 (“ <b>Daman Unit-VI</b> ”)	Cello Industries Private Limited	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 (“ <b>Daman Unit-VII</b> ”)	Unomax Stationery Private Limited	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 (“ <b>Daman Unit-VIII</b> ”)	Unomax Writing Instruments Private Limited	Stationery and allied products	Location: Daman, Daman and Diu  Commencement of production: FY 2020 – 2021	Licensed since FY 2022 – 2023	-



Unit	Entity through which manufacturing unit is operated	Products manufactured	Description	Nature of Interest	Certifications
Haridwar Unit-I (“ <b>Haridwar Unit-I</b> ”)	Wim Plast Limited	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 (“ <b>Haridwar Unit-II</b> ”)	Cello Houseware Private Limited	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 (“ <b>Baddi Unit-I</b> ”)	Wim Plast Limited	Plastic Extrusion Sheet	Location: Baddi, Himachal Pradesh  Commencement of production: FY 2005 – 2006	Owned since FY 2004 – 2005	ISO 9001:2015
Chennai Unit-I (“ <b>Chennai Unit-I</b> ”)	Wim Plast Limited	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 (“ <b>Kolkata Unit-I</b> ”)	Wim Plast Limited	Plastic moulded furniture and other articles	Location: Kolkata, West Bengal  Commencement of production: FY 2012 – 2013	Licensed since FY 2012 – 2013	-
Falna Unit-I <sup>#</sup> (“ <b>Falna Unit-I</b> ”)	Cello Consumerware Private Limited	Consumerware products	Location: Falna, Rajasthan  Commencement of production: FY 2023 – 2024	Owned Since FY 2022-23	-

<sup>#</sup>The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024. Additionally, the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit is expected to become operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. The expected production capacity of the Rajasthan Glassware Unit is 20,000 tonnes.

The details of the property where our 14 manufacturing facilities are located are provided below:

Manufacturing Unit	Location	Status	Date of the Lease Deed (valid through date)	Owner of the Property	Lease amount per month (₹ in lakhs)	Whether lessor is a related party
Daman Unit-I	Survey no. 327/1 to 4 & 7A of Kachigham, Village Kachigham, Nani Daman, Daman 396 210	Leased	March 20, 2024 (valid till February 19, 2025)	Cello Household Appliances Private Limited	11.31	Yes
Daman Unit-II	Survey no. 324/4 to 7, Village Kachigham,	Owned	-	Wim Plast Limited	NA	NA

Manufacturing Unit	Location	Status	Date of the Lease Deed (valid through date)	Owner of the Property	Lease amount per month (₹ in lakhs)	Whether lessor is a related party
	Nani Daman, Daman 396 210					
Daman Unit-III	Survey No.666/1, 2 and 668/14, Opposite Kachigam Power Sub Station, Kachigam Road, Daman - 396 210	Leased	February 27, 2024 (valid till January 31, 2025)	Cello Household Appliances Private Limited	5.29	Yes
Daman Unit-IV	Plot No.710,711,714 to 717, Somnath Road, Daman-396 210	Leased	February 27, 2024 (valid till January 31, 2025)	Cello Home Products	31.09	Yes
Daman Unit-V	597/2A, Somnath Road, Dabhel Daman 396 210	Leased	February 27, 2024 (valid till January 31, 2025)	Cello Household Appliances Private Limited	13.23	Yes
Daman Unit-VI	Building No.2, 3 & 4, 597/1 and 597/1-C Somnath Road, Dabhel, Daman 396 210	Leased	February 27, 2024 (valid till January 31, 2025)	Cello Household Appliances Private Limited	42.90	Yes
Daman Unit-VII	Building No. 1, 597/1 and 597/1-C Somnath Road, Dabhel, Daman 396 210.	Leased	February 27, 2024 (valid till January 31, 2025)	Cello Household Appliances Private Limited	21.83	Yes
Daman Unit-VIII	685/686/687, Somnath Road, Dabhel, Nani, Daman 396 210	Leased	April 1, 2024 (valid till January 31, 2025)	Cello Household Appliances Private Limited	8.32	Yes
Haridwar Unit-I	Plot No:- 34, Industrial Park - 4, Village - Begumpur, Old Rurkee Road, Haridwar 249 403, Uttarakhand,	Owned	-	Wim Plast Limited	NA	NA
Haridwar Unit-II	Plot no. 1, Sector 2, IIE, Haridwar, Uttarakhand	Factory building owned by Cello Houseware Private Limited	December 20, 2021 (valid for 90 years from date of the lease agreement)	Land leased from State Infrastructure and Industrial Development Corporation of Uttarakhand Limited	NA	NA
Baddi Unit-I	Khasara No. 502/531-534, Village Akkanwali, Baddi 173 205, District Solan, Himachal Pradesh	Owned	-	Wim Plast Limited	NA	NA
Chennai Unit-I	A/13, E/S1 and A/13 D, Sipcot Industrial Complex, Gummidipoondi, Chennai 601 201, Tamil Nadu	Factory building owned by Wim Plast Limited	June 3, 2011 (valid for 99 years from the date of the lease agreement)	Land leased from State Industries Promotion Corporation of Tamil Nadu (SIPCOT) - Chennai	NA	NA
Kolkata Unit-I	Plot No:- A/2, Rishi Bankim Ind. Estate,	Factory building	September 26, 2012 (valid for	Land leased from West	NA	NA

Manufacturing Unit	Location	Status	Date of the Lease Deed (valid through date)	Owner of the Property	Lease amount per month (₹ in lakhs)	Whether lessor is a related party
	24, North Paraganas, Kolkata-743 135, West Bengal	owned by Wim Plast Limited	99 years from the date of the lease agreement)	Bengal Industrial Development Corporation Limited (WBIDCL)		
Falna Unit-I <sup>#</sup>	Khasra No. 91/1293, Nimbeshwar Mahadeo Road, Falna, Pali, Rajasthan, 306116	Owned by Cello Cosumerware Private Limited	-	Cello Consumerware Private Limited	NA	NA

<sup>#</sup>The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024. Additionally, the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit is expected to become operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. The expected production capacity of the Rajasthan Glassware Unit is 20,000 tonnes.

Our 14 manufacturing facilities have an installed annual capacity of 594.33 lakh units of consumer houseware products per annum, 25,000 tonnes of opalware and glassware per annum, 7,000.00 lakh units of writing instruments and stationery products per annum and 128.00 lakh units of moulded furniture and allied products, as of March 31, 2024. Our Rajasthan Glassware Unit became operational with effect from March 16, 2024, in a phased manner and the glass furnace within the facility is expected to be operational by the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. The Rajasthan Glassware Unit has an expected production capacity of 20,000 tonnes of glassware per annum, according to Vinod Ashok Sanjivani Palande, a registered chartered engineer with The Institution of Engineers (India), pursuant to a certificate dated July 3, 2024. Further, the facility has utilised certain aspects of European technology across its manufacturing units. We have also completed the expansion of opalware capacity in our manufacturing facility in Daman Unit-VI to increase its installed annual capacity to 25,000 tonnes of opalware per annum, from 15,000 tonnes of opalware per annum, as of August 6, 2023.

The following table sets forth the production capacities of our manufacturing facilities as of March 31, 2024, as certified by Vinod Ashok Sanjivani Palande, Chartered Engineers, pursuant to a certificate dated July 3, 2024:

	Production Capacity (Consumer Houseware) (in lakh units per annum, and as of March 31, 2024)	Production Capacity (Opalware) (in tonnes per annum, and as of March 31, 2024)	Production Capacity (Writing Instruments and Stationery) (in lakh units of products per annum, and as of March 31, 2024)	Production Capacity (Moulded Furniture and Allied Products) (in lakh units of products per annum, and as of March 31, 2024)
Daman Unit-I & II*	-	-	-	22.50
Daman Unit-III	-	-	-	35.00
Daman Unit-IV	288.44	-	-	-
Daman Unit-V	106.22	-	-	-
Daman Unit-VI	-	25,000.00	-	-
Daman Unit-VII	-	-	6,200.00	-
Daman Unit-VIII	-	-	800.00	-
Haridwar Unit-I	-	-	-	12.50
Haridwar Unit-II	192.67	-	-	-
Baddi Unit-I	-	-	-	26.50

	Production Capacity (Consumer Houseware) (in lakh units per annum, and as of March 31, 2024)	Production Capacity (Opalware) (in tonnes per annum, and as of March 31, 2024)	Production Capacity (Writing Instruments and Stationery) (in lakh units of products per annum, and as of March 31, 2024)	Production Capacity (Moulded Furniture and Allied Products) (in lakh units of products per annum, and as of March 31, 2024)
<b>Chennai Unit-I</b>	-	-	-	11.5
<b>Kolkata Unit-I</b>	-	-	-	20.00
<b>Falna Unit-I**</b>	7.00	-	-	-

*\*Daman Unit-I and Daman Unit-II are separate manufacturing facilities. However, as their production processes are interlinked, distinct production capacity cannot be determined for each manufacturing facility individually.*

*\*\* The Rajasthan Glassware Unit was commissioned in a phased manner on March 16, 2024. Additionally, the glassware furnace, which is in the process of being set up in the Rajasthan Glassware Unit is expected to become operational in the second quarter of Fiscal 2025, which is based on the overall assessment of work of setting up glass furnace. The expected production capacity of the Rajasthan Glassware Unit is 20,000 tonnes.*

The following table sets forth our aggregate capacity utilisation across all our manufacturing facilities for the Financial Years 2022, 2023 and 2024, as certified by Vinod Ashok Sanjivani Palande, Chartered Engineers, pursuant to certificate dated July 3, 2024:

	For the Financial Year		
	2022	2023	2024
Capacity Utilisation (Consumer Houseware)	61.36%	79.16%	80.15%
Capacity Utilisation (Opalware and Glassware)	94.41%	88.19%	64.97%
Capacity Utilisation (Writing Instruments and Stationery)	50.33%	68.12%	74.29%
Capacity Utilisation (Moulded Furniture and Allied Products)	70.49%	69.67%	71.87%

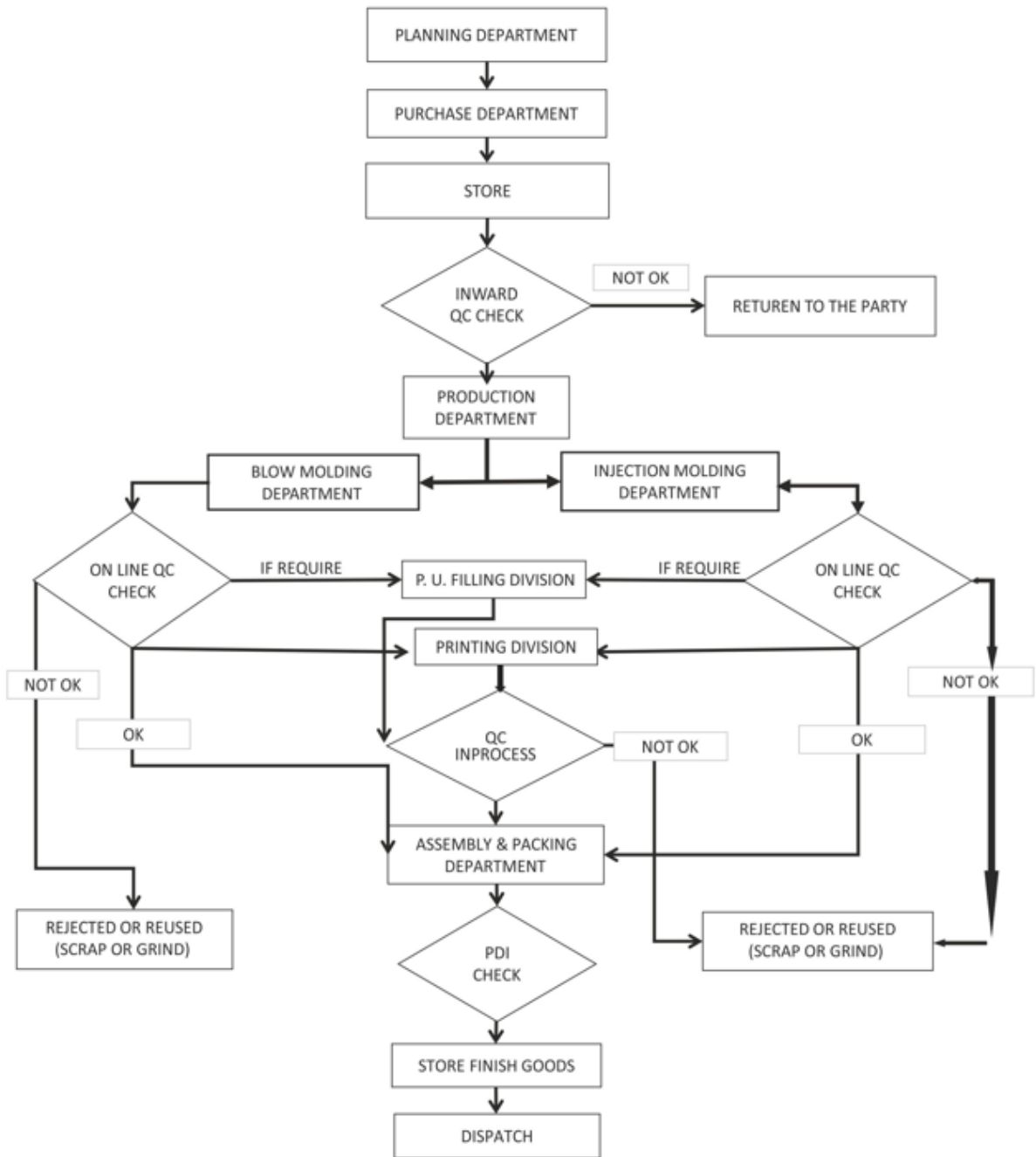
The information relating to the estimated annual production capacities and the capacity utilization of our manufacturing facilities included above and elsewhere in this Placement Document is based on a number of assumptions and estimates of our management, including expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, mould changeover, as well as expected operational efficiencies.

Our manufacturing facilities include, among others, injection moulding machines, blow moulding machines, moulds, filler machines, extruder machines, barcode and labelling machines, centrifugal machines, vacuum centrifugal machines, manual and automatic pad printing machines, refill manufacturing machines, automatic orientation heat transfer machines, blister machines, packing machines, ultrasonic cleaning machines, automatic, semi-automatic assembly machines, glass melting electric furnace, furnace cooling air blowers, electronic feeder systems, glass single gob station machines, sand blasting machines and oxygen generation plants.

## Manufacturing Process

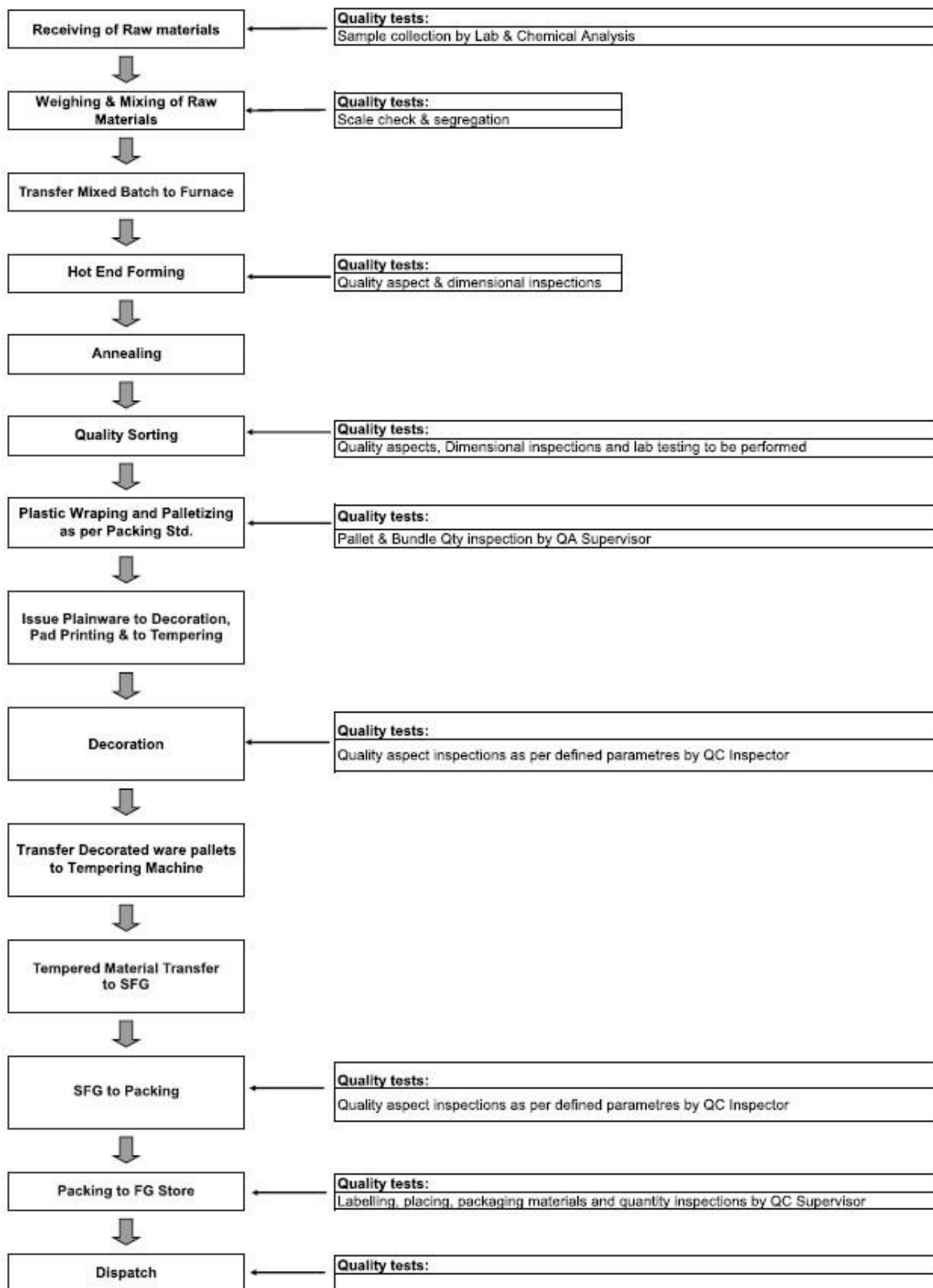
The manufacturing process commences with a review of the periodic sales projections and the orders received for preparing a monthly production requirement. A facility-wise monthly production plan is then prepared on the basis of available capacities in terms of moulding, assembling and packaging. This preliminary process enables us to perform material requirement planning to source raw material, plastic and metal components and packaging material. The procured material is subject to an inward inspection report given by our internal quality control team. Upon completion of such review, the procured material is sent to the respective stores/warehouses. An overview of the manufacturing process, as described in the flowcharts below, is conducted at our manufacturing plants.

A flowchart describing the plastic moulding process of our consumer houseware and moulded furniture and allied products product categories is set out below:



*P.U.* refers to polyurethane foam; *QC* refers to quality control; and *PDI* refers to pre-dispatch inspection.

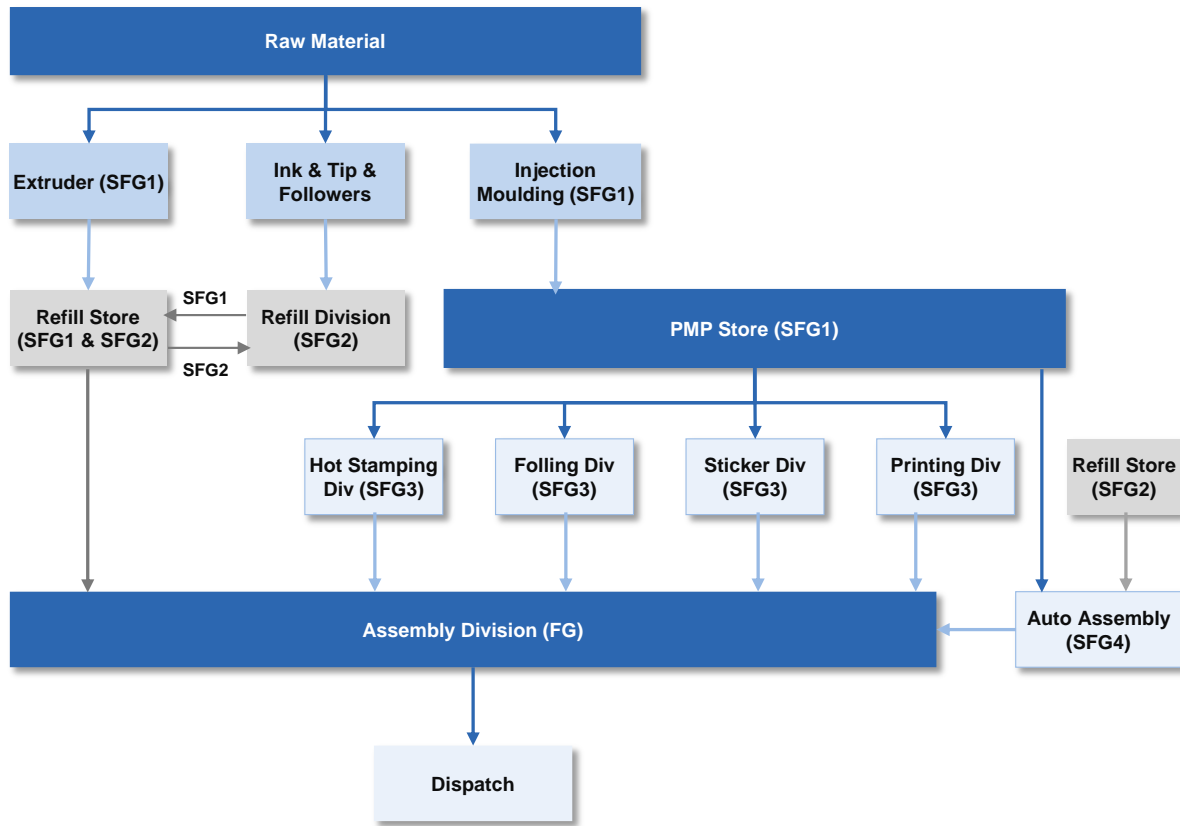
A flowchart describing the manufacturing process of opalware and glassware is set out below:



Annealing is a manufacturing process which comprises controlled slow-cool heat treatment of glass.

A flowchart describing the manufacturing process of writing instruments and stationery products is set out below:

**Unomax Business Process Procedures**



SFG refers to semi-finished goods; and FG refers to finished goods.

**Third-party manufacturing of certain products**

Our Company trades in products such as steel and glassware products, by sourcing these products from contract manufacturers primarily located in China, and subsequently selling them to consumers. For the Financial Years 2022, 2023 and 2024, the steel and glassware products supplied to us by third-party contract manufacturers represented 17.37%, 20.63% and 22.23% of our total sales, respectively. These third party contract manufacturers manufacture products with our branding pursuant to contracts with us. For details relating to risks in engaging third-party contract manufacturers, please refer to the section titled “Risk Factors – Our reliance on third-party contract manufacturers for some of our products subjects us to risks, which, if realized, could adversely affect our business, results of operations, financial condition and cash flows” on page 49.

**Raw Material and Utilities**

We use a wide range of raw material in our manufacturing process. The table below sets forth the raw materials primarily used in manufacturing products across our consumer houseware, writing instruments and stationeries, and moulded furniture and allied products product categories:

Consumer Houseware	Writing Instruments and Stationeries	Moulded Furniture and Allied Products
Plastic granules, chemicals (isocyanate and polyol), stainless steel, glass, silica sand, soda ash, sodium silica fluoride, alumina trihydrate, borax, barium carbonate and packaging materials.	Plastic granules, ink and tips of writing instruments, and packaging materials.	Plastic granules and packaging materials.

We source our raw materials on a purchase order basis, and do not enter into long term contracts with raw material suppliers. For details, please refer to the section titled “*Risk Factors – Fluctuations in raw material prices, especially plastic granules and plastic polymer prices, and disruptions in their availability may have an adverse effect on our business, results of operations, financial condition and cash flows.*” on page 47.

We consume electricity and water for our manufacturing process, which we source from government-owned utility providers and state-owned electricity distribution companies, respectively. We also utilize electricity that is generated through solar panels installed at a few of our manufacturing facilities.

## Distribution, Sales and Marketing

### Distribution

For our domestic sales and distribution, we have a multi-tiered network consisting of distributors and retailers, as well as our sales and marketing employees who facilitate sales at each level of the network. The table below sets forth details relating to our nationwide sales and distribution network across our three product categories:

Product Categories	Distribution Network* (as of March 31, 2024)
Consumer Houseware	900 distributors and approximately 74,037 retailers located across India
Writing Instruments and Stationery	29 super-stockists, approximately 1,522 distributors and approximately 64,868 retailers located across India
Moulded Furniture and Allied Products	1,067 distributors and approximately 6,840 retailers located across India

\*The data in this table provided are not unique to the individual product categories, and may overlap with the other product categories.

We have developed and maintain longstanding relationships with our distributors and retailers over the years. We regularly interact with our distributors for insight into consumer preferences and market feedback, which in turn helps us to, among others, (i) check for product-market fit at an early stage before scaling them up, and (ii) structure appropriate pricing discounts and advertisement campaigns during festive seasons. We also engage with modern trade stores and hypermarkets for the sale of our products.

For our writing instruments and stationery product category, we sell our products to super-stockists, which resell to distributors at prices determined by us. We receive payments directly from the super-stockists irrespective of onward sales to distributors. Our agreements with the super-stockists do not provide for purchase commitments and our sales are based on purchase orders from super-stockists, which aggregate orders from distributors. We designate super-stockists in a particular geographic area and generally maintain exclusive arrangements to distribute products across our various brands. Upon receipt of orders from super-stockists, we deliver our products from our manufacturing facilities to the super-stockists using third-party transportation service providers. Distributors are appointed by the super-stockists in each geographic area for each product category. The distributors, in turn, sell the products to retailers.

For our consumer houseware, and moulded furniture and allied products product categories, we sell our products directly to distributors, which in turn sell the products to retailers. Upon receipt of orders from distributors, we deliver our products from our manufacturing facilities to the distributors using third-party transportation service providers. We designate distributors in a particular geographic area. Our products are sometimes also delivered from our manufacturing facilities to depots before being distributed to our distributors.

Depending on the sales plan, our products are sometimes stored in depots, which serves a logistical function as a warehouse for our products before being distributed to or collected by our distributors. Upon receipt of orders from our distributors, we deliver our products from our manufacturing facilities to the distributors using third-party transportation service providers. Our manufacturing facilities and warehouses are typically located in proximity to our key market areas to optimize delivery costs, while maintaining short lead times.

Across our three product categories, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. In addition, we also sell our products in bulk quantities to corporate clients and government departments. Our modern trade channel comprises a network of retail chains including large format stores and cash-and-carry stores across India. We have an established export channel for our stationery business. In addition, we also sell products directly to consumers through e-commerce marketplaces as well as through our own websites. Our sale of products through e-commerce marketplaces have increased over



the last three financial years, from ₹11,384.00 lakhs in the Financial Year 2022, to ₹16,716.34 lakhs in the Financial Year 2024.

Also, please refer to the section titled “*Risk Factors – We are dependent on our distribution network in India and overseas to sell and distribute our products and any disruption in our distribution network could have an adverse effect on our business, results of operations, financial condition and cash flows*” on page 48.

### Sales and Marketing

As of March 31, 2024, we employed approximately 817 sales and marketing employees. Our sales and marketing employees function as the link between distributors and retailers, by marketing our products and collecting orders which are then communicated to the relevant distributors. Through our sales and marketing employees, we collect and analyse inventory data from the distributors at the end of each month. This helps us plan our manufacturing based on demand in the preceding month and the historical seasonality information and allows efficient inventory management for us and the distributors.

We focus our sales and distribution efforts geographically to help maintain the focus of our partners. This also helps to endeavor to limit market cannibalization of our products and also gauge performance at the retailer level based on historical sales figures. Pursuant to our bottom-up approach, we are better positioned to incentivize our distribution network to meet sales targets, which we set both on a regular basis and as part of short-term sales promotional schemes. We typically incentivize distributors through periodic sales and festival schemes and revenue targets and product-specific schemes (through discounts and gift hampers).

We support our sales and distribution network with advertising initiatives. Our marketing and brand building initiatives have a two-fold aim of reaching consumers as well as our distribution network partners. We have an active marketing team that performs brand visibility and product availability functions. All our marketing efforts are initiated and coordinated by our marketing team of 35 employees, as of March 31, 2024. To enhance brand awareness and strengthen brand recall for the brands and sub-brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. For example, we have in the past launched brand advertisements and marketing campaigns such as “*Cello – Companion for Life*”, “*Cello – Rishta Zindagi Bhar Ka*” and “*Hot Chahiye Toh Cello*” and “*Don’t Just Write, Glide*”.

Further, through Cello Plastic Industrial Works (an entity which is member of our Promoter Group), we have also engaged a celebrity as a brand ambassador, for endorsing and strengthening the “Cello” brand recall and brand equity among consumers. Our brand advertisements and marketing campaigns have been critical in developing our brand identity. We also continuously seek to increase our digital presence and engagements and engage in brand associations. During the Financial Years 2022, 2023 and 2024, we spent ₹1,042.21 lakhs, ₹2,369.76 lakhs and ₹2,703.35 lakhs, respectively, towards advertisements, representing 0.77%, 1.32% and 1.35% of our revenue from operations, respectively.

### **Research, Development and Design**

Our research, development and design efforts are enabled by our employees qualified in mechanical engineering, designing packing materials, operating moulds, tool and die making, and skilled in technical upgrading of machineries, computer-aided design and other software-designing applications. We focus on developing designs that meet consumer requirements based on market feedback. Our product design process involves various stages such as product design, prototype development and mould design. All new products are designed and developed by our in-house design team of 33 members, as of March 31, 2024, which is responsible for designing products that cater to the evolving consumer trends and needs in India. During the Financial Years 2022, 2023 and 2024, we launched 169, 380 and 727 new products (across our three product categories), respectively.

### **Competition**

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. Some of our competitors also have competitive advantages such as longer operating histories, better brand recognition and more established supply relationships. We also face competition from non-branded local

retailers and traders that may have more flexibility in responding to changing business and economic conditions than us.

### **Quality Control and Quality Assurance**

We are focused on producing quality products, which is critical for long-term brand loyalty and positive consumer experience.

The quality of raw material sourced from suppliers is checked and raw material is returned to the relevant suppliers if it does not comply with specified standards. Upon receipt of raw material, such quality control teams conduct an online inspection process to detect any defects in the raw material/components. For example, the quality control team attached to our moulding department checks the components for their quality, scientific properties, visual appearance, dimensions, weight and inter-locking pressure, among others. As of March 31, 2024, our quality control team comprised 69 employees.

Inspections are undertaken during each of the moulding, branding/decoration, assembly and packaging processes. We have a quality control team that monitors the products through the various manufacturing stages to ensure compliance with the quality control guidelines that we have prescribed for each of the manufacturing processes. The products at each of these stages are segregated and re-ground if found defective. Upon satisfaction of the various quality control checks in the manufacturing process, the products are sent to the packaging department, where further quality control inspections are conducted. We also conduct a pre-dispatch inspection prior to the dispatch of the finished products through our distribution network.

### **Health and Safety**

We conduct regular fire training and first aid training programmes for our employees. We have instituted a health and safety policy to promote a safe working environment, including by requiring all employees to wear appropriate protective equipment and clothing. We are in compliance with various central, state and local laws affecting the operations of our business, including environmental, safety, governance, health and labor laws.

### **Environmental, Social and Governance**

We are not permitted to use any single-use plastics in our products, and can only use multi-use plastics as per applicable environmental norms.

We focus on maximizing energy efficiency by utilising solar energy generated from solar panels installed at a few of our manufacturing facilities. In Daman, we derive a significant amount of energy from solar panels installed at our manufacturing facilities.

Further, our manufacturing process primarily involves moulding raw materials into end-products, which does not entail the discharge of a significant amount of hazardous and pollutant waste into the air and water.

### **Intellectual Property**

Our Company and its Subsidiaries have registered trademarks and designs and have filed applications for registering certain trademarks and designs. However, the trademark for our key brands, including “Cello”, “Unomax”, “Kleeno”, “Puro” and their respective logos are registered in the name of Cello Plastic Industrial Work (“**CPIW**”), a partnership firm owned and controlled by our Promoters, Pradeep Ghisulal Rathod and Pankaj Ghisulal Rathod.

Our Company and CPIW entered into a trademark license agreement dated September 29, 2022 (“**Trademark License Agreement**”), pursuant to which CPIW granted our Company an exclusive, worldwide, sub-licensable license to use the trademarks, mentioned in the Trademark License Agreement, including “CELLO”, “KLEENO” and “PURO” (“**Brands**”), and sell its products under such Brands (“**License**”). The Trademark License Agreement shall remain valid unless terminated in accordance with the provisions of the Trademark License Agreement.

Further, our Subsidiary, Wim Plast Limited and CPIW entered into a registered user agreement on April 1, 2022 (“**Registered User Agreement**”), pursuant to which CPIW granted Wim Plast Limited a non-exclusive, non-transferable license and right to use the “Cello” trademark under certain classes in India (“**Marks**”). The Registered User Agreement will remain in full force and effect for a period of two years from April 1, 2022 and will be automatically renewed for a further period of two years and so on and so forth.

Additionally, our Subsidiary, Unomax Stationery Private Limited and CPIW entered into a trademark license agreement on March 1, 2023 (“**Unomax Trademark License Agreement**”), pursuant to which CPIW granted Unomax Stationery Private Limited, on non-exclusive, worldwide, sub-licensable (as permitted under applicable laws), the license to use the “Unomax”, “Unomax – write with confidence” and “Unomax – don’t just write, glide” trademarks under class 16, in any jurisdiction, worldwide (“**Unomax Trademarks**”).

### **Information Technology**

We have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. Our manufacturing facilities are automated, enabling us to produce large volumes of manufactured products quickly and at a competitive cost. We have implemented an enterprise resource planning system, which is a system applications and product software, for our consumer houseware, and moulded furniture and allied products product categories, and we are in the process of implementing the same for our writing instruments and stationery product categories. The enterprise resource planning system helps in the integration of different functional areas to ensure proper communication, productivity, quality and efficiency in decision making. The enterprise resource planning system manages our supply chain, including purchase orders and delivery of goods to distributors. It further helps in tracking consumer demands and assisting in maintaining optimum inventory levels. We monitor and upgrade our automation and technological infrastructure to improve productivity and efficiency.

Our sales team is connected through a enterprise resource planning software, a secondary sales software which enables us to track and capture the secondary movement of our field sales executives and servicing sales colleagues in the market in real time. Being technology driven enables us to gain a deep understanding of the market trends in the respective industries in which we operate and keep a tap on the shifts in consumer preferences to enables us expand strategically and with agility.

### **Insurance**

We maintain insurance policies for our manufacturing business which is customary for our industry. These include policies in relation to standard fire and special perils insurance, marine import and export insurance, workman’s compensation insurance, directors’ & officers’ liability insurance, transit of raw material and finished goods insurance, and consequential loss (fire) of profit policy. We believe that the insurance coverage currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India.

### **Human Resources**

As of March 31, 2024, we had 5,736 permanent employees on our payroll. The following table sets forth the break-up as of March 31, 2024:

<b>Departments</b>	<b>No. of employees</b>
Sales and marketing	817
Finance, accounts and administration	299
Supply chain management and procurement	271
Factory workers, plant team and management team	4,342
Service	7
<b>Total</b>	<b>5,736</b>

Approximately 36.58% of our workforce consists of female workers, as of March 31, 2024.

**Property**

Our registered office is situated at 597/2A, Somanth Road, Dabhel, Daman, Dadra and Nagar Haveli and Daman and Diu – 396210 which has been leased to us by Cello Household Appliances Private Limited, one of our Group Companies and a member of our Promoter Group. Our corporate office is situated at Cello House, Corporate Avenue, B Wing, 8<sup>th</sup> floor, Sonawala Road, Goregaon – (East), Mumbai – 400 063, Maharashtra, India which has been leased to us by Vardhaman Realtors. We also operate a sales office in Cello House, Corporate Avenue B wing, Sonawala Road, Goregaon – (East), Mumbai – 400063, Maharashtra, India, which is operated out of leased premises. For details on the properties owned or leased for our manufacturing facilities, please see “*Our Business – Manufacturing Facilities*”, on page 177.

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

### Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles of Association, our Company shall have not less than three and not more than 15 Directors, provided that our Company may appoint more than 15 Directors after passing a special resolution in a general meeting of our Shareholders.

The composition of our Board is in conformity with Section 149 of the Companies Act and Regulation 17 of the SEBI Listing Regulations. As of the date of this Placement Document, our Board comprises nine Directors including three Executive Directors and six Non-Executive Directors which further includes one Nominee Director and five Independent Directors. Our Company has two women Independent Director.

The following table sets forth details regarding our Board as of the date of this Placement Document:

Sr. no.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
1.	<p><b>Pradeep Ghisulal Rathod</b></p> <p><i>Address:</i> Prasang Bungalow, Plot No. 26, New India CHS. Ltd., N.S. Road No.11, JVPD Scheme, Vile Parle West, Mumbai – 400 049, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Three years commencing from November 11, 2022 until November 10, 2025, and liable to retire by rotation</p> <p><i>DIN:</i> 00027527</p>	59	Chairman and Managing Director
2.	<p><b>Pankaj Ghisulal Rathod</b></p> <p><i>Address:</i> Plot No. 120, Jawahar Nagar, Road No. 10, Motilal Nagar, Goregaon (West), Mumbai – 400 104, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Three years commencing from November 11, 2022 until November 10, 2025 and liable to retire by rotation</p> <p><i>DIN:</i> 00027572</p>	57	Joint Managing Director
3.	<p><b>Gaurav Pradeep Rathod</b></p> <p><i>Address:</i> Prasang Bungalow, Plot No. 26, New India CHS. Ltd., N.S. Road No.11, JVPD Scheme, Vile Parle West, Mumbai – 400 049, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Three years commencing from November 11, 2022 until November 10, 2025 and liable to retire by rotation</p> <p><i>DIN:</i> 06800983</p>	36	Joint Managing Director
4.	<p><b>Gagandeep Singh Chhina</b></p>	46	Nominee Director (Nominee of India Advantage Fund S4 I and India Advantage

Sr. no.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
	<p><i>Address:</i> 7 GTB Avenue, Garden Colony Model Town, Khurla, Jalandhar, Punjab – 144 003, India</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>DIN:</i> 07397540</p>		Fund S5 I, alternative investment funds managed by ICICI Venture Funds Management Company Limited)
5.	<p><b>Piyush Sohanraj Chhajed</b></p> <p><i>Address:</i> 301, Shilpa Apartment, C.D. Barfiwala Road, Next to Blue Chip Apartment, Juhu Lane, Andheri Railway Station, Mumbai – 400 058, Maharashtra, India</p> <p><i>Occupation:</i> Self-employed</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Two years commencing from July 29, 2023 and not liable to retire by rotation</p> <p><i>DIN:</i> 02907098</p>	46	Independent Director
6.	<p><b>Pushap Raj Singhvi</b></p> <p><i>Address:</i> B/302, Highland Park CHS Ltd., Lokhandwala, Link Road, Near Pizza Hut, Andheri West, Azad Nagar, Mumbai – 400 053, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Two years commencing from July 29, 2023 and not liable to retire by rotation</p> <p><i>DIN:</i> 00255738</p>	80	Independent Director
7.	<p><b>Arun Kumar Singhal</b></p> <p><i>Address:</i> 40, Pologround, Near sahelio ki badi, Udaipur – 313 004, Rajasthan, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Two years commencing from July 29, 2023 and not liable to retire by rotation</p> <p><i>DIN:</i> 07516577</p>	66	Independent Director
8.	<p><b>Sunipa Ghosh</b></p> <p><i>Address:</i> Cauvery 12, Floor 3, Chhedanagar, Chembur, Tilak Nagar, Mumbai – 400 089, Maharashtra, India</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Two years commencing from July 29, 2023 and not liable to retire by rotation</p>	49	Independent Director

Sr. no.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
	<i>DIN:</i> 10259183		
9.	<p><b>Manali Nitin Kshirsagar</b></p> <p><i>Address:</i> 5/E, Damayanti Niwas, 1<sup>st</sup> Floor, 2<sup>nd</sup> Dubhash Lane, V.P. Road, Girgaon, Mumbai – 400 004, Maharashtra, India</p> <p><i>Occupation:</i> Advocate</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Two years commencing from July 29, 2023 and not liable to retire by rotation</p> <p><i>DIN:</i> 10258361</p>	32	Independent Director

### Relationship between our Directors and Key Managerial Personnel and Senior Management

Sr. No.	Name of Director	Relative	Relationship
1.	Pradeep Ghisulal Rathod	Pankaj Ghisulal Rathod	Brother
		Gaurav Pradeep Rathod	Son
2.	Pankaj Ghisulal Rathod	Pradeep Ghisulal Rathod	Brother
		Gaurav Pradeep Rathod	Brother's son
3.	Gaurav Pradeep Rathod	Pradeep Ghisulal Rathod	Father
		Pankaj Ghisulal Rathod	Father's brother

Except as disclosed above, none of our Directors are related to each other or to any of our Key Managerial Personnel or the Senior Management.

### *Terms of appointment of Executive Directors*

**Pradeep Ghisulal Rathod** has been a Director of our Company since incorporation. At the Board meeting of our Company on October 31, 2022, he was re-designated as the Chairman and Managing Director of our Company for a period of three years with effect from November 11, 2022 until November 10, 2025.

**Pankaj Ghisulal Rathod** has been a Director of our Company since incorporation. At the Board meeting of our Company on October 31, 2022, he was re-designated as the Joint Managing Director of our Company for a period of three years with effect from November 11, 2022 until November 10, 2025.

**Gaurav Pradeep Rathod** has been a Director of our Company since incorporation. At the Board meeting of our Company on October 31, 2022, he was re-designated as the Joint Managing Director of our Company for a period of three years with effect from November 11, 2022 until November 10, 2025.

### Payments or benefits to Directors of our Company

#### *Remuneration to our Executive and Non-Executive Directors*

Pursuant to a Board resolution dated July 28, 2023 and a Shareholders' resolution dated July 29, 2023, the remuneration to be paid to our Executive Directors, namely, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, and the Nominee Director on our Board, namely, Gagandeep Singh Chhina shall be in accordance with applicable law.

#### *Sitting fees to our Independent Directors*

Pursuant to Board resolutions each dated July 28, 2023, the Independent Directors on our Board are entitled to receive ₹ 50,000 as sitting fees for attending each meeting of the Board and ₹ 25,000 for attending each meeting of the committees constituted by the Board.

## Remuneration details of our Directors

### Remuneration paid to our Executive Directors

The details of remuneration paid by our Company to our Executive Directors are set forth in the table below, for the periods indicated:

(in ₹ lakhs)

Sr. No.	Name of the Executive Director	From April 1, 2024 until the date of this Placement Document	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Pradeep Ghisulal Rathod	Nil	Nil	Nil	Nil
2.	Pankaj Ghisulal Rathod	Nil	Nil	Nil	Nil
3.	Gaurav Pradeep Rathod	Nil	Nil	Nil	Nil

### Remuneration paid to our Non-Executive Directors

The details of remuneration (which comprises sitting fees) paid by our Company to our Non-Executive Directors, including Independent Directors, are set forth in the table below, for the periods indicated:

(in ₹ lakhs)

Sr. No.	Name of the Director	From April 1, 2024 until the date of this Placement Document	Fiscal 2024	Fiscal 2023*	Fiscal 2022*
1.	Gagandeep Singh Chhina	Nil	Nil	Nil	Nil
2.	Piyush Sohanraj Chhajed	Nil	5.00	Nil	Nil
3.	Pushap Raj Singhvi	Nil	4.25	Nil	Nil
4.	Arun Kumar Singhal	Nil	4.25	Nil	Nil
5.	Sunipa Ghosh	Nil	3.50	Nil	Nil
6.	Manali Nitin Kshirsagar	Nil	4.75	Nil	Nil

\*Since all the Independent Directors on our Board were appointed in Fiscal 2024, they did not receive any sitting fees in either Fiscal 2023 or Fiscal 2022 from our Company.

### Remuneration paid to our Directors from our Subsidiaries

The details of remuneration paid by our Subsidiaries to our Directors, are set forth in the table below, for the periods indicated:

(in ₹ lakhs)

Sr. No.	Director	Name of the Subsidiary	From April 1, 2024 until the date of this Placement Document	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Pradeep Ghisulal Rathod	Wim Plast Limited	35.00	140.00	136.67	120.00
2.	Pankaj Ghisulal Rathod	Wim Plast Limited	30.00	120.00	100.00	Nil
3.	Piyush S. Chhajed	Wim Plast Limited	0.30*	1.20*	1.20*	1.35*
4.	Pushap Raj Singhvi	Wim Plast Limited	Nil	0.60*	0.45*	0.75

\*Paid as sitting fees

### Shareholding of Directors in our Company

Except as disclosed below, none of our Directors hold any Equity Shares in our Company, as of the date of this Placement Document:

S. No.	Name	No. of Equity Shares held	Percentage (%)
1.	Gaurav Pradeep Rathod	4,74,35,590	22.35
2.	Pankaj Ghisulal Rathod	2,37,35,761	11.18
3.	Pradeep Ghisulal Rathod	2,26,67,835	10.68



S. No.	Name	No. of Equity Shares held	Percentage (%)
4.	Pushap Raj Singhavi	44	Negligible

### Borrowing powers of our Board

In accordance with the Articles of Association and pursuant to a resolution passed by the Shareholders of our Company on August 5, 2023, our Board is authorized to borrow such monies which together with the money already borrowed does not exceed the limit of ₹ 50,000.00 lakhs.

### Interest of our Directors

All our Directors may be deemed to be interested to the extent of (i) sitting fees payable, if any, to them for attending meetings of our Board or committees thereof as well as to the extent of other remuneration and/ or commission and reimbursement of expenses; and (ii) Equity Shares held by them or by their relatives, if any, or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Other than Gagandeep Singh Chhina, who was appointed on our Board as a nominee of India Advantage Fund S4 I and India Advantage Fund S5 I, alternative investment funds managed by ICICI Venture Funds Management Company Limited pursuant to a shareholders' agreement, there is no arrangement or understanding with the major Shareholders, customers, suppliers, or others, pursuant to which any of our Directors was appointed to the Board or was selected as a member of the Senior Management. As on date of this Placement Document, the aforesaid shareholders' agreement has terminated, with the nomination right surviving, subject to the approval of our Shareholders.

Further, our Directors, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod, may also be deemed to be interested to the extent of repayment of loans provided by them to our Company and our Subsidiaries, namely, Cello Houseware Private Limited, Cello Household Products Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited. For further details, please refer to the section titled "Use of Proceeds" on page 79. Except as stated above, no loans have been availed or extended by our Directors, Key Managerial Personnel or members of the Senior Management from, or to, our Company or the Subsidiaries.

Except as disclosed below, none of our Directors have any interest in any property acquired by our Company or proposed to be acquired of our Company or by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

1. Our Corporate Office, along with certain other premises situated in the same building, have been leased to us by Vardhman Realtors, a member of our promoter group, and a partnership firm in which our Directors, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod are partners. Our Company is required to pay a license fee of ₹ 11.45 lakhs (exclusive of applicable taxes) per month in respect of the floors of the said premises pursuant to multiple lease and licence agreements entered into with Vardhman Realtors;
2. The property situated at Survey No. 66, Ringanwada, Nani Daman, Daman – 396 210, Daman and Diu and Dadra and Nagar Haveli, has been leased to us by Cello Home Products, a member of our promoter group, and a partnership firm in which our Directors, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod are partners, for the purpose of running our warehouse and godown. Our Company is required to pay a lease rent of ₹ 20.01 lakhs (exclusive of applicable taxes) per month, pursuant to a lease deed dated February 27, 2024;
3. Our Registered Office has been leased to us by Cello Household Appliances Private Limited, a member of our promoter group in which our Executive Directors, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod are directors. Our Company is required to pay a lease rent of ₹ 0.07 lakhs (exclusive of applicable taxes) per month pursuant to lease deed dated February 27, 2024; and
4. The property situated at Plot No. 4, Sector No. 3, Integrated Industrial Estate, SIDCUL, Ranipur, Haridwar – 249 403 has been leased to us by Cello Houseware, a member of our promoter group, and a partnership firm in which our Directors, Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod

are partners, for industrial purposes. Our Company is required to pay a lease rent of ₹ 0.62 lakhs (exclusive of applicable taxes) per month, pursuant to a lease deed dated April 1, 2024.

Further, Pradeep Ghisulal Rathod, Chairman and Managing Director and Pankaj Ghisulal Rathod, Joint Managing Director of our Company are partners of Cello Plastic Industrial Works with which our Company has entered into a trademark licensing agreement dated September 29, 2022, for the usage of certain trademarks by our Company in lieu of payment of a license fee to Cello Plastic Industrial Works.

Except as disclosed above and provided in the section titled “*Related Party Transactions*” on page 92, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Placement Document, in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which our Directors are interested.

**Bonus or profit-sharing plan of our Directors**

Except as disclosed in “*Board of Directors and Senior Management – Terms of Appointment of our Directors*” on page 191, none of our Directors are party to any bonus or profit-sharing plan.

**Service contracts with Directors**

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

**Corporate governance**

Our Board presently consists of nine Directors. In compliance with the requirements of the SEBI Listing Regulations, the Board of Directors has five Independent Directors (including two women Independent Directors).

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board’s supervisory role from the executive management team and constitution of our Board committees, as required under law. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company’s executive management provides our Board with detailed reports on its performance periodically.

**Committees of our Board of Directors**

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders’ Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee. In addition to the above, our Board has also constituted the QIP Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Placement Document:

Sr. No.	Committee	Name and designation of members
1.	Audit Committee	(i) Piyush Sohanraj Chhajed, Independent Director (Chairman); (ii) Pushap Raj Singhvi, Independent Director (Member); (iii) Pradeep Ghisulal Rathod, Chairman and Managing Director (Member); and (iv) Manali Nitin Kshirsagar, Independent Director (Member)

Sr. No.	Committee	Name and designation of members
2.	Nomination and Remuneration Committee	(i) Pushap Raj Singhvi, Independent Director (Chairman); (ii) Arun Kumar Singhal, Independent Director (Member); and (iii) Manali Nitin Kshirsagar, Independent Director (Member)
3.	Stakeholders Relationship Committee	(i) Sunipa Ghosh, Independent Director (Chairman); (ii) Gaurav Pradeep Rathod, Joint Managing Director (Member); and (iii) Pankaj Ghisulal Rathod, Joint Managing Director (Member)
4.	Risk Management Committee	(i) Sunipa Ghosh, Independent Director (Chairman); (ii) Pankaj Ghisulal Rathod, Joint Managing Director (Member); and (iii) Gaurav Pradeep Rathod, Joint Managing Director (Member)
5.	Corporate Social Responsibility Committee	(i) Arun Kumar Singhal, Independent Director (Chairman); (ii) Pradeep Ghisulal Rathod, Chairman and Managing Director (Member); and (iii) Pankaj Ghisulal Rathod, Joint Managing Director (Member)
6.	QIP Committee	(i) Pradeep Ghisulal Rathod, Chairman and Managing Director (Chairman); (ii) Pankaj Ghisulal Rathod, Joint Managing Director (Member); (iii) Gaurav Pradeep Rathod, Joint Managing Director (Member); and (iv) Gagandeep Singh Chhina, Nominee Director (Member)

### Key Managerial Personnel and Senior Management

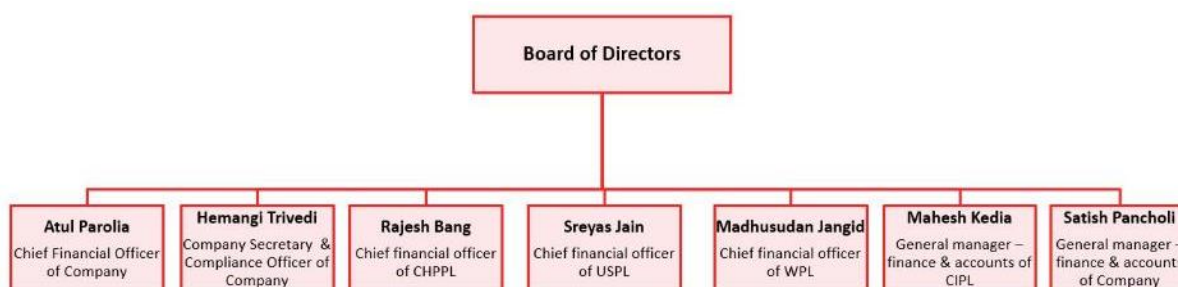
In addition to our Managing Director and Joint Managing Directors disclosed above, the details of our Key Managerial Personnel and members of Senior Management in terms of the Companies Act, 2013 and the SEBI ICDR Regulations, as on the date of this Placement Document, are set forth below:

Sr. No.	Name	Designation
<b>Key Managerial Personnel</b>		
1.	Atul Parolia	Chief Financial Officer
2.	Hemangi Trivedi	Company Secretary and Compliance Officer
<b>Senior Management</b>		
1.	Rajesh Bang	Chief financial officer of Cello Household Products Private Limited (“CHPL”)
2.	Sreyas Jain	Chief financial officer of Unomax Stationery Private Limited (“USPL”)
3.	Madhusudan Jangid	Chief financial officer of Wim Plast Limited (“WPL”)
4.	Mahesh Kedia	General manager – finance and accounts of Cello Industries Private Limited (“CIPL”)
5.	Satish Pancholi	General manager – finance and accounts

None of our Key Managerial Personnel or members of Senior Management are related to each other or to the Directors of our Company.

Other than Madhusudan Jangid, Mahesh Kedia, Rajesh Bang and Sreyas Jain who are permanent employees of our Subsidiaries, namely Wim Plast Limited, Cello Industries Private Limited, Cello Household Products Private Limited and Unomax Stationery Private Limited respectively, all our Key Managerial Personnel and members of the Senior Management are permanent employees of our Company.

### Management organization chart



### **Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management**

Our Company does not have any bonus or profit-sharing plan with the Key Managerial Personnel or members of the Senior Management.

### **Service contracts with Key Managerial Personnel and Senior Management**

Other than statutory benefits upon termination of their employment in our Company on retirement and, none of our Key Managerial Personnel or Senior Management have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### **Interest of our Key Managerial Personnel and members of the Senior Management**

Our Key Managerial Personnel and Senior Management are interested in our Company or our Subsidiaries to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

### **Shareholding of our Key Managerial Personnel and Senior Management**

Except as disclosed below and in “*Board of Directors and Senior Management – Shareholding of Directors of our Company*” on page 191, as of the date of this Placement Document, none of our Key Managerial Personnel or members of the Senior Management hold any Equity Shares in our Company:

Sr. No.	Name	No. of Equity Shares held	Percentage (%)
1.	Atul Parolia	2,000	Negligible
2.	Hemangi Trivedi	797	Negligible
3.	Sreyas Jain	819	Negligible

### **Other confirmations**

1. None of the Directors, Promoters, Key Managerial Personnel or members of the Senior Management of our Company have any financial or other material interest in the Issue.
2. Our Promoters, Directors, Key Managerial Personnel and members of the Senior Management will not participate in the Issue.
3. Neither our Company, nor any of our Directors or our Promoters have been identified as a Wilful Defaulter or as a Fraudulent Borrower, in terms of the SEBI ICDR Regulations, by any lending banks or financial institutions or consortiums.
4. Neither our Company, nor our Directors or Promoters are currently prohibited or debarred from accessing capital markets under any offence or under any order or direction made by SEBI, Stock Exchanges or any other governmental authority or court / tribunal inside or outside India and no penalty has been imposed on our Company in this regard at any time in India or abroad. Further, none of our Directors has been declared as a Fugitive Economic Offender.

5. None of our Directors have been /are associated as promoters, directors or persons in control with any companies which have been prohibited or debarred from accessing the capital market, under any order or direction passed by SEBI, Stock Exchanges or any other regulatory authority or court / tribunal within or outside India.
6. No change in control in our Company will occur consequent to the Issue.

#### **Policy on disclosures and internal procedure for prevention of insider trading**

The SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

#### **Related party transactions**

For details in relation to the related party transactions entered by our Company during the last three fiscals immediately preceding the date of this Placement Document, please refer to the section titled “*Related Party Transactions*” on page 92. These disclosures made are as per the requirements of Ind AS 24.

#### **Employee stock option plans**

Our Company does not have any employee stock option scheme.

## ORGANISATIONAL STRUCTURE OF OUR COMPANY

### Corporate history

Our Company was incorporated as “*Cello World Private Limited*”, as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated July 25, 2018, issued by the Registrar of Companies, Central Registration Centre. Thereafter, the Registered Office of our Company was changed from the State of Maharashtra to the Union Territory of Daman and Diu and a certificate of registration of the regional director order, for change of State dated April 8, 2020, was issued by the RoC. Subsequently, upon the conversion of our Company into a public limited company, pursuant to a special resolution passed by our Shareholders on June 12, 2023, the name of our Company was changed to “*Cello World Limited*”, and a fresh certificate of incorporation dated July 18, 2023 was issued by the RoC.

For further details regarding changes in the name and Registered and Corporate Office of our Company, please refer to the section titled “*General Information*” on page 265.

Our Company’s CIN is U25209DD2018PLC009865.

The Registered Office of our Company was changed from Cello House, Corporate Avenue, B-Wing, 8th floor, Sonawala Road, Goregaon-East, Mumbai – 400 063, Maharashtra, India to 597/2A, Somnath Road, Dabhel, Nani Daman – 396 210, Daman and Diu, India with effect from February 17, 2020.

The Corporate Office of our Company is located at Cello House, Corporate Avenue, B Wing, 8th Floor, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra, India.

Our Equity Shares have been listed on BSE and NSE since November 6, 2023.

### Subsidiaries

As on date of this Placement Document, our Company has six Direct Subsidiaries and three Step-Down Subsidiaries, as set forth below:

#### ***Direct Subsidiaries***

1. Cello Industries Private Limited
2. Cello Houseware Private Limited
3. Cello Household Products Private Limited
4. Cello Consumerware Private Limited
5. Unomax Stationery Private Limited
6. Wim Plast Limited

#### ***Step-Down Subsidiaries***

1. Unomax Writing Instruments Private Limited
2. Unomax Sales and Marketing Private Limited
3. Wim Plast Moulding Private Limited

As on date of this Placement Document, Cello Industries Private Limited, Cello Household Products Private Limited, Unomax Stationary Private Limited and Wim Plast Limited are the Material Subsidiaries of our Company.

### Holding company

As on date of this Placement Document, our Company does not have a holding company.

### Associate company

As on the date of this Placement Document, except for Pecasa Tableware Private Limited (*formerly known as Bassano Bathware Private Limited*), our Company does not have any associate companies.

**Joint ventures**

As on the date of this Placement Document, our Company does not have any joint ventures.

## SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on March 31, 2024 is set forth below:

**Table I – Summary statement holding of specified securities:**

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	Sub-categorization of shares (XV)		
								Number of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)		Shareholding (No. of shares) under		
								Class: Equity Shares	Total									Sub Category I	Sub Category II	Sub Category III
(A)	Promoter & Promoter Group	12	16,56,62,977	-	-	16,56,62,977	78.06	16,56,62,977	16,56,62,977	78.06	-	78.06	16,56,62,977	100.00	-	-	16,56,62,977	-	-	-
(B)	Public	1,32,493	4,65,68,057	-	-	4,65,68,057	21.94	4,65,68,057	4,65,68,057	21.94	-	21.94	-	-	-	-	4,65,68,057	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>1,32,505</b>	<b>21,22,31,034</b>	<b>-</b>	<b>-</b>	<b>21,22,31,034</b>	<b>100.00</b>	<b>2,12,23,1034</b>	<b>21,22,31,034</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>16,56,62,977</b>	<b>78.06</b>	<b>-</b>	<b>-</b>	<b>21,22,31,034</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Table II - Statement showing shareholding pattern of our Promoters and Promoter Group:**

Category and Name of the Shareholder	Entity Type	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
<b>Indian</b>																		
<b>Individuals / Hindu Undivided Family</b>		9	12,66,62,971	-	-	12,66,62,971	59.68	12,66,62,971	-	12,66,62,971	59.68	-	59.68	12,66,62,971	100.00	-	-	12,66,62,971
Gaurav Pradeep Rathod	Promoters	1	4,74,35,590	-	-	4,74,35,590	22.35	4,74,35,590	-	4,74,35,590	22.35	-	22.35	4,74,35,590	100.00	-	-	4,74,35,590
Pankaj Ghisulal Rathod	Promoters	1	2,37,35,761	-	-	2,37,35,761	11.18	2,37,35,761	-	2,37,35,761	11.18	-	11.18	2,37,35,761	100.00	-	-	2,37,35,761
Pradeep Ghisulal Rathod	Promoters	1	2,26,67,835	-	-	2,26,67,835	10.68	2,26,67,835	-	2,26,67,835	10.68	-	10.68	2,26,67,835	100.00	-	-	2,26,67,835
Sangeeta Pradeep Rathod	Promoter Group	1	1,25,11,893	-	-	1,25,11,893	5.90	1,25,11,893	-	1,25,11,893	5.90	-	5.90	1,25,11,893	100.00	-	-	1,25,11,893
Ruchi Gaurav Rathod	Promoter Group	1	62,55,946	-	-	62,55,946	2.95	62,55,946	-	62,55,946	2.95	-	2.95	62,55,946	100.00	-	-	62,55,946
Karishma Harsh Parekh	Promoter Group	1	39,00,000	-	-	39,00,000	1.84	39,00,000	-	39,00,000	1.84	-	1.84	39,00,000	100.00	-	-	39,00,000
Malvika P. Rathod	Promoter Group	1	39,00,000	-	-	39,00,000	1.84	39,00,000	-	39,00,000	1.84	-	1.84	39,00,000	100.00	-	-	39,00,000
Sneha Jigar Ajmera	Promoter Group	1	39,00,000	-	-	39,00,000	1.84	39,00,000	-	39,00,000	1.84	-	1.84	39,00,000	100.00	-	-	39,00,000

Category and Name of the Shareholder	Entity Type	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
Babita Pankaj Rathod	Promoter Group	1	23,55,946	-	-	23,55,946	1.11	23,55,946	-	23,55,946	1.11	-	1.11	23,55,946	100.00	-	-	23,55,946
Central Government / State Government(s)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	3	3,90,00,006	-	-	3,90,00,006	18.38	3,90,00,006	-	3,90,00,006	18.38	-	18.38	3,90,00,006	100.00	-	-	3,90,00,006
Promoter Trust		2	3,90,00,000	-	-	3,90,00,000	18.38	3,90,00,000	-	3,90,00,000	18.38	-	18.38	3,90,00,000	100.00	-	-	3,90,00,000
Babita Pankaj Rathod	Promoter Group	1	1,95,00,000	-	-	1,95,00,000	9.19	1,95,00,000	-	1,95,00,000	9.19	-	9.19	1,95,00,000	100.00	-	-	1,95,00,000
Pankaj Ghisulal Rathod	Promoter Group	1	1,95,00,000	-	-	1,95,00,000	9.19	1,95,00,000	-	1,95,00,000	9.19	-	9.19	1,95,00,000	100.00	-	-	1,95,00,000
Bodies Corporate	-	1	6	-	-	6	-	6	-	6	-	-	-	6	100.00	-	-	6
Cello Pens And Stationery Pvt. Ltd.	Promoter Group	1	6	-	-	6	-	6	-	6	-	-	-	6	100.00	-	-	6
Sub Total (A)		12	16,56,62,977	-	-	16,56,62,977	78.06	16,56,62,977	-	16,56,62,977	78.06	-	78.06	16,56,62,977	100.00	-	-	16,56,62,977
Foreign																		

Category and Name of the Shareholder	Entity Type	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding Of Promoter And Promoter Group (C)=(A)+(B)	-	12	16,56,62,977	-	-	16,56,62,977	78.06	16,56,62,977	-	16,56,62,977	78.06	-	78.06	16,56,62,977	100.00	-	-	16,56,62,977

**Table III - Statement showing shareholding pattern of the public shareholders:**

Sr No	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
<b>1</b>	<b>Institutions (Domestic)</b>																	
(a)	Mutual Fund	15	46,55,977	-	-	46,55,977	2.19	46,55,977	-	46,55,977	2.19	-	-	-	-	-	-	46,55,977
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	13	1,56,83,109	-	-	1,56,83,109	7.39	1,56,83,109	-	1,56,83,109	7.39	-	-	-	-	-	-	1,56,83,109
	India Advantage Fund S5 I	1	87,06,211	-	-	87,06,211	4.10	87,06,211	-	87,06,211	4.10	-	-	-	-	-	-	87,06,211
	India Advantage Fund S4 I	1	33,73,653	-	-	33,73,653	1.59	33,73,653	-	33,73,653	1.59	-	-	-	-	-	-	33,73,653
	Tata Capital Growth Fund Ii	1	28,50,588	-	-	28,50,588	1.34	28,50,588	-	28,50,588	1.34	-	-	-	-	-	-	28,50,588
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	7	60,64,642	-	-	60,64,642	2.86	60,64,642	-	60,64,642	2.86	-	-	-	-	-	-	60,64,642
	Sbi Life Insurance Co. Ltd	1	36,14,833	-	-	36,14,833	1.70	36,14,833	-	36,14,833	1.70	-	-	-	-	-	-	36,14,833
(f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Asset Reconstruction Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)(1)</b>	<b>35</b>	<b>2,64,03,728</b>	<b>-</b>	<b>-</b>	<b>2,64,03,728</b>	<b>12.44</b>	<b>2,64,03,728</b>	<b>-</b>	<b>2,64,03,728</b>	<b>12.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,64,03,728</b>

Sr No	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
2	Institutions (Foreign)																	
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	50	93,42,667	-	-	93,42,667	4.40	93,42,667	-	93,42,667	4.40	-	4.40	-	-	-	-	93,42,667
(e)	Foreign Portfolio Investors Category II	3	55,139	-	-	55,139	0.03	55,139	-	55,139	0.03	-	0.03	-	-	-	-	55,139
(f)	Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)	53	93,97,806	-	-	93,97,806	4.43	93,97,806	-	93,97,806	4.43	-	4.43	-	-	-	-	93,97,806
3	Central Government/ State Government(s)																	
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr No	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
4	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Associate companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Key Managerial Personnel	2	2,797	-	-	2,797	-	2,797	-	2,797	-	-	-	-	-	-	-	2,797
(D)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(E)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.	1,26,303	63,42,248	-	-	63,42,248	2.99	63,42,248	-	63,42,248	2.99	-	2.99	-	-	-	-	63,42,248

Sr No	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
(h)	ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	3	2,04,890	-	-	2,04,890	0.10	2,04,890	-	2,04,890	0.10	-	-	-	-	-	2,04,890	
(i)	Non Resident Indians (NRIs)	1,454	2,73,403	-	-	2,73,403	0.13	2,73,403	-	2,73,403	0.13	-	-	-	-	-	2,73,403	
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(k)	Foreign Companies	1	9,79,448	-	-	9,79,448	0.46	9,79,448	-	9,79,448	0.46	-	-	-	-	-	9,79,448	
(l)	Bodies Corporate	474	26,14,913	-	-	26,14,913	1.23	26,14,913	-	26,14,913	1.23	-	-	-	-	-	26,14,913	
(m)	Any Other (Specify)	4,168	3,48,824	-	-	3,48,824	0.16	3,48,824	-	3,48,824	0.16	-	-	-	-	-	3,48,824	
	Trusts	6	3,809	-	-	3,809	-	3,809	-	3,809	-	-	-	-	-	-	3,809	
	Independent Director	1	44	-	-	44	-	44	-	44	-	-	-	-	-	-	44	
	Body Corp-Ltd Liability Partnership	41	44,423	-	-	44,423	0.02	44,423	-	44,423	0.02	-	-	-	-	-	44,423	
	Hindu Undivided Family	4,117	3,00,520	-	-	3,00,520	0.14	3,00,520	-	3,00,520	0.14	-	-	-	-	-	3,00,520	
	Clearing Member	3	28	-	-	28	-	28	-	28	-	-	-	-	-	-	28	
	<b>Sub Total (B)(4)</b>	<b>1,32,405</b>	<b>1,07,66,523</b>	-	-	<b>1,07,66,523</b>	<b>5.07</b>	<b>1,07,66,523</b>	-	<b>1,07,66,523</b>	<b>5.07</b>	-	-	-	-	-	<b>1,07,66,523</b>	
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+b(4)</b>	<b>1,32,493</b>	<b>4,65,68,057</b>	-	-	<b>4,65,68,057</b>	<b>21.94</b>	<b>4,65,68,057</b>	-	<b>4,65,68,057</b>	<b>21.94</b>	-	-	-	-	-	<b>4,65,68,057</b>	

**Table IV - Statement showing shareholding pattern of the non-promoter, non-public shareholders:**

Sr No	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid-up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								Number of Voting Rights					Total as a % of (A+B+C)	Number	As a % of total Shares held	Number		As a % of total Shares held
								Class X	Class Y	Total								
1	Custodian/DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Book Running Lead Managers and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Eligible Bidder on whether such Eligible Bidder was eligible to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Also refer to the sections titled "Selling Restrictions" and "Purchaser Representations and Transfer Restrictions" on pages 227 and 236, respectively.*

*Our Company, the Book Running Lead Managers and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.*

### **Qualified Institutions Placement**

#### **THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

The Preliminary Placement Document and this Placement Document have not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue was made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that certain conditions are met by our Company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;
- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue, including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which the Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of the Issue, the contribution made by the Promoters or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are required to be listed on a recognized stock exchange in India having nation wide trading terminals for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to seek approval of the Shareholders for the above mentioned special resolution. This is not applicable to such companies who propose to undertake a qualified institutions placement for complying with the minimum public shareholding requirements specified in the Securities Contracts (Regulation) Rules, 1957;

- invitation to apply in the Issue must be made through a private placement offer cum application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- our Company shall have completed allotments with respect to any earlier offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- our Company shall not make any subsequent QIP until the expiry of two weeks from the date of this Issue;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application (i.e., the Preliminary Placement Document), our Company shall prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;
- in accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;
- our Promoters and Directors have not been declared as ‘fraudulent borrowers’ by lending banks or financial institution or consortium thereof, in terms of RBI master circular dated July 1, 2016;
- our Promoters and our Directors are not Wilful Defaulters; and
- our Promoters and our Directors are not Fugitive Economic Offenders.

At least 10% of the Equity Shares issued to Eligible QIBs was made available for allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remained unsubscribed, it was allotted to other Eligible QIBs.

Bidders were not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Prospective purchasers were required to make certain representations, warranties and undertakings in order to participate in the Issue. Prospective purchasers are deemed to have represented to our Company and the Book Running Lead Managers in order to participate in the Issue that they are outside the United States and purchasing the Equity Shares in an in accordance with the applicable laws of the jurisdictions where those offers and sales are made. For details, please refer to the sections titled “*Representations by Investors*”, “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” beginning on pages 3, 227 and 236, respectively, of this Placement Document.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The “Relevant Date” referred to above means the date of the meeting in which the Board or the QIP Committee decides to open the Issue and “stock exchange” means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the approval of the Shareholders accorded through a special resolution passed at the extra-ordinary general meeting held on June 26, 2024, our Company has offered a discount of 4.92% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders’ resolution approving the QIP and within 60 days from the date of receipt of Application Amount from the Successful Bidders. For details of Allotment, please refer to “– *Pricing and Allocation – Designated Date and Allotment of Equity Shares*” below.

The Equity Shares issued pursuant to the QIP were issued on the basis of the Preliminary Placement Document

and this Placement Document. The Preliminary Placement Document and this Placement Document contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under the PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer was made to the public or to any other category of investors. Please note that if you did not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to this Issue.

This Issue was authorized and approved by our Board of Directors on May 29, 2024 and approved by our Shareholders by way of a special resolution passed at the extra-ordinary general meeting held on June 26, 2024.

The minimum number of allottees with respect to a QIP shall be atleast:

- two, where the issue size is less than or equal to ₹ 25,000 lakhs; and
- five, where the issue size is greater than ₹ 25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee for the purpose of the Issue. For details of what constitutes “same group” or “common control”, please refer to “– Bid Process – Application Form” below.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on floor of a recognised stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, please refer to the section titled “*Selling Restrictions*” on page 227. Please refer to the sections titled “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 227 and 236, respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Our Company has also filed a copy of the Preliminary Placement Document and this Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on BSE and NSE, each dated July 3, 2024. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

## **Issue Procedure**

1. On the Issue Opening Date, our Company in consultation with the Book Running Lead Managers circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible QIBs and the Application Form was specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules.

2. **The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form was delivered was determined by the Book Running Lead Managers in consultation with our Company, at their sole discretion. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, was addressed to a particular QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.**
  3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Issue Period to the Book Running Lead Managers.
  4. Bidders will be required to indicate the following in the Application Form:
    - Full official name of the Bidder to whom Equity Shares are to be Allotted, PAN details (if applicable) complete address, e-mail id, phone number and bank account details;
    - number of Equity Shares Bid for;
    - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
    - details of the beneficiary account maintained with a depository participant to which the Equity Shares should be credited pursuant to this Issue; and
    - a representation that it is outside the United States and acquiring the Equity Shares in accordance with the applicable laws of the jurisdiction where those offers and sales are made, and it has agreed to certain other representations set forth in “Representations by Investors” on page 3, “Purchaser Representations and Transfer Restrictions” on page 236 and in the Application Form.
- Note: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.*
5. Each Bidder was required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares was required to be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders was required to be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment and the filing of return of Allotment by our Company with the RoC or receipt of final listing and trading approval from the Stock Exchanges, whichever is later, Application Amount received for subscription of the

Equity Shares was required to be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event, among others, a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to the Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in “– Refunds” below.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid could not have been withdrawn or revised downwards after the Issue Closing Date. In case of upward revision before the Issue Closing Date, an additional amount will be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it was assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs were deemed to have been given notice of such date after receipt of the Application Form.
7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, 2013, upon Allocation, the Bank will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
8. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.
9. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with the Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and this Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price, refund details in case of partial refunds and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company in consultation with the Book Running Lead Managers.**
10. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document, either in electronic form or through physical delivery, to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
11. Upon dispatch of serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.
12. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
13. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares

Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

14. Our Company will then apply for the final trading approvals from the Stock Exchanges.
15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.
16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.
17. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for, through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in “– Refunds” below.

### **Qualified Institutional Buyers**

Only Eligible QIBs were eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules have been considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who were eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- Mutual funds, VCFs and AIFs registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹ 2,500 lakhs registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 2,500 lakhs;
- public financial institutions, as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
- systemically important non-banking financial companies.

**Eligible FPIs were permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules, in this Issue. Eligible FPIs were permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs did not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs participated in the Issue under Schedule I of the FEMA Rules. FVCIs were not permitted to participate in this Issue.**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control shall be treated as part of the same investor group) is not permitted to be 10% or above of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10% of the total post issue paid-up Equity Share capital and the total holding of all FPIs,

collectively, shall be below 24% of the paid-up equity share capital of our Company on a fully diluted basis. In case the holding of an FPI including its investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. As per the circular issued by SEBI dated November 5, 2019 (circular no. IMD/FPI&C/CIR/P/2019/124), these investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates. The existing aggregate investment limit for FPIs in the Company is 100% of the paid-up capital of the Company.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as an FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI circular dated April 5, 2018 (circular no. IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, please refer to the sections titled “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 227 and 236, respectively.

### **Restriction on Allotment**

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders’ agreement or voting agreement entered into with the Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

**Our Company and the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, advisors, representatives, agents or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of the Preliminary Placement Document and this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they were eligible to apply. Eligible QIBs were advised to ensure that any single application from them did not exceed the investment limits or maximum**

**number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document and this Placement Document. Further, Eligible QIBs were required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the Takeover Regulations and ensure compliance with applicable laws.**

**A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.**

*Note: Affiliates or associates of the Book Running Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

## **Bid Process**

### ***Application Form***

Eligible QIBs were required to only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Eligible QIB was deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under the sections titled “*Notice to Investors*”, “*Representations by Investors*”, “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 1, 3, 227 and 236, respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. The Eligible QIB confirms that it is not a Promoter, and is not a person related to the Promoter, either directly or indirectly, and its Application Form does not directly or indirectly represent the Promoter, or persons related to the Promoters or members of the Promoter Group;
3. The Eligible QIB confirms and consents to its name and percentage of post-Issue shareholding (assuming full subscription in the Issue) will be included as a ‘proposed allottee’ in the Issue in this Placement Document;
4. The Eligible QIB confirms that it has no rights under a shareholders’ agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender;
5. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;
6. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;
7. The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;
8. The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral



development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. The Eligible QIB confirms that its Bids would not ultimately result in triggering an open offer under the Takeover Regulations;
10. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by it, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;
11. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
12. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company was required to disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that the disclosure of such details in relation to it in this Placement Document will not guarantee Allotment to it, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;
13. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
  - a. QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and
  - b. ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations;
14. The Eligible QIB confirms that it is outside the United States and is not our affiliate or a person acting on behalf of such an affiliate;
15. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis.
16. The Eligible QIB who is not a resident of India (Eligible FPIs) confirms that it is purchasing the Equity Shares in an offshore transaction in reliance upon Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate;
17. The Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations;
18. The Eligible QIB acknowledges that no Allotment shall be made to them if the price at which they have

Bid for in this Issue is lower than the Issue Price; and

19. The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

**ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder to pay the entire amounts for the Equity Shares that may be Allotted to such Bidder and shall become a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document (when dispatched) by our Company (by itself or through the Book Running Lead Managers) in favour of the Successful Bidder.

#### ***Submission of Application Form***

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the Escrow Account into which the Application Amount will have to be deposited. The Application Amount was deposited in the Escrow Account as is specified in the Application Form and the Application Form was submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

<b>Name of the Book Running Lead Managers</b>	<b>Address</b>	<b>Contact person</b>	<b>Website and Email ID</b>	<b>Telephone</b>
Motilal Oswal Investment Advisors Limited	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India	Ritu Sharma	Website: www.motilaloswalgroup.com Email ID: project.sky@motilaloswal.com	Telephone: +91 22 7193 4380
Jefferies India Private Limited	Level 16, Express Towers Nariman Point Mumbai -400 021 Maharashtra, India	Suhani Bhareja	Website: www.Jefferies.com Email ID: Cello.QIP.2024@jefferies.com	Telephone: +91 22 4356 6000
JM Financial Limited	7 <sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi,	Gitesh Vargantwar	Website: www.jmfl.com	Telephone: +91 22 6630 3030

Name of the Book Running Lead Managers		Address	Contact person	Website and Email ID	Telephone
		Mumbai 400 025, Maharashtra, India		Email ID: Project.Sky@jmfl.com	
Kotak Capital Limited	Mahindra Company	27 BKC, 1st Floor, Plot No. C – 27, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India	Karl Sahukar	Website: <a href="https://investmentbank.kotak.com">https://investmentbank.kotak.com</a>  Email ID: cello.qip@kotak.com	Telephone: +91 22 4336 0000

The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders submitting a Bid in the Issue, shall pay the entire Application Amount along with the submission of the Application Form within the Issue Period.

#### **Payment of Application Amount**

Our Company has opened the Escrow Account in the name of “CELLO WORLD LIMITED – QIP ESCROW ACCOUNT” with ICICI Bank Limited, our Escrow Bank, in terms of the Escrow Agreement. Bidders were required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments were required to be made only through electronic fund transfer.

#### **Note: Payments through cheques or demand draft or cash were rejected.**

If the payment was not made favouring the “CELLO WORLD LIMITED – QIP ESCROW ACCOUNT” within the Issue Period stipulated in the Application Form, the Application Form of the QIB was liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in “CELLO WORLD LIMITED – QIP ESCROW ACCOUNT” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) refund of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in “– Refunds” below.

#### **Permanent Account Number or PAN**

Each Bidder was required to mention its PAN allotted under the Income Tax Act in the Application Form. Applications without this information were considered incomplete and were liable to be rejected. Bidders were required to not have submitted the GIR number instead of the PAN as the Application Form was liable to be

rejected on this ground.

### ***Bank Account Details***

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

### **Pricing and Allocation**

#### ***Build-up of the Book***

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

#### ***Price Discovery and Allocation***

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company has offered a discount of 4.92% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations, as approved by our Shareholders pursuant to a special resolution passed at the extra-ordinary general meeting held on June 26, 2024.

After finalisation of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and is filing the same with the Stock Exchanges as this Placement Document.

The “Relevant Date” referred to above will be the date of the meeting in which the Board (or a duly constituted committee thereof) decides to open the Issue and “stock exchange” means any of the recognized stock exchanges in India on which the Equity Shares are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

#### ***Method of Allocation***

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with the Book Running Lead Managers, has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

#### **Confirmation of Allotment Notice or CAN**

Based on receipt of the Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them,

the Issue Price, the Application Amount paid and Refund Amount, if any, shall be notified to such Successful Bidders.

The Successful Bidders would also be sent a serially numbered Placement Document (which includes the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. Subsequently, our Board (or a duly constituted committee thereof) will approve the Allotment of the Equity Shares to the Allottees.

**Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.**

By submitting the Application Form, the Eligible QIB would have deemed to have made the representations and warranties as specified in the section titled “*Notice to Investors*” on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by the Stock Exchanges.

#### ***Designated Date and Allotment of Equity Shares***

Our Company will ensure that the Allotment of Equity Shares is completed by the Designated Date provided in the respective CANs, subject to the satisfaction of the terms and conditions of the Placement Agreement. The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees, in accordance with the SEBI ICDR Regulations. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the QIBs’ beneficiary accounts maintained with the Depository Participant, our Company will apply for final listing and trading approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company is required to be disclosed in this Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Book Running Lead Managers and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC, whichever is later.

After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and is filing the same with the Stock Exchanges as this Placement Document.

#### **Refunds**

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder withdraws the Application Form prior to the Issue Closing Date, or the Issue is cancelled prior to Allocation, the excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in

the form and manner set out in the Refund Intimation/CAN (as applicable). The Refund Amount will be transferred to the relevant Bidders within two Working Days from the date of issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue within 60 days from the date of receipt of the Application Amount, or the Issue is cancelled post Allocation, or where our Company has Allotted the Equity Shares but final listing and trading approvals are refused by the Stock Exchanges, our Company shall repay the Application Amount within 15 days from expiry of 60 days or such other time period as applicable under applicable law, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

### **Other instructions**

#### ***Right to reject applications***

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details, please refer to “*-Bid Process*” and “*-Refund*” above.

#### ***Equity Shares in dematerialized form with NSDL or CDSL***

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a successful QIB will be credited in electronic form directly to the specified beneficiary account (with the Depository Participant) of the QIB, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the QIBs.

### **Release of funds to our Company**

The Escrow Bank shall not release the monies lying to the credit of the “CELLO WORLD LIMITED – QIP ESCROW ACCOUNT” to our Company until receipt of notice from the Book Running Lead Managers, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC, whichever is later.

## PLACEMENT AND LOCK-UP

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

### Placement Agreement

The Book Running Lead Managers and our Company have entered into the Placement Agreement dated July 3, 2024 (“**Placement Agreement**”), pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to use its reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the Book Running Lead Managers, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, please refer to the section titled “*Selling Restrictions*” on page 227. Please refer to the sections titled “*Selling Restrictions*” and “*Purchaser Representations and Transfer Restrictions*” on pages 227 and 236, respectively, for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

### Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers (and their respective affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers and their respective affiliates may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, please refer to the section titled “*Offshore Derivative Instruments*” on page 9.

From time to time, the Book Running Lead Managers, their respective affiliates and associates have been engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, commercial banking, trading services for our Company, our Subsidiaries, Associate, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and their respective affiliates and associates. Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. See “*Offshore Derivative Instruments*” and “*Representations by Investors*” on pages 9 and 3, respectively.

## Lock-up

In terms of the Placement Agreement, our Company shall not, for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Managers, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depository in connection with a depository receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depository receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above.

Provided that, the foregoing restriction shall not apply to (i) the issuance of Equity Shares pursuant to the Issue; (ii) issuance of non-convertible debentures; and (iii) any transaction required by law or an order of a court of law or a statutory authority.

Further, in terms of the Placement Agreement, our Promoters and members of the Promoter Group shall not, for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Managers, directly or indirectly: (a) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any lock-up shares, or any securities convertible into or exercisable or exchangeable for lock-up shares or file any registration statement under the U.S. Securities Act, or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of lock-up shares or any securities convertible into or exercisable or exchangeable for lock-up shares; (c) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any lock-up shares; or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of lock-up shares, or such other securities, in cash or otherwise.



## SELLING RESTRICTIONS

### General

The Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act.

The distribution of the Preliminary Placement Document and this Placement Document and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. The Preliminary Placement Document and this Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. Except for in India, no action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Preliminary Placement Document and this Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document nor any offering materials or advertisements in connection with or other material relating to the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of the Preliminary Placement Document and this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and under the sections titled “*Notice to Investors*”, “*Representations by Investors*” and “*Purchaser Representations and Transfer Restrictions*” on pages 1 and 236 respectively.

### Republic of India

The Preliminary Placement Document and this Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. The Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

### Australia

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (“**Corporations Act**”) and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a “sophisticated investor” or a “professional investor” and that not it is not a “retail client” within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

No financial product advice is provided in this Placement Document and nothing in this Placement Document should be taken to constitute a recommendation or statement of opinion that is intended to influence a person or persons in making a decision to invest in the Equity Shares offered in the Issue.

This Placement Document does not take into account the objectives, financial situation or needs of any particular person. Before acting on the information contained in this Placement Document, or making a decision to invest in the Equity Shares offered in the Issue, prospective investors should seek professional advice as to whether investing in the Equity Shares is appropriate in light of their own circumstances.

None of the Book Running Lead Managers or any of their respective affiliates is the holder of an Australian Financial Services Licence.

### **Bahrain**

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares offered in the Issue have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

### **British Virgin Islands**

This Placement Document is not an offer to sell, or a solicitation or invitation to make offers to purchase or subscribe for, the Equity Shares offered in the Issue in the British Virgin Islands (the “BVI”). This Placement Document may not be sent or distributed to persons in the BVI and the Equity Shares are not available to, and no invitation or offer to subscribe, purchase or otherwise acquire the Equity Shares may be made to, persons in the BVI. However, the Equity Shares may be offered and sold to business companies incorporated in the BVI pursuant to the BVI Business Companies Act, international limited partnerships formed in the BVI pursuant to the Limited Partnership Act 1996 and limited partnerships formed in the BVI pursuant to the Limited Partnership Act, 2017 provided that any such offering and sale is made outside the BVI.

### **Cayman Islands**

This Placement Document does not constitute an offer or invitation to the public in the Cayman Islands to subscribe for Equity Shares in the Issue.

### **People’s Republic of China**

This Placement Document does not constitute an offer of the Equity Shares offered in the Issue, whether by way of sale or subscription, in the People’s Republic of China (the “PRC”). The Equity Shares offered in the Issue are not being offered or sold, directly or indirectly, in the PRC or for the benefit of legal or natural persons in the PRC. According to legal and regulatory requirements of the PRC, the Equity Shares offered in the Issue may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

### **European Economic Area**

In relation to each Member State of the European Economic Area (each a “Relevant State”), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “Prospectus Regulation”):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;

- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Book Running Lead Managers for any such offer;
  - or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this section, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a “qualified investor” as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Managers has been obtained to each such proposed offer or resale.

Our Company, the Book Running Lead Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

### **Hong Kong**

This Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Placement Document has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (“**CO**”) nor has it been authorised by the Securities and Futures Commission (“**SFC**”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“**SFO**”). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Placement Document, they should obtain independent professional advice.

This Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. This Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- (a) to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“**Professional Investors**”); or
- (b) in other circumstances which do not result in this Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Placement Document may issue, circulate or distribute this Placement Document in Hong Kong or make or give a copy of this Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

### **Japan**

No securities registration statement in relation to the solicitations of the Equity Shares offered in the Issue in Japan (the “**Solicitations**”) has been or will be filed pursuant to Article 4, Paragraph 1 of the Financial Instrument and Exchange Law of Japan (the “**FIEL**”). The Solicitations shall only be made (i) to Qualified Institutional Investors

and (ii) to no more than 49 persons (excluding any Qualified Institutional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Any Qualified Institutional Investors who acquire Equity Shares in the Issue (a) may not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Equity Shares to any person in Japan or to or for the benefit of any resident of Japan, including any corporation or other entity organised under the laws of Japan, except to Qualified Institutional Investors; and (b) shall deliver a notification indicating (a) and (b) herein to any transferee of the Equity Shares.

Capitalized terms used in this sub-section and not defined in this Placement Document have the meanings given to those terms in the FIEL.

### **Jordan**

The Equity Shares offered in the Issue have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the Hashemite Kingdom of Jordan in a manner that would constitute a public offering. This Placement Document has not been and will not be reviewed or approved by, or registered with, the Jordan Securities Commission in accordance with its regulations and any other regulations in the Hashemite Kingdom of Jordan. The Equity Shares are not and will not be traded on the Amman Stock Exchange. The Equity Shares have not been and will not be offered, sold or promoted or advertised in Jordan other than in compliance with the Securities Law No. (76) of 2002, as amended, the Law Regulating Dealings in Foreign Exchange No. (50) of 2008, and regulations issued pursuant thereto governing the issue of offering and sale of securities. Without limiting the foregoing, the Equity Shares have not been and will not, in any manner, be offered, sold, promoted or advertised to more than thirty (30) persons in Jordan, without complying with the required approval and notification requirements set-out under the above-referenced laws and the regulations issued pursuant to them.

### **Kuwait**

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait (“**Kuwait Securities Laws**”). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

### **Mauritius**

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. This Placement Document is for the exclusive use of the person to whom it has been given by the Book Running Lead Managers and is a private concern between the sender and the recipient.

### **New Zealand**

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “**FMA Act**”). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### **Oman**

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest

in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the “**CMA**”) or any other regulatory body or authority in the Sultanate of Oman (“**Oman**”), nor have the Book Running Lead Managers received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. None of the Book Running Lead Managers is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. None of the Book Running Lead Managers advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman.

Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

#### **Qatar (excluding the Qatar Financial Centre)**

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of the Equity Shares in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the Book Running Lead Managers are not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the Book Running Lead Managers are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

#### ***Qatar Financial Centre***

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre (“**QFC**”), and accordingly should not be construed as such. This Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

#### **Singapore**

This Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“**MAS**”) under the Securities and Futures Act (Chapter 289) of Singapore (“**SFA**”). Accordingly, the Equity Shares offered in the Issue may not be offered or sold, or made the subject of an invitation for subscription

or purchase nor may this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **South Africa**

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

- (a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the “**South African Companies Act**”); and
- (b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act, and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the “**South African Qualifying Investors**”). This Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares and is not an “offer to the public” as contemplated in the South African Companies Act. This Placement Document does not, nor does it intend to, constitute a “registered prospectus” or an “advertisement”, as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the “**CIPC**”) in respect of the Issue. As a result, this Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the “**FAIS Act**”), and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licenced as such under the FAIS Act.

### **South Korea (Republic of Korea)**

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea (“**South Korea**”) (the “**FISCMA**”)) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder (“**Professional Investors**”) and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

### **Switzerland**

The offering of the Equity Shares offered in the Issue in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (“**FinSA**”) because such offering in Switzerland is directed only at investors classified as “professional clients” within the meaning of the FinSA and the Equity Shares offered in the Offer will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Issue.

No key information document under article 58 of the FinSA or article 59(2) of the FinSA in respect of the Issue has been prepared and published. Accordingly, the Equity Shares offered in the Issue may not be offered to “private clients” within the meaning of the FinSA in Switzerland.

Each person in Switzerland who acquires Equity Shares in the Issue shall be deemed to have represented to our Company and the Book Running Lead Managers that it is a “professional client” within the meaning of the FinSA and that it has not opted-in to be treated as a “private client” on the basis of article 5(5) of the FinSA.

This document is not intended to constitute an advertising document within the meaning of article 68 of the FinSA and article 95 of the Swiss Federal Financial Services Ordinance.

The Equity Shares do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority (“**FINMA**”) thereunder. Accordingly, neither the Equity Shares nor the Shareholders benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by FINMA.

### **United Arab Emirates (excluding the Dubai International Financial Centre)**

No offering, marketing, promotion, advertising or distribution (collectively, “**Promotion**”) of this Placement Document or the Equity Shares may be made in the United Arab Emirates (the “**UAE**”) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the “**SCA**”) and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors’ Chairman Decision no. (3/R.M.) of 2017 (the “**Promotion and Introduction Regulations**”), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of this Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, this Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of this Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Placement Document and nor does any such entity accept any liability for the contents of this Placement Document.

### ***Dubai International Financial Centre***

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the “**DFSA**”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. This Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved this Placement Document nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

### **United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as “relevant persons”). This Placement Document is directed only at relevant persons. Other persons should not act on this Placement Document or any of its contents. This Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

### **United States**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in “*Purchaser Representations and*



*Transfer Restrictions*” on page 236. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in “*Purchaser Representations and Transfer Restrictions*” on page 236.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

## PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

*Due to the following restrictions, investors are advised to consult their legal counsel prior to subscribing for Equity Shares offered in the Issue or making any resale, pledge or transfer of the Equity Shares purchased in the Issue.*

Pursuant to Chapter VI of the SEBI ICDR Regulations, the Equity Shares Allotted in the Issue are not permitted to be sold for a period of one year from the date of Allotment, except on floor of the BSE or the NSE. Due to the following restrictions, investors are advised to consult their respective legal counsels prior to Bidding for the Equity Shares or making any offer, resale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the BSE or the NSE. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to an investment in the Equity Shares and related matters concerning the Issue.

The Equity Shares Allotted in the Issue are also subject to the resale restrictions in “*Selling Restrictions*” on page 227 and the following resale restrictions.

### United States

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the Book Running Lead Managers as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- It was outside the United States at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any “directed selling efforts” (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It agrees to indemnify and hold our Company and the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- It acknowledges that our Company, the Book Running Lead Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.



## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from the documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.*

### **The Indian securities market**

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

### **Indian stock exchanges**

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (“**SCR (SECC) Regulations**”), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### **BSE**

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

### **NSE**

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

### **Listing and delisting of securities**

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company’s obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange’s governing body and withdraw recognition of a recognized stock exchange.

Further, SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### **Minimum level of public shareholding**

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company is required to bring its public shareholding to a minimum of 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold, in the manner specified by SEBI. Further, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements.

### **Index-based market-wide circuit breaker system**

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 5%, 10% and 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

### **Internet-based securities trading and services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI and other applicable laws. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

### **Trading hours**

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

### **Trading procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE on-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform ("BOLT+") through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("NEAT"), which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

## **SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

## **Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/ voting rights/ control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The Takeover Regulations were amended on June 22, 2020, to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures ("SDD").

## **Prohibition of SEBI Insider Trading Regulations**

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the earlier regulations of 1992. The SEBI Insider Trading Regulations prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("UPSI"), subject to certain limited exceptions. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

Further, the SEBI Insider Trading Regulations makes it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders.

The SEBI Insider Trading Regulations also provides for initial and continuing disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. Initial disclosures are required from promoters, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of 10 lakh rupees over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees

for compliances with the SEBI Insider Trading Regulations. The definition of “insider” includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company. On July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

### **Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

### **Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

### **Buy-back**

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013 and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.



## DESCRIPTION OF THE EQUITY SHARES

*The following is the information relating to the share capital of our Company including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

### Share capital

The authorised share capital of our Company is ₹ 1,26,00,00,000 comprising 22,20,00,000 Equity Shares bearing face value of ₹ 5 each and 75,00,000 Preference Shares bearing face value of ₹ 20 each. As on the date of this Placement Document, the issued, subscribed and paid-up share capital of our Company is ₹ 1,06,11,55,170 comprising 21,22,31,034 Equity Shares of face value of ₹ 5 each. The Equity Shares are listed on BSE and NSE. For further details, please refer to the section titled “*Capital Structure*” on page 89.

### Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders at the AGM held each fiscal year. The dividend on equity shares can be declared/paid only after declaration/payment of applicable dividend on equity shares. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal year except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal year(s) arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

According to the Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board. Subject to the provisions of the Companies Act, 2013, our Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of our Company. Our Board may, before recommending any dividend, set aside out of the profits of our Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of our Board, be applicable for any purpose to which the profits of our Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of our Company or be invested in such investments (other than Equity Shares of our Company) as our Board may, from time to time, think fit. Our Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Under the Companies Act, 2013, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

### Issue of bonus shares and capitalization of reserves

In addition to permitting dividends to be paid out of current or retained earnings, as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid-up bonus shares. Bonus shares must be distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. Further, as per the Companies Act, 2013, bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/ interest payments on fixed deposits or debt securities issued by it. The bonus issue must be made out of free reserves built out of profits or share premium

account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

### **Pre-emptive rights and alteration of share capital**

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. Under Section 62(1)(a) of the Companies Act, 2013, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Our Articles of Association provide that our Company may, from time to time, by ordinary resolution in its general meetings, undertake any of the following:

- increase the share capital by such sum, to be divided into shares of such amounts as it thinks appropriate;
- divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with others;
- cancel shares which are the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled; and
- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

### **Preference shares**

Subject to Section 55 of the Companies Act, 2013, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the conditions provided in the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended.

Our Articles of Association provide that our Company shall have power to issue, subject to the provisions of the Companies Act, 2013 and consent of our Board, any preference shares on the terms that they are, or at the option of our Company, liable to be redeemed on such terms and in any manner permissible under the Companies Act, 2013 and the Directors may, subject to the applicable provisions of the Companies Act, 2013, exercise such power as they deem fit and provide for redemption at a premium or otherwise as they deem fit.

### **General meetings of Shareholders**

There are two types of general meetings of the Shareholders:

- (i) Annual General Meeting, and
- (ii) Extraordinary General Meeting.

As per the provisions of our Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Company shall, in addition to any other meetings, hold a general meeting which shall be styled as an Annual General Meeting at intervals and in accordance with the following provisions: (a) our Company shall hold its Annual General Meetings within such intervals as are

specified in Section 96 read with Section 129 of the Companies Act, 2013 and subject to the provisions of Section 96(2) of the Companies Act, 2013 at such times and places as may be determined by our Board.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting. Further, our Board may call an Extraordinary General Meeting on requisition in compliance with the provisions of the Companies Act, 2013.

Whenever our Company proposes to undertake any action that statutorily requires the approval of the Shareholders of our Company, our Company shall call for an Extraordinary General Meeting in accordance with the provisions of the Companies Act, 2013 by serving at least 21 days' written notice to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the Extraordinary General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof).

Our Company may also pass resolutions by means of postal ballot and/or other ways as may be prescribed under Section 110 of the Companies Act, 2013 and/or other applicable provisions, if any, and any future amendments or re-enactments, in respect of any business that can be transacted by our Company in a general meeting, instead of transacting the business therein. Further, in the case of resolutions relating to such business as the Government of India may prescribe, to be conducted only by postal ballot and/or other ways as may be prescribed, our Company shall get such resolutions passed only by postal ballot and/or other ways as may be prescribed, instead of transacting the business in a general meeting of the Company.

### **Voting rights**

At a general meeting, every member holding shares is entitled to vote through e-voting process. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to our Company's total paid up capital. The Chairman of the meeting has a casting vote or second vote. Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of the company.

On a show of hands, every member holding Equity Shares and present in person shall have one vote. On a poll, every member holding Equity Shares in our Company shall have voting rights in proportion to his share of the paid-up equity share capital. In the case of joint holders, any one of such holders may vote at any meeting personally or by proxy in respect of such share, as if he were solely entitled thereto, and if more than one of such members be present at any meeting, either personally or by proxy, then one of the said members so present whose name stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof. Further, upon a show of hands or upon a poll, the voting right of every member holding preference shares shall be subject to the provisions of Section 47 of the Companies Act, 2013. A member who is of unsound mind may vote whether on a show of hands or a poll by his committee or any other legal guardian and such person may give their votes by proxy.

Any business other than upon which a poll has been demanded may be proceeded with, pending the taking of the poll. No Shareholder shall be entitled to exercise any voting right, either personally or by proxy at any meeting of the Company unless all calls or other sums presently payable by him in respect of the shares in the Company have been paid, or in regard to which the Company has exercised any right of lien. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the meeting, whose determination made in good faith shall be final and conclusive.

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the Registered Office of our Company at least 48 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by our Company

at the Registered Office before the vote is given. However, the chairman of that meeting shall be entitled to require such evidence as he may think fit, of the due execution of the instrument of proxy and that such instrument has not been revoked.

### **Transfer and transmission of Equity Shares**

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty; however, subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold). Our Company has entered into an agreement for such depository services with the NSDL and CDSL. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable, subject to applicable laws.

The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognised in the name of such member, and in case of the death of anyone or more of the joint holders of any registered Equity Share, the survivor shall be the only person recognised by the Company as having any title to or interest in such Equity Share. However, the above stated shall not release the estate of a deceased joint holder from any liability in respect of any Equity Share which had been jointly held by him with other persons.

If any person becoming entitled to Equity Shares in consequence of the death of a Shareholder, elects to be registered as holder of the Equity Share himself, he shall deliver or send to the Company, a notice signed by him stating that he so elects. If the said person elects to transfer the Equity Shares, he shall testify his election by executing an instrument of transfer of the Equity Shares. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic, insolvent, bankrupt shareholder had transferred the Equity Share(s) before his death, lunacy, bankruptcy or insolvency.

Any person becoming entitled to Equity Shares by reason of the death, lunacy, bankruptcy or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, 2013, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

### **Registration of transfers and register of members**

Our Company is required to maintain a register of members wherein the particulars of the members of our Company are entered. We recognize as shareholders only those persons whose names appear on the register of shareholders and cannot recognize any person holding any share or part of it upon any express, implied or constructive trust, except as permitted by law. In respect of electronic transfers, the depository transfers shares by entering the name of the purchaser in its books as the beneficial owner of the shares. In turn, the name of the depository is entered into our records as the registered owner of the shares. The beneficial owner is entitled to all the rights and benefits as well as the liabilities with respect to the shares held by a depository.

For the purpose of determining the shareholders, entitled to corporate benefits declared by our Company, the register may be closed for such period as the Board of Directors may deem expedient, subject to such period not exceeding the number of days as may be prescribed under applicable laws including the provisions of the Companies Act. Under the SEBI Listing Regulations of the stock exchanges on which our Company's outstanding Equity Shares are listed, our Company may, upon at least seven working days' (excluding the date of intimation and the record date) advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of Equity Shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

### **Directors**

The Articles of Association provide that the number of Directors on the Board shall not be less than three and not more than fifteen. The Articles of Association also permit our Directors to appoint any other person as a director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum

number of 15, as fixed under the Articles of Association. However, any director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated, but shall be eligible for re-election at such meeting.

#### **Acquisition by our Company of its own Equity Shares**

The Company is permitted to buy-back its securities including shares in accordance with the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (including any future amendments or re-enactments) and as per the rules and procedures prescribed therein and in compliance with any related SEBI regulations, as well as other the prevailing regulatory provisions and guidelines.

#### **Liquidation rights**

In the event of our winding up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. The liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Winding up**

As per the provisions of our Articles of Association, our Company may be wound up in accordance with the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016, as amended (to the extent applicable). If our Company shall be wound up, the liquidator may with the sanction of special resolution of our Company and any other sanctions as required by the Companies Act, 2013 divide amongst the shareholders, in specie or kind the whole or any part of the assets of the Company.

## TAXATION

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO CELLO WORLD LIMITED (FORMERLY KNOWN AS CELLO WORLD PRIVATE LIMITED) (“THE COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

July 3, 2024

To  
The Board of Directors  
**Cello World Limited**  
(formerly known as Cello World Private Limited)  
Cello House, Corporate Avenue  
B Wing, 8th Floor  
Sonawala Road, Goregaon (East)  
Mumbai – 400 063  
Maharashtra, India

Dear Sirs,

#### **Sub: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws**

We refer to the proposed Qualified Institutional Placement of equity shares (the “**Issue**”) of Cello World Limited (formerly known as “Cello World Private Limited) (the “**Company**”). We enclose herewith the statement (the “**Annexure**”) showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “**GST Act**”), the Customs Act, 1962 (“**Customs Act**”) and the Customs Tariff Act, 1975 (“**Tariff Act**”) (collectively the “**Taxation Laws**”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2024-2025 relevant to the financial year 2023-24 for inclusion in the Preliminary Placement Document and Placement Document (together known as “**Issue Documents**”) for the proposed Qualified Institutional Placement offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”).

Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and/or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions which is based on business imperatives the Company may face in the near future and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. The Annexure covers only possible special direct and indirect tax benefits available and does not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company and/or its Shareholders will continue to obtain these possible special tax benefits in future;
- The conditions prescribed for availing these possible special tax benefits have been/would be met with;

- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its shareholders in the Issue Documents for the proposed Qualified Institutional Placement offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the “**Stock Exchanges**”) where the equity shares of the Company are proposed, as applicable, provided that the below statement of limitation is included in the Issue Documents.

#### **LIMITATIONS**

*Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the qualified institutional placement offer relying on the statement and the Annexure. This statement has been prepared solely in connection with the proposed qualified institutional placement offering of equity shares of the Company under the ICDR Regulations.*

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm’s Registration No. 117366W/W-100018)

**Mehul Parekh**  
(Membership No. 121513)  
(UDIN: 24121513BKEPIX4675)

Place: Mumbai  
Date: July 3, 2024

## **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO CELLO WORLD LIMITED (FORMERLY KNOWN AS CELLO WORLD PRIVATE LIMITED) (“THE COMPANY”) AND ITS SHAREHOLDERS (“SHAREHOLDERS”)**

The information provided below sets out the possible certain key direct tax benefits available to Cello World Private Limited (“**the Company**”) and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the Income-tax Act, 1961 (“the Act”).

Several of these benefits are dependent on the Company/ shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company/ shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives, the Company/ shareholders may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company/ shareholders will continue to obtain these benefits in present or future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

In view of the individual nature of the tax consequences and the changing tax laws, investors are advised to consult their own tax consultants with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising investors to invest money or not to invest money based on this statement.

The statement below covers only certain relevant direct tax benefits and does not cover any indirect tax benefits or benefits under any other law.

The statement outlined below is based on the provisions of the Act presently in force in India. The Central Government is likely to introduce the updated Finance Bill 2024 as applicable for Financial Year (“**FY**”) ending 31 March 2025 relevant to the Assessment Year (“**AY**”) 2025-26, the provisions of which since currently not known are not considered.

### **I. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

#### **1. Lower corporate tax rate under section 115BAA of the Act:**

As per section 115BAA of the Act as inserted vide the Taxation Laws (Amendment) Act, 2019 with effect from FY 2019-20 relevant to AY 2020-21, a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess of 4%) provided the company does not avail of specified exemptions/ incentives/ deductions or set-off of losses/ unabsorbed depreciation etc. claims depreciation in the prescribed manner and complies with the other conditions specified in section 115BAA of the Act.

In case a company opts for section 115BAA of the Act, the provisions of Minimum Alternate Tax (“**MAT**”) under section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available for set-off.

The option needs to be exercised in the prescribed manner qua a particular AY on or before the due date of filing the income-tax return for such AY. The option once exercised shall apply to subsequent AYs and cannot be subsequently withdrawn for the same or any other AY. Further, if the conditions mentioned in section 115BAA of the Act are not satisfied in any AY, the option exercised shall become invalid in respect of such AY and subsequent AYs, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

#### **2. Deductions from Gross Total Income**

##### ***Deduction in respect of employment of new employees – section 80JJAA of the Act:***

As per section 80JJAA of the Act, while computing income under the head business and profession in case of an assessee to whom section 44AB (i.e., tax audit) applies, a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in the FY, shall be allowed for three AYs including the AY relevant to the FY in which such employment is provided. The Company is entitled to claim such deduction



subject to fulfilment of conditions specified under section 80JAA of the Act even under the concessional regime under section 115BAA of the Act.

***Deduction in respect of inter-corporate dividends – section 80M of the Act:***

Up to 31 March 2020, any dividend paid to a shareholder by a company was liable to payment of Dividend Distribution Tax (“DDT”) by such company, and the dividend was exempt from tax in the hands of the recipient shareholder. Pursuant to the amendment made by the Finance Act, 2020, DDT was abolished, and dividend received by a shareholder on or after 1 April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid.

With respect to a shareholder which is a domestic company as defined in section 2(22A) of the Act, section 80M inter alia provides that where the gross total income of a domestic company in any FY includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of the said section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the “due date”. For the purposes of the section, “due date” means the date one month prior to the date for furnishing the income-tax return under section 139(1) of the Act.

The Company is entitled to claim such deduction subject to fulfilment of conditions specified under section 80M of the Act even under the concessional regime under section 115BAA.

**II. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

As per section 194 of the Act, the Company is required to deduct tax at source from the amount of dividend paid to shareholders, except in the case of certain categories of shareholders as specified in the said section which inter alia include individual shareholders receiving dividend not exceeding INR 5,000 (in aggregate during a FY) by any mode other than cash.

Further, as discussed above, subject to fulfillment of conditions, deduction shall be available under section 80M of the Act to domestic corporate shareholders in respect of inter-corporate dividends.

Section 2(42A) of the Act provides that securities (other than units) listed in a recognized stock exchange in India that are held for not more than 12 months immediately preceding the date of its transfer, shall constitute short-term capital assets.

As per Section 111A of the Act, short term capital gains arising from the transfer of an equity share shall be taxed at 15% (plus applicable surcharge and cess) subject to fulfilment of prescribed conditions under the Act.

Further, as per section 112A of the Act, long-term capital gains exceeding INR 1,00,000 arising from the transfer of equity shares in a company transacted through a recognized stock exchange on which STT has been paid on acquisition (except in certain situations) and on transfer, shall be chargeable to tax at the rate of 10% (plus applicable surcharge and cess) without applying the benefit under the first and second provisos to section 48 of the Act.

The condition of STT shall not apply to a transfer undertaken on a recognized stock exchange located in any IFSC and where the consideration for such transaction is received or receivable in foreign currency.

Finance Act, 2023 has amended section 115BAC of the Act to provide that with effect from FY 2023-24 relevant to AY 2024-25, Individuals, HUF, Association of Persons (other than a co-operative society), Body of Individuals and Artificial Juridical Person will be taxed on its total income at the reduced tax rates (‘New Tax Regime’). The income would however have to be computed without claiming prescribed deductions or exemptions.

Such person will however have the option to be taxed on its total income as per the tax rates under the old tax regime. The option is required to be exercised – (i) on or before the due date specified under section 139(1) of the Act for furnishing the income-tax return for such AY, in case of a person having income from business or profession and such option once exercised shall apply to subsequent AYs; or (ii) along with the income-tax return to be furnished under section 139(1) of the Act for every AY in case of a person not having income from business or profession.

A person having income from business or profession who has exercised the option of shifting out of the New Tax Regime shall not be able to exercise the option of opting back to the New Tax Regime till he has business income. However, a person not having income from business or profession shall be able to exercise this option every year.

**Notes:**

1. This statement does not discuss any tax consequences arising in a country outside India pursuant to an investment in the shares of the Company. The shareholders in the country outside India are advised to consult their own professional advisors regarding the possible tax consequences that apply to them in such country outside India.

2. In respect of non-resident shareholders, the taxation and tax rates discussed above may be further subject to any benefit available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile. Applicability of DTAA benefit shall be subject to furnishing of relevant documents/declarations viz. tax residency certificate, Form 10F, etc. by the non-resident shareholders.

3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which is subject to change from time to time. We do not assume responsibility to update the views consequent to such changes

**STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY**

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as “Indirect tax”).

**I. POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special indirect tax benefits available to the Company.

**II. POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

There are no special indirect tax benefits available to the shareholders of the Company.

**STATEMENT OF SPECIAL POSSIBLE TAX BENEFITS TO THE MATERIAL SUBSIDIARIES OF THE COMPANY UNDER THE APPLICABLE LAWS IN INDIA**

Date: July 3, 2024

To,

**The Board of Directors**  
**Cello World Limited**  
597/2A, Somnath Road,  
Dabhel, Nani,  
Daman 396 210,  
Daman and Diu, India

**Sub: Qualified Institutions Placement of equity shares of face value ₹ 5 each (“Equity Shares”) by Cello World Limited (the “Company”) under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and Sections 42 and 62 of the Companies Act, 2013 (such placement, the “Issue”).**

Dear Ladies and Gentlemen,

We, **Jeswani & Rathore**, (Firm Registration Number: **104202W**), are independent chartered accountants, appointed by the Company in relation to the Issue.

1. We hereby confirm that the enclosed Annexure -A , prepared by the Company, provides the possible tax benefits available to the following material subsidiaries of the Company as detailed in the table below (“**Material Subsidiaries**”) under the Income-tax Act, 1961 (“the Act”), the Income-tax Rules, 1962, each as amended by the Finance Act 2023, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 presently in force in India (referred to as the “Tax Laws”). Several of these benefits are dependent on the Material Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Material Subsidiaries to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Material Subsidiaries faces in the future, the Material Subsidiaries may or may not choose to fulfil.

Sl. No	Name of Material Subsidiary	Country
1	Cello Industries Pvt Ltd	India
2	Cello Household Products Pvt Ltd	India
3	Wim Plast Ltd.	India
4	Unomax Stationery Private Limited	India

2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue each by the Company in a Qualified Institutions Placement in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. We are neither suggesting nor advising the investors to invest in the Offering relying on this statement.
3. We do not express any opinion or provide any assurance as to whether:
  - i) the Material Subsidiaries will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and the Material Subsidiaries and on the basis of their understanding of the business activities and operations of the Material Subsidiaries.

This Statement is issued solely in inclusion in the Preliminary Placement Document (“**PPD**”) and the Placement Document (“**PD**”) in connection with the Issue, to be filed by the Company with the National Stock Exchange of India Limited and BSE Limited, and is not to be used, referred to or distributed for any other purpose.

Yours faithfully,

**For Jeswani & Rathore**

**Chartered Accountants**

Firm Registration Number: **104202W**

Peer Review Certificate Number: **014992**

**Dhiren K Rathore**

**Partner**

Membership Number: **115126**

Place: Mumbai

UDIN: 24115126BKCYED5065

## Annexure A

**Annexure to the Statement of Possible Special Tax Benefits available to the Material Subsidiaries under the Income Tax Act, 1961 (“the IT Act”) and other direct tax laws, and indirect tax laws presently in force in India.**

### **A. Special tax benefits available to the Material Subsidiaries in India under the IT Act, as amended by the Finance Act 2023 and other direct tax laws.**

#### **1. Lower corporate tax rate on income of domestic companies – Section 115BAA of the IT Act**

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate is available from Financial Year (‘FY’) 2019-20 relevant to Assessment Year (‘AY’) 2020-21 and the option once exercised through filing of Form 10IC on the Income tax portal shall apply to subsequent assessment years. The concessional tax rate of 22% is subject to the company not availing any of the following deductions under the provisions of the IT Act:

- Section 10AA: Tax holiday available to units in a Special Economic Zone;
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/33ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge of 10% and health and education cess of 4%) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the IT Act. Further, provisions of Minimum Alternate Tax (‘MAT’) under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

#### **2. Deductions in respect of employment of new employees – Section 80JJAA of the IT Act**

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfillment of prescribed conditions specified in sub-section (2) of section 80JJAA of the IT Act. The company is presently not claiming deduction under section 80JJAA of the IT Act. However, this deduction could be claimed in the future subject to fulfillment of the conditions discussed above.

#### **3. Deductions in respect of specified expenditure**

In accordance with and subject to the fulfillment of conditions as laid out under section 35D of the IT Act, the company may be entitled to amortize preliminary expenditure, being specified expenditure incurred in connection with the issue for public subscription or such other expenditure as prescribed under section 35D of the IT Act, subject to the limit specified therein (viz maximum 5% of the cost of the project or 5% of the capital employed in the business of the company).

The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or as the case may be, the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.

With effect from 01 April 2024, the company shall be required to furnish a statement containing the particulars of expenditures specified u/s 35D of the Act to such income tax authority, which shall be prescribed in the due course by the CBDT.

#### **B. Special Indirect tax benefits available to the Material Subsidiaries**

The Material Subsidiaries are not entitled to any special tax benefits.

#### **Notes:**

1. These special tax benefits are dependent on the Material Subsidiaries fulfilling the conditions prescribed under the Income tax regulations. Hence, the ability of the Material Subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Material Subsidiaries may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement is prepared on the basis of information available with the management of the Material Subsidiaries and there is no assurance that:
  - (i) the Material Subsidiaries will continue to obtain these benefits in future;
  - (ii) the conditions prescribed for availing the benefits have been/ would be met with; and
  - (iii) the revenue authorities/courts will concur with the view expressed herein.
4. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.
5. The above Statement of Possible Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

## LEGAL PROCEEDINGS

*Our Company, Subsidiaries, Promoters and Directors are involved in certain legal proceedings from time to time, which are primarily in the nature of civil suits, tax disputes and petitions pending before various authorities.*

*As on date of this Placement Document, except as disclosed below, there are no outstanding litigation, suits, including any tax proceedings or any other claims, disputes, legal or show cause notices, investigations or complaints determined as material in accordance with the Company's "Policy for Determination of Material/Price Sensitive Information" framed in accordance with Regulation 30 of the SEBI Listing Regulations ("Materiality Policy"). The SEBI ICDR Regulations mandate legal proceedings to be disclosed in accordance with the materiality policy framed under the SEBI Listing Regulations. Accordingly, all outstanding civil proceedings individually involving (which includes cases filed by and against) our Company, Subsidiaries, Promoters and Directors, where the amount involved exceeds 2.00% of the net worth as per the audited consolidated financial statements of the Company for the latest financial year, i.e. Fiscal 2024, which is equivalent to ₹ 2,298.44 lakhs, or above ("Materiality Threshold") shall be considered material and shall be disclosed in this Placement Document. The Materiality Threshold was approved by our QIP Committee pursuant to its resolution dated July 3, 2024.*

*In addition to disclosing the cases above Materiality Threshold involving our Company, Promoters, Directors and Subsidiaries, our Company has also disclosed in this section, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section of this Placement Document, to the extent applicable: (i) all outstanding criminal proceedings involving our Company, our Subsidiaries, our Promoters, and our Directors; (ii) all outstanding actions initiated (including any show-cause notices received) by any regulatory and/ or statutory authorities such as SEBI or such similar authorities or stock exchanges, involving our Company, our Subsidiaries, our Promoters and our Directors; (iii) consolidated disclosure of all outstanding tax (direct and indirect) proceedings (including show cause notices) involving our Company, Directors, our Promoters and our Subsidiaries; (iv) any other outstanding litigation involving our Company, Directors, Promoters and our Subsidiaries wherein the aggregate amount involved is not quantifiable, but which, in view of our Company, could have a material adverse effect on the business or operations of our Company.*

*Further, as on the date of this Placement Document, except as disclosed below, (i) there is no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against our Promoters during the last three years immediately preceding the year of this Placement Document and no directions have been issued by such ministry or department of statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of this Placement Document for our Company and our Subsidiaries, and no prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document for our Company and Subsidiaries; (iii) there are no defaults by our Company in the repayment of statutory dues, dues payable to instrument holders like holders of any debentures and interest thereon, in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon, as of the date of this Placement document; (iv) there are no material frauds committed against our Company in the last three years; (v) there are no defaults in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; and (vii) there are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document.*

*It is clarified that for the purposes of the above pre-litigation notices received by any of the Company, its Subsidiaries, Directors and Promoters from third parties (excluding statutory / regulatory / governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of the Company, its Subsidiaries, Directors and Promoters are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced and accordingly have not been disclosed in this section.*

*Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.*

## **I. Litigation involving our Company**

### **A. Criminal proceedings involving our Company**

*Against our Company*

Nil

*By our Company*

Our Company has initiated five proceedings in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881, as amended. The aggregate amount involved in these proceedings is approximately ₹ 18.99 lakhs. These proceedings are pending at various stages of adjudication before various courts.

### **B. Material civil proceedings involving our Company**

*Against our Company*

Nil

*By our Company*

Nil

### **C. Actions taken by regulatory and statutory authorities involving our Company**

Nil

## **II. Litigation involving our Subsidiaries**

### **A. Criminal proceedings involving our Subsidiaries**

*Against our Subsidiaries*

Nil

*By our Subsidiaries*

- (a) One of our Subsidiaries, Wim Plast Limited has initiated 20 proceedings in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881, as amended. The aggregate amount involved in these proceedings is approximately ₹ 101.61 lakhs. These proceedings are pending at various stages of adjudication before various courts.
- (b) One of our Subsidiaries, Cello Industries Private Limited has initiated three proceedings in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881, as amended. The aggregate amount involved in these proceedings is approximately ₹ 18.83 lakhs. These proceedings are pending before the Metropolitan Magistrate Court, Borivali in Mumbai, Maharashtra.
- (c) One of our Subsidiaries, Cello Household Products Private Limited has initiated a proceeding in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881, as amended. The aggregate amount involved in this proceeding is approximately ₹ 2.22 lakhs. This proceeding is pending before the Metropolitan Magistrate Court, Borivali in Mumbai, Maharashtra.

### **B. Material civil litigation involving our Subsidiaries**

*Against our Subsidiaries*

Nil

*By our Subsidiaries*



Nil

**C. Actions taken by regulatory and statutory authorities involving our Subsidiaries**

Nil

**III. Litigation involving our Directors**

**A. Criminal proceedings involving our Directors**

*Against our Directors*

Nil

*By our Directors*

Our Promoter and Joint Managing Director, Pankaj Ghisulal Rathod has initiated a proceeding against Roop Ramchandani in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881, as amended. The aggregate amount involved in this proceeding is approximately ₹ 0.84 lakhs. This proceeding is pending before the Metropolitan Magistrate Court, Borivali in Mumbai, Maharashtra

**B. Material civil litigation involving our Directors**

*Against our Directors*

A commercial suit was filed by BIC Clichy (“**Plaintiffs**”) against our Promoter, Chairman and Managing Director, Pradeep Ghisulal Rathod, our Promoters and Joint Managing Directors, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod (“**Defendants**”) in 2017 before the Bombay High Court. By way of the aforementioned suit, the Plaintiffs sought to enforce a non-compete arrangement entered into with the Defendants as provided for in clauses 9.3 and 9.4 of the shareholders’ agreement dated January 21, 2009 read with the amendment agreement dated December 9, 2015 (“**2009 Shareholders’ Agreement**”) entered into between, *inter alia*, the Plaintiffs and the Defendants and desist the Defendants from carrying on any business which competed with the writing instruments business purchased by the Plaintiffs from, *inter alia*, the Defendants by way of the 2009 Shareholders’ Agreement. The Plaintiffs alleged that the Defendants had breached the aforementioned clauses of the 2009 Shareholders’ Agreement by way of carrying on a competing business for manufacture, distribution and/ or sale of writing instruments and components thereof, and had allegedly, by means of their affiliates canvassed and solicited customers and employees of the target companies, as provided for in the 2009 Shareholders’ Agreement. The Plaintiffs also sought compensation from the Defendants for the alleged loss suffered by the Plaintiffs on account of the competing business, for an amount of ₹ 8,415.80 lakhs. The matter is currently pending before the Bombay High Court.

*By our Directors*

Nil

**C. Actions taken by regulatory and statutory authorities involving our Directors**

Nil

**IV. Litigation involving our Promoters**

**A. Criminal proceedings involving our Promoters**

*Against our Promoters*

Nil

*By our Promoters*

Our Promoter and Joint Managing Director, Pankaj Ghisulal Rathod has initiated a proceeding against Roop Ramchandani in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881. For further details, please see “– III. Litigation involving our Directors – A. Criminal Proceedings involving our Directors – By our Directors” on page 259.

**B. Material civil litigation involving our Promoters**

*Against our Promoters*

A commercial suit has been filed by BIC Clichy against our Promoter, Chairman and Managing Director, Pradeep Ghisulal Rathod and our Promoters and Joint Managing Directors, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod. For further details, please see “– III. Litigation involving our Directors – B. Material civil litigation involving our Directors – Against our Directors” on page 259.

*By our Promoters*

Nil

**C. Actions taken by regulatory and statutory authorities involving our Promoters**

Nil

**V. Other outstanding litigation involving our Company, Directors, Promoters and Subsidiaries wherein the aggregated amount involved is not quantifiable, but which could have a material adverse effect on the business and operations of our Company**

Nil

**VI. Tax proceedings involving our Company, our Directors, Promoters and our Subsidiaries**

We have set out below claims relating to direct and indirect taxes involving our Company, Directors, Promoters and our Subsidiaries, as on the date of this Placement Document, giving details of number of cases and total amount involved in all such claims:

Nature of proceedings	Number of outstanding proceedings	Amount involved (in ₹ lakhs)*
<b>Company</b>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
<b>Directors</b>		
Direct tax	1	30.11
Indirect tax	Nil	Nil
<b>Promoters</b>		
Direct tax	1	30.11
Indirect tax	Nil	Nil
<b>Subsidiaries</b>		
Direct tax	9	246.00
Indirect tax	3	472.20

\* To the extent quantifiable

**VII. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years**

Except as disclosed below, there have been no inquiries, inspections or investigations initiated or conducted against our Company or our Subsidiaries under the Companies Act or the Companies Act, 1956 in the last three years immediately preceding the year of issue of this Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company or our Subsidiaries:

Our Company received a notice dated November 13, 2023 from the RoC, whereby the RoC directed our Company to provide certain clarifications in relation to the submission of documents comprising part of the

material contracts and documents, required to be attached to the red herring prospectus of our Company dated October 21, 2023 (“**Red Herring Prospectus**”) filed with the RoC. Our Company, *vide* its letter dated December 22, 2023, submitted a clarification with the RoC, enclosing certain documents which could not be submitted along with the Form GNL-2 on the MCA portal, due to a technical glitch. Subsequently, on December 23, 2023, our Company received an approval from the RoC, with respect to the above submission. Further, in this regard, the RoC sent a follow-up letter dated June 6, 2024. Our Company is in the process of replying to the aforesaid letter from the RoC.

**VIII. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company**

There are no material frauds committed against our Company in the last three years preceding the date of this Placement Document.

**IX. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations**

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

**X. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon by our Company, on a consolidated basis**

Except as disclosed below, as on the date of this Placement Document, our Company, on a consolidated basis, has no outstanding defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution:

Sr. no.	Nature of default	Amount involved (in ₹ lakhs)		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Employee Provident Fund, Employees’ State Insurance Corporation, Labour Welfare Fund and Professional Tax	Nil	2.40	14.93
2	Tax Deducted at Source and Tax Collected at Source	44.20	45.45	44.50
3	Goods And Services Tax	5.97	18.86	214.65
4	Sales Tax	Nil	17.84	0.46
5	Central Sales Tax	1.11	Nil	0.10
	Total	51.28	84.56	274.65

**XI. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder**

As on the date of this Placement Document, our Company has not made any default in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder.

**XII. Litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoters during the last three years**

There is no litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoter during the last three years preceding the date of this Placement Document.

**XIII. Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks**

There are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited consolidated and standalone financial statements for the last five Fiscals preceding the date of this Placement Document.

## **STATUTORY AUDITORS**

In terms of the provisions of Sections 139, 142 and other applicable provisions of the Companies Act read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Deloitte Haskins & Sells LLP, Chartered Accountants, were appointed as the Statutory Auditors to fill the casual vacancy caused by the resignation of B P Shah & Co., Chartered Accountants, for the financial year ended March 31, 2023.

Subsequently, Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as Statutory Auditors for a period of five years from April 1, 2023 until March 31, 2028.

The audited consolidated financial statements for Fiscals 2023 and 2024 have been audited by our Statutory Auditors.

The audited consolidated financial statements for Fiscal 2022 and the special purpose audited consolidated financial statements for Fiscal 2022 were prepared by the previous auditor of our Company, B P Shah & Co., Chartered Accountants.

The peer review certificate of our Statutory Auditors is valid as of the date of this Placement Document.

## FINANCIAL INFORMATION

<b>Financial Statement</b>	<b>Page Number</b>
Audited Consolidated Financial Statements for Fiscal 2024	F-1 to F-120
Audited Consolidated Financial Statements for Fiscal 2023	F-121 to F-241
Special Purpose Audited Consolidated Financial Statements for Fiscal 2022	F-242 to F-348
Audited Consolidated Financial Statements for Fiscal 2022	F-349 to F-369

**Cello World Limited**  
***Consolidated Financial Information***  
Financial Year 2024

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Cello World Limited

(Formerly known as Cello World Private Limited)

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Cello World Limited (Formerly known as Cello World Private Limited) ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended on that date, and notes to the financial statements, including and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and an associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.





**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Inventory</b></p> <p>Refer Note 14 of the consolidated financial statements.</p> <p>The Group's inventory comprises of Raw materials, Semi-finished goods, Finished goods, Stock-in-trade, Packing Material and Stores and spares spread across geographically at multiple factories, warehouses and depots. These inventories are counted by the respective company on a periodical basis to verify its existence which also involves significant effort for observation of count by the auditor. Based on above, existence of inventories has been identified as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the entity's process and evaluated the design, implementation and tested the operating effectiveness of management's key internal controls relating to physical verification of inventories by the management.</li> <li>• For the sampled locations and inventories selected, we observed physical verification and verified the reconciliation of inventory counts with the book records.</li> <li>• In case of inventories held at third party locations, obtained direct confirmation of the inventory held by third party locations.</li> <li>• For Goods in Transit, verified subsequent inwards for such Inventories, on sample basis.</li> <li>• Tested the appropriateness of the disclosure in the consolidated financial statements in accordance with the applicable financial reporting framework.</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and an associate, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and an associate, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.





**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets of Rs.1,76,079.82 lakhs as at March 31, 2024, total revenues of Rs. 1,56,286.84 lakhs and net cash inflows amounting to Rs.249.15 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.47.15 lakhs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate is based solely on the reports of the other auditors.





Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and an associate referred to in the Other Matters section above, we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law maintained by the Group, its associates including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors, except for matters stated in (i)(vi) below.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and an associate company, incorporated in India, none of the directors of the Group companies and its associate company, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
  - g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and an associate company, incorporated in India, to which internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.



- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and an associate company, incorporated in India, the remuneration paid by the Parent, such subsidiary companies and an associate company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 41 to the consolidated financial statements;
  - ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, its subsidiary companies and an associate company, incorporated in India.
  - iv) (a) The respective Managements of the Parent, its subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and an associate respectively that, to the best of their knowledge and belief, as disclosed in note 48.5 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and an associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and an associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Parent, its subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and an associate respectively that, to the best of their knowledge and belief, as disclosed in note 48.6 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and an associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and an associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid during the year by a subsidiary, which is a company incorporated in India, whose financial statements have been audited under the Act, where applicable, is in accordance with section 123 of the Act, as applicable.

As stated in note 20.8 to the consolidated financial statements, the Board of Directors of the Parent and a subsidiary, which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiary at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks and reports of other auditors of subsidiaries and an associate which have been furnished to us by the Management of the Parent Company, the Parent, its subsidiaries and an associate company have used accounting software(s) for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s), except that audit trail was not enabled at the database level to log any direct data changes in respect of accounting software(s) maintained by the Parent and its subsidiary companies.

Further, during the course of our audit, we and the respective other auditors, whose reports have been furnished to us by the Management of the Parent Company, did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.



2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Mehul Parekh  
(Partner)  
(Membership No. 121513)  
(UDIN: 24121513BKEPFV6609)

Place: Mumbai  
Date: May 23, 2024





**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Cello World Limited (Formerly known as Cello World Private Limited) (hereinafter referred to as "the Parent"), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary companies and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and an associate, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate, which are companies incorporated in India.

**Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 9 subsidiary companies and an associate, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Mehul Parekh  
(Partner)  
(Membership No. 121513)  
(UDIN: 24121513BKEPFV6609)

Place: Mumbai  
Date: May 23, 2024





Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Consolidated Balance sheet as at March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1) Non-current assets</b>			
a) Property, plant and equipment	4	34,330.18	25,373.56
b) Capital work-in-progress	5	18,001.40	2,086.67
c) Right-of-use assets	8	1,618.18	1,756.47
d) Intangible assets	6	242.80	40.39
e) Intangible assets under development	7	-	478.15
<b>f) Financial assets</b>			
i) Investment in an associate	9	31.71	78.86
ii) Other Investments	9	5,534.24	4,981.14
iii) Loans	10	818.62	763.68
iv) Other financial assets	11	833.40	893.69
g) Deferred tax assets (net)	26	207.66	471.90
h) Income tax assets (net)	12	372.27	234.31
i) Other non-current assets	13	2,870.29	4,022.35
<b>Total non-current assets</b>		<b>64,860.75</b>	<b>41,181.17</b>
<b>2) Current assets</b>			
a) Inventories	14	46,215.35	42,975.99
<b>b) Financial assets</b>			
i) Investments	9	11,411.23	12,631.34
ii) Trade receivables	15	61,058.34	46,230.31
iii) Cash and cash equivalents	16	3,217.80	3,061.67
iv) Bank balances other than (iii) above	17	3,288.49	1,931.60
v) Loans	10	104.94	116.84
vi) Other financial assets	11	973.80	1,741.31
c) Other current assets	13	6,047.69	3,754.76
<b>Total current assets</b>		<b>1,32,317.64</b>	<b>1,12,443.82</b>
<b>Assets classified as held for sale</b>	18	-	<b>1,544.40</b>
<b>Total assets</b>		<b>1,97,178.39</b>	<b>1,55,169.39</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	19	10,611.55	9,750.00
b) Other equity	20	1,04,310.21	23,894.95
<b>Total equity attributable to owners of the Group</b>		<b>1,14,921.76</b>	<b>33,644.95</b>
<b>Non Controlling Interest</b>	21	<b>22,064.35</b>	<b>19,993.96</b>
<b>Total Equity</b>		<b>1,36,986.11</b>	<b>53,638.91</b>
<b>Liabilities</b>			
<b>1) Non-current liabilities</b>			
<b>a) Financial liabilities</b>			
i) Borrowings	23	2,773.76	866.16
ii) Lease liabilities	8.1	560.22	713.51
iii) Other financial liabilities	24	0.03	48,310.03
b) Provisions	25	252.82	250.13
c) Deferred tax liabilities (net)	26	1,259.05	840.57
<b>Total non-current liabilities</b>		<b>4,845.88</b>	<b>50,980.40</b>



Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Consolidated Balance sheet as at March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>2) Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	23	33,500.50	31,740.42
ii) Lease liabilities	8.1	236.73	190.60
iii) Trade payables	27		
(a) Total outstanding dues of micro and small enterprises		3,892.42	4,262.44
(b) Total outstanding dues of other than micro and small enterprises		10,526.14	9,154.28
iv) Other financial liabilities	24	4,228.25	1,669.18
b) Other current liabilities	29	2,479.19	3,037.63
c) Provisions	25	158.59	140.37
d) Current tax liability (net)	28	324.58	355.16
<b>Total current liabilities</b>		<b>55,346.40</b>	<b>50,550.08</b>
<b>Total equity and liabilities</b>		<b>1,97,178.39</b>	<b>1,55,169.39</b>
The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements.	1-53		

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants



Mehul Parekh  
Partner

Place: Mumbai  
Date: 23rd May, 2024

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)


Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527



Anul Parolia  
Chief Financial Officer

Place: Mumbai  
Date: 23rd May, 2024

Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572



Hemangi Trivedi  
Company Secretary  
M No.: A27603



Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Consolidated Statement of Profit and Loss for the year ended March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars		Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>				
I.	Revenue from operations	30	2,00,026.41	1,79,669.50
II.	Other income	31	2,506.74	1,673.98
III.	<b>Total income (I+II)</b>		<b>2,02,533.15</b>	<b>1,81,343.48</b>
<b>IV. Expenses</b>				
	(a) Cost of materials consumed	32	68,287.03	64,779.18
	(b) Purchases of stock-in-trade	33	27,220.34	30,889.88
	(c) Changes in inventories of finished goods, semi finished goods and stock- in-trade	34	(664.99)	(6,117.81)
	(d) Employee benefits expense	35	18,946.17	15,757.58
	(e) Finance costs	36	255.33	175.60
	(f) Depreciation and amortisation expense	37	5,674.60	5,032.54
	(g) Other expenses	38	35,267.31	32,306.88
	<b>Total expenses</b>		<b>1,54,985.79</b>	<b>1,42,823.85</b>
V.	<b>Less: Share of loss from an Associate</b>	22	(47.15)	(1.14)
V.	<b>Profit before tax (III-IV-V)</b>		<b>47,500.21</b>	<b>38,518.49</b>
<b>VI. Tax expenses</b>				
	(a) Current tax	39.1	11,439.27	10,162.63
	(b) Excess provision of tax relating to earlier years		(8.63)	(43.48)
	(c) Deferred tax expenses/(credit)		451.21	(105.74)
	<b>Total tax expense</b>		<b>11,881.85</b>	<b>10,013.41</b>
VII.	<b>Profit for the year (V-VI)</b>		<b>35,618.36</b>	<b>28,505.08</b>
<b>VIII. Other comprehensive income</b>				
(A) Items that will not be reclassified subsequently to profit or loss:				
	i) Remeasurement of net defined benefit liability	43	103.72	(58.71)
	ii) Income tax relating to above	39.2	(25.96)	15.33
(B) Items that may be reclassified subsequently to profit or loss:				
	i) Net change in fair values of investments other than equity shares carried at fair value through OCI		6.54	(42.13)
	ii) Income tax relating to above	39.2	(1.65)	10.60
IX.	<b>Other comprehensive income for the year, net of tax</b>		<b>82.65</b>	<b>(74.91)</b>



Cello World Limited  
 (Formerly known as Cello World Private Limited)  
 CIN: U25209DD2018PLC009865  
 Consolidated Statement of Profit and Loss for the year ended March 31, 2024  
 All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>X. Total comprehensive income for the year (VII+IX)</b>		<b>35,701.01</b>	<b>28,430.17</b>
<b>Profit for the year Attributable to</b>			
- Owners of the group		33,106.26	26,612.73
- Non Controlling Interest		2,512.10	1,892.35
<b>Other Comprehensive Income/(Loss) for the year Attributable to</b>			
- Owners of the group		64.45	(58.64)
- Non Controlling Interest		18.20	(16.27)
<b>Total comprehensive income for the year Attributable to</b>			
- Owners of the group		33,170.71	26,554.09
- Non Controlling Interest		2,530.30	1,876.08
<b>XI. Earning per share of face value of ₹ 5/- each</b>	40		
Basic ( in ₹ )		15.60	13.65
Diluted ( in ₹ )		15.60	13.17
The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements.	1-53		

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP  
 Chartered Accountants



Mehul Parekh  
 Partner

Place: Mumbai  
 Date: 23rd May, 2024



For and on behalf of Board of Directors of  
 Cello World Limited  
 (Formerly known as Cello World Private Limited)

Pradeep G Rathod  
 Chairman & Managing Director  
 DIN: 00027527



Atul Parolia  
 Chief Financial Officer

Place: Mumbai  
 Date: 23rd May, 2024

Pradeep G Rathod  
 Joint Managing Director  
 DIN: 00027572



Hemangi Trivedi  
 Company Secretary  
 M No.: A27603





Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Consolidated Statement of Cashflow for the year ended March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(A) Cash flows from operating activities</b>		
Profit before tax	47,500.22	38,518.49
<b>Adjustments for:</b>		
Share of loss from an Associate	47.15	1.14
Interest income	(719.89)	(250.06)
Dividend on mutual funds	(60.52)	(61.40)
Net gain on investments	(958.89)	(537.00)
Foreign exchange gain (Net)	(329.73)	-
Sundry balances written off	210.24	704.31
Sundry credit balances written back	(38.34)	(31.92)
Profit on sale of Property, plant and equipment	(377.50)	(16.01)
Gain on lease termination	-	(13.08)
Finance costs	255.33	144.76
Depreciation and amortisation expense	5,674.60	5,032.54
Bad Debts	13.38	-
Allowance for doubtful debts	170.24	67.80
Net (loss) on loss of control of subsidiary	-	(33.64)
Net loss on CCPs measured at fair value through profit or loss	-	810.00
<b>Operating profit before change in working capital</b>	<b>51,386.29</b>	<b>44,335.93</b>
<b>Movements in working capital:</b>	<b>(16,669.00)</b>	<b>(11,497.31)</b>
(Increase) in inventories	(3,239.36)	(5,321.61)
(Increase) in trade and other receivables	(14,807.88)	(6,355.10)
Decrease/(Increase) in financial and other assets	(35.86)	57.95
Increase in trade and other payables	902.02	893.69
(Decrease)/increase in financial and other liabilities	391.55	(508.28)
(Decrease)/increase in provisions	120.53	(263.96)
<b>Cash generated from operations</b>	<b>34,717.29</b>	<b>32,838.62</b>
Income taxes paid (net)	(11,599.15)	(10,103.64)
<b>Net cash generated by operating activities (A)</b>	<b>23,118.14</b>	<b>22,734.98</b>
<b>(B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment including capital advances	(26,400.84)	(11,209.85)
Purchase of intangibles	-	(215.51)
Sale of property, plant and equipment	1,120.24	1,103.33
Investment in associate company	-	(78.86)
Sale / Derecognition of subsidiary	-	15.00
(Investment in)/Proceeds from bank deposits (net)	(1,322.22)	111.59
Investment in units of mutual funds / bonds / shares / commodities	(23,393.30)	(3,959.43)





**Cello World Limited**

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Consolidated Statement of Cashflow for the year ended March 31, 2024

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of investments	23,786.26	519.68
Dividend received on mutual funds	-	61.40
Loan given to related parties	-	(650.00)
Payment made on slump sale	-	(8,265.78)
Payment made on acquisition of subsidiary	-	(33,113.79)
Interest received	647.05	-
<b>Net cash (used in) investing activities (B)</b>	<b>(25,562.81)</b>	<b>(55,682.22)</b>
<b>(C) Cash flows from financing activities</b>		
Buyback of equity shares	-	(1,511.89)
Issue of Compulsory Convertible Preference shares	-	47,500.00
Loan received from bank	4,063.18	
Loans repaid to banks	(2,153.95)	(103.41)
Loans taken from related parties	6,713.45	15,370.00
Loans repaid to related parties	(4,841.00)	(27,954.30)
Payment to erstwhile partners (on account of business combinations - Refer note 50)	(197.45)	320.81
Repayment of lease liabilities	(296.77)	(278.14)
Interest paid	(222.89)	-
Payment of dividend	(463.77)	(961.07)
<b>Net cash generated in financing activities (C)</b>	<b>2,600.79</b>	<b>32,382.00</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>156.13</b>	<b>(565.24)</b>
Add: Cash and cash equivalents at the beginning of the year	3,061.67	3,626.91
<b>Cash and cash equivalents at the end of the year</b>	<b>3,217.80</b>	<b>3,061.67</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (Refer note 16)	3,217.80	3,061.67
<b>Balance as per consolidated statement of cash flows</b>	<b>3,217.80</b>	<b>3,061.67</b>

**Note:**

The above cash flow excludes the proceeds received in the share escrow account amounting to ₹ 1,90,000 Lakhs on account of offer for sale made by selling shareholders. Book running lead managers disbursed ₹ 1,80,711.33 Lakhs (net of issue expenses of Rs 9,288.67 lakhs) from share escrow account to its selling shareholders. The balance in share escrow account is Nil.

The accompanying material accounting policies and notes form an integral part of the consolidated financial statements.


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Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Consolidated Statement of Cashflow for the year ended March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Note:  
The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) "Statement of Cash Flow".

In terms of our report attached of even date  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

  
Mehul Parekh  
Partner

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

  
Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

  
Anil Parolia  
Chief Financial Officer

  
Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

  
Hemang Trivedi  
Company Secretary  
M No.: A27603



Place: Mumbai  
Date: 23rd May, 2024

Place: Mumbai  
Date: 23rd May, 2024



Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

All amounts are ₹ in Lakhs unless otherwise stated

A) Equity share capital

For the year ended March 31, 2024					
	Changes in equity share capital due to prior period errors	Restated balance at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024	
Balance as at April 1, 2023					
	9,750.00	-	9,750.00	861.55	10,611.55

For the year ended March 31, 2023					
	Changes in equity share capital due to prior period errors	Restated balance at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023	
Balance as at April 1, 2022					
	1.00	-	1.00	9,749.00	9,750.00



Cello World Limited  
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 CIN: U25299020018PLC009885  
 Consolidated Statement of Changes in Equity for the year ended March 31, 2024  
 All amounts are ₹ in Lakhs unless otherwise stated

8) Other equity

Particulars	Reserves & surplus					Items of OCI		Total other equity attributable to owners of the group	Non-controlling interests	Total
	Retained earnings	Capital redemption reserves	Capital reserve on business combination under common control	General reserve	Securities premium	Measurement of investment FYTOCI	Measurement of defined benefit plan			
Balance as at April 01, 2022	42,993.95	-	(35,639.57)	1,371.68	0.13	(16.92)	54.34	8,763.61	18,513.50	27,277.11
Profit for the year	26,612.73	-	-	-	-	-	-	26,612.73	1,892.35	28,505.08
Re-measurement of net defined benefit liability (net of tax)	-	-	-	-	-	-	(41.33)	(41.33)	(2.06)	(43.39)
Re-measurement of investment at fair value through OCI (net of tax)	-	-	-	-	-	(17.32)	-	(17.32)	(14.21)	(31.53)
Total Comprehensive Income for the year	69,606.67	-	(35,639.57)	1,371.68	0.13	(34.24)	13.01	35,317.69	20,389.58	55,707.27
Dividends	(527.41)	-	-	-	-	-	-	(527.41)	(432.86)	(960.27)
Profit distributed to partners / erstwhile owners (Refer note 51)	(2,388.64)	-	-	-	-	-	42.03	(2,346.63)	-	(2,346.63)
Buy-back of shares (Refer note 20.3 (a) and 20.3 (b))	(1,511.89)	-	-	-	-	-	-	(1,511.89)	-	(1,511.89)
Creation of capital redemption reserve on account of buy back of shares	(14.90)	14.90	-	-	-	-	-	-	-	-
Issue of bonus shares (Refer note 19.1 (d))	(8,749.00)	-	-	-	-	-	-	(8,749.00)	-	(8,749.00)
Assumed on account of business combination (Refer note 50)	-	-	2,712.19	-	-	-	-	2,712.19	-	2,712.19
Reversal on account of loss of control on sale of subsidiary (refer note 9.2)	-	-	-	-	-	-	-	-	37.24	37.24
Balance as at March 31, 2023	55,414.82	14.90	(31,927.38)	1,371.68	0.13	(34.24)	55.04	23,894.95	19,993.96	43,888.91



Cello World Limited  
 [Formerly known as Cello World Private Limited]  
 CIN: U75200DD2018PLC009865  
 Consolidated Statement of Changes in Equity for the year ended March 31, 2024  
 All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Reserves & surplus						Items of OCI			Total
	Retained earnings	Capital redemption reserves	Capital reserve on business combination under common control	General reserve	Securities premium	Re-measurement of investment FVTOCI	Re-measurement of defined benefit plan	Total other equity attributable to owners of the group	Non-controlling interests	
Balance at April 1, 2023	55,414.82	14.90	(32,927.38)	1,371.68	0.13	(34.24)	55.04	21,894.95	19,993.96	41,888.91
Profit for the year	33,106.26	-	-	-	-	-	-	33,086.26	2,512.10	35,618.36
Re-measurement of net defined benefit liability (net of tax)	-	-	-	-	-	-	61.76	61.76	16.00	77.76
Re-measurement of investment at fair value through OCI (net of tax)	-	-	-	-	-	2.69	-	2.69	2.20	4.89
Total Comprehensive Income for the year	88,521.08	14.90	(32,927.38)	1,371.68	0.13	(31.57)	116.80	57,065.66	22,524.26	79,589.91
Dividends	-	-	-	-	-	-	-	-	(459.92)	(459.92)
Securities premium on issue of shares	-	-	-	-	47,244.57	-	-	47,244.57	-	47,244.57
Balance as at March 31, 2024	88,521.08	14.90	(32,927.38)	1,371.68	47,244.70	(31.57)	116.80	1,04,310.21	22,064.35	1,26,374.56

The accompanying significant accounting policies and notes form an integral part of the Restated Consolidated Financial Information

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In terms of our report attached of even date

For Deloitte Haslkins & Sells LLP  
 Chartered Accountants

Mehul Parikh  
 Partner

For and on behalf of Board of Directors of  
 Cello World Limited  
 [Formerly known as Cello World Private Limited]

Pradeep G. Rathod  
 Chairman & Managing Director  
 DIN: 00027572

Parikaj G. Rathod  
 Joint Managing Director  
 DIN: 00027572

Company Secretary  
 M No.: A27603

Place: Mumbai  
 Date: 23rd May, 2024





**Cello World Limited**  
**(Formerly known as Cello World Private Limited)**  
**CIN: U25209DD2018PLC009865**  
**Notes to the Consolidated Financial Statements**  
**All amounts are ₹ in lakhs unless otherwise stated**

## 1. Corporate Information

Cello World Limited (Formerly known as Cello World Private Limited) ("the Company") was originally incorporated as a private limited company on July 25, 2018 and is converted into a public limited company on July 23, 2023, with Company identification no: U25209DD2018PLC009865. The Company is engaged in the business of trading of Consumer Products namely plastic and rubber products such as water bottles, storage container and jars, tiffins and lunch carriers, glassware, steel flasks and jars. The registered office of the Company is located at 597/2A, Somnath Road, Dabhel, Nani Daman, DD-396210 and Corporate Office at Mumbai is located at Cello House, Corporate Avenue, B-Wing, Sonawala Rd, Goregaon (E), Mumbai - 400063.

The Consolidated Financial Statements is prepared for the Company and its subsidiaries together referred to as the "Group" and its associate.

Name of subsidiary	% of holding as at		Country <sup>A</sup>
	March 31, 2024	March 31, 2023	
Cello Household Products Private Limited	100.00%	100.00%	India
Cello Houseware Private Limited	100.00%	100.00%	India
Cello Industries Private Limited	100.00%	100.00%	India
Unomax Stationery Private Limited ("USPL") <sup>B</sup>	100.00%	100.00%	India
Unomax Writing Instruments Private Limited <sup>C</sup>	100.00% by USPL	100.00% by USPL	India
Unomax Sales & Marketing Private Limited <sup>D</sup>	100.00% by USPL	100.00% by USPL	India
Cello Consumerware Private Limited	100.00%	100.00%	India
Wim Plast Limited <sup>E</sup>	54.92%	54.92%	India

Name of associate	% of holding as at	Country <sup>A</sup>	Principal activity
	March 31, 2024		
Pecasa Tableware Private Limited	40.00%	India	The Company is engaged in the business of manufacturing and dealing in "Consumer Products" mainly Opal ware, Glassware Products and all the activities incidental thereto.

<sup>A</sup> Principal place of business / country of incorporation

<sup>B</sup> Incorporated on October 14, 2022

<sup>C</sup> Wholly-owned subsidiary of Unomax Pens & Stationery Private Limited (w.e.f 20th August, 2020) transferred to USPL

<sup>D</sup> Wholly-owned subsidiary of Unomax Pens & Stationery Private Limited transferred to USPL (w.e.f 18th July, 2022)



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<sup>‡</sup> Acquired 54.92% equity stake in Wim Plast Limited on November 10, 2022

## 2. Basis of preparation, measurement and material accounting policies

### 2.1. Basis of preparation

These Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies have been consistently applied by the Company in preparation of the Consolidated Financial Statements and are consistent with those adopted in the preparation of financial statements as at and for the previous year ended March 31, 2023.

#### a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries) up to 31 March each year. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the





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Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

#### **Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other expenses.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' ("Ind AS 12") and Ind AS 19 'Employee Benefits' ("Ind AS 19") respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Group determines where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired





and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Transaction costs that the Group incurs in connection with a business combination such as, finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in Consolidated Statement of Profit or Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Consolidated Statement of profit or loss where such treatment would be appropriate if that interest were disposed-off.

#### **Business combinations under common control**

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, are considered as common control business combinations. Such business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The assets and liabilities of the combining entities or businesses are reflected at their carrying amounts, barring certain assets and liabilities not taken over in terms of business transfer agreements. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies. The financial information in the financial statements in respect of prior periods should be as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves appearing in the financial statements of the transferor is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor, for case of acquisition of stake in equity.

The differences, if any, between the amount of consideration paid or payable in cash or and the amount of share capital / partners' capital of the transferor and further adjusted for harmonization of the accounting policies, has been transferred to 'Capital reserve on business combination under common control' and presented separately from other capital reserves.

During the financial year ended March 31, 2023, Cello World Limited, directly or through its subsidiaries, acquired businesses from entities which were ultimately controlled by the same parties both before and after the business combination. These transactions were in the nature of acquisition of the assets and liabilities under a slump sale arrangement or acquisition of the equity stake from the existing shareholders.

Pursuant to the requirements of Appendix C of the Ind AS 103, these business combinations under



common control are accounted for using the pooling of interest method as explained above. The details of the business combinations, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given in note 50.

#### Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in capital reserve in the period in which the investment is acquired.

#### b) Current versus non-current classification

The Group presents assets and liabilities in the consolidated Balance Sheet based on current/ non-current classification.

##### An asset is treated as current when it is:

- I. Expected to be realized or intended to be sold or consumed in normal operating cycle.
- II. Held primarily for the purpose of trading.
- III. Expected to be realized within twelve months after the reporting period, or
- IV. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

##### A liability is current when:

- I. It is expected to be settled in normal operating cycle.
- II. It is held primarily for the purpose of trading
- III. It is due to be settled within twelve months after the reporting period, or
- IV. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

#### c) Operating cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets for processing and their





realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

## **2.2. Basis of measurement**

### **a) Basis of accounting**

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS. Fair value measurements are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- I. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- II. Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- III. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Financial instruments

### **b) Use of estimates and judgements**

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the Consolidated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

- i. Determination of useful lives of property, plant and equipment and intangibles
- ii. Impairment test of non-financial assets
- iii. Recognition of deferred tax assets
- iv. Recognition and measurement of provisions and contingencies
- v. Fair value of financial instruments
- vi. Impairment of financial assets
- vii. Measurement of defined benefit obligations



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- viii. Revenue recognition
- ix. Determination of incremental borrowing rate for leases
- x. Provision for expected credit losses of trade receivables

## 2.3. Material accounting policies

### a) Property, Plant and Equipment:

#### Recognition and measurement:

Items of property, plant and equipment, other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in Consolidated Statement of Profit and Loss when the item is derecognised.

#### Subsequent expenditure:

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting year in which they are incurred.

#### Depreciation:

Depreciation on property, plant and equipment, is provided under the written down value method in the manner prescribed under Schedule II of the Companies Act, 2013. In case of Unomax Stationery Private Limited and its subsidiaries, depreciation on property, plant and equipment is provided on a straight line basis.

For certain items of Property, Plant and Equipment, the Group depreciates over estimated useful life which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013



which is based upon technical assessment made by the technical expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis

Type of Asset	Estimated useful life of property, plant and equipment (Years)
Buildings	30 years
Plant and Machinery	5 - 20 years
Leasehold improvements	Over the life of lease contract
Moulds	6 - 8 years
Electrical installation	5 - 10 years
Furniture & fixtures	10 years
Computers	3 years (Server – 6 years)
Office equipment	5 years
Vehicles	8 - 10 years

Depreciation on property, plant and equipment which are added / disposed of during the year, is provided on pro-rata basis with reference to the date of addition / deletion.

Leasehold improvements are depreciated over the tenure of lease term. Leasehold land is amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

**b) Capital work in progress and Capital advances :**

Cost of assets not ready for intended use, as on the end of the reporting period, is shown as capital work in progress.

Advances given towards acquisition of Property, Plant and Equipment outstanding at end of each reporting period are disclosed as other non-current assets.

**c) Intangible Assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the Consolidated Statement of Profit and Loss in the period in





which the expenditure is incurred.

Amortization:

Amortisation is recognised on a written-down value basis over their estimated useful lives. In case of Unomax Stationery Private Limited and its subsidiaries, amortisation of intangible assets is recognised on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives as mentioned below :

Type of the asset	Estimated Useful Life (Years)
Software	3 – 5 years
Designs and Patents	5 – 10 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

**d) Intangible Assets under Development**

Expenditure on intangible assets eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

**e) Impairment of non-financial assets:**

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Consolidated statement of Profit and Loss,



unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

**f) Leases:**

**As a Lessee:**

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- I. the contract involves the use of an identified asset
- II. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- III. the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these short term or low value asset leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:





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- I. fixed lease payments (including in-substance fixed payments), less any lease incentives;
- II. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- III. the amount expected to be payable by the lessee under residual value guarantees;
- IV. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- V. payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Consolidated Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- I. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- II. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- III. a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Consolidated Balance Sheet. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

**As a Lessor:**





At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group applied Ind AS 116 "Leases" to all lease contracts, except those which are exempted under this standard, using the modified retrospective approach, on the date of initial application. Following is the summary of practical expedients elected on initial application (on a lease-by-lease basis):

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

**g) Inventories:**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First In First Out method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**h) Cash and cash equivalents:**

Cash and cash equivalent in the Consolidated Balance Sheet and Consolidated Statement of Cash Flows comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**i) Asset classified as held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of



carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Consolidated Statement of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Balance Sheet.

**j) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts.

**Financial assets**

**Initial recognition and measurement**

Financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in following categories:

- Amortised cost,
- Fair value through profit (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Amortised cost:**

A financial instrument is measured at the Amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or





- b) The Group has transferred its rights to receive cash flow from the asset.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at Amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed. In respect of other financial assets, the loss allowance is measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

**Financial liabilities**

**Initial recognition and measurement:**

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

**Subsequent measurement:**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

**Financial Liabilities at Fair Value through Profit or Loss (FVTPL):**

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Consolidated Statement of profit and loss.

**Financial Liabilities at Amortised cost:**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at Amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The Amortisation done using the EIR method is included as finance costs in the Consolidated Statement of profit and loss.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be



made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognized less cumulative amortization.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of profit or loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### **k) Provisions, Contingent Liabilities, Contingent Assets and Commitments**

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain.

#### **Warranty**

Provision is estimated for expected warranty claim in respect of products sold during the year based





on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

**I) Revenue recognition**

**Sale of goods and Services**

The Group derives revenues primarily from sale of products comprising of Consumer products.

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product.

The Group considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group recognises revenue for such services when the performance obligation is completed.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Revenue from rendering of services is recognized over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Incentives on exports and other Government incentives

Incentives on exports and other Government incentives related to operations are recognized in the Consolidated Statement of Profit and Loss where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

**Contract balances**



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Trade receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract.

**m) Other Income**

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividends are recognised in the Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

**n) Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to Consolidated Statement of Profit and Loss.

**o) Foreign currency**

Foreign currency transactions:

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss in the year in which they arise.





**p) Employee Benefits**

**Short-term Employee benefits**

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognised as an expense in the Consolidated Statement of Profit and Loss as the related service is provided.

Certain employees of the Group are entitled to compensated absences based on applicable statutory provisions. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Post-Employment Benefits**

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

Defined Benefit Plans:

The Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

**q) Taxation**

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured



at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Group has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. Such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### **r) Dividend**

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting year, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting year.

#### **s) Earnings per share:**





Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**t) Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- I. In the principal market for the asset or liability, or
- II. In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**u) Government Grant:**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Government grant related to assets are presented by deducting the grant from the carrying amount of the asset.



v) **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows for the year are classified by operating, investing and financing activities.

w) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

**3A. Recent Accounting pronouncements:**

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below:

**I. Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements

**II. Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

**III. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The above amendments have been considered by the Group in preparation of these Consolidated Financial Statements. The amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or



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future periods.

- IV. **Standards issued but not yet effective:** There are no standards that are notified and not yet effective as on date.





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4 Property, plant and equipment											
Particulars	Land	Leasehold improvements	Buildings	Plant and machinery	Moulds	Electrical installation	Furniture & fixtures	Computers	Office equipment	Vehicles	Total
<b>I. Cost/deemed cost</b>											
Balance as at April 1, 2022	453.80	137.96	6,406.86	17,500.35	8,612.56	1,122.51	889.99	205.35	135.68	478.45	35,943.51
Additions	759.66	448.49	397.19	3,074.07	2,375.75	198.56	111.09	56.39	20.73	464.25	7,906.18
Reclassified as held for sale	-	-	(1,773.09)	(96.56)	-	-	(84.35)	-	(7.91)	-	(1,961.91)
Disposals, transfers and adjustments	-	-	-	(44.09)	(51.67)	-	(5.62)	(17.04)	(1.86)	(33.40)	(153.68)
Balance as at March 31, 2023	1,213.46	586.45	5,030.96	20,433.77	10,936.64	1,321.07	911.11	244.70	146.64	909.30	41,734.10
Balance as at April 1, 2023	1,213.46	586.45	5,030.96	20,433.77	10,936.64	1,321.07	911.11	244.70	146.64	909.30	41,734.10
Additions	298.53	-	1.02	9,802.05	2,525.59	1,223.55	113.39	220.58	10.83	200.52	14,396.06
Disposals, transfers and adjustments	-	-	-	(148.78)	(98.51)	-	-	-	-	(73.25)	(320.54)
Balance as at March 31, 2024	1,511.99	586.45	5,031.98	30,087.04	13,363.72	2,544.62	1,024.50	465.28	157.47	1,036.57	55,809.62
<b>II. Accumulated depreciation</b>											
Balance as at April 1, 2022	-	19.69	1,014.49	5,442.12	4,642.30	274.73	311.96	124.80	65.36	174.46	12,069.91
Depreciation expense for the year	-	88.31	276.29	2,452.79	1,331.40	252.55	140.48	50.32	29.32	152.44	4,774.50
Less: on reclassification as held for sale	-	-	(318.03)	(53.78)	-	-	(39.10)	-	(6.60)	-	(417.51)
Disposals, transfers and adjustments	-	-	-	(16.38)	(14.47)	-	(1.39)	(10.70)	(0.76)	(22.66)	(66.36)
Balance as at March 31, 2023	-	108.60	972.75	7,824.75	5,959.23	527.28	411.95	164.42	87.32	304.24	16,360.54
Balance as at April 1, 2023	-	108.60	972.75	7,824.75	5,959.23	527.28	411.95	164.42	87.32	304.24	16,360.54
Depreciation expense for the year	-	119.99	232.99	2,872.74	1,432.16	191.04	101.47	105.71	24.39	160.61	5,241.10
Disposals, transfers and adjustments	-	-	-	(35.96)	(63.78)	-	-	-	-	(22.46)	(122.20)
Balance as at March 31, 2024	-	228.59	1,205.74	10,661.53	7,327.61	718.32	513.42	270.13	111.71	442.39	21,479.44
<b>III. Net carrying amount (I-II)</b>											
Balance as at March 31, 2024	1,511.99	357.86	3,826.24	19,425.51	6,036.11	1,826.30	511.68	195.15	45.76	594.18	34,330.18
Balance as at March 31, 2023	1,213.46	477.85	4,058.21	12,609.02	4,977.41	793.79	499.16	80.28	59.32	605.06	25,373.56



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- 4.1 There are no impairment losses recognised during each reporting year.
- 4.2 Land includes leasehold land for which an amount of ₹ 1.74 lakhs was paid by the Group as upfront premium along with relevant initial direct costs as at the lease commencement date, in order to acquire leasehold rights from October 20, 2022. This lease, being perpetual in nature, has been treated as part of property, plant and equipment in accordance with Ind AS 16.
- 4.3 **Assets pledged as security for borrowings**  
Movable Property, plant and equipment with carrying value of ₹ 7237.52 lakhs (for the year ended March 31, 2023: ₹ 7434.07 lakhs) are hypothecated against cash credit facilities availed by the Group amounting to ₹ 1500.00 lakhs.  
Movable Property, plant and equipment with carrying value of ₹ 1546.29 lakhs (for the year ended March 31, 2023: ₹ 1142.00 lakhs ) are hypothecated against term loan facilities availed by the Group amounting to ₹ 2773.26 lakhs. Refer Note 23 on Borrowings.
- 4.4 One of the component of the Group has revised the estimated useful lives of certain plant and machinery to 20 years, effective April 1, 2022. Additionally, one of the component of the Group has changed its depreciation method from the written down value method to the straight line method, effective April 1, 2023. These changes have resulted in a net decrease in the depreciation charge for the year by ₹ 1528.02 lakhs.
- 4.5 The Group has not revalued its property, plant and equipment as on each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.
- 4.6 The title deeds of immovable properties (other than properties where the Group is a lessee and the lease arrangement are duly executed in the favour of the lessee) are held in the name of the Group.
- 4.7 There were no material discrepancies identified during the physical verification of property, plant and equipment including capital work in progress.



5 Capital work-in-progress

Particulars	Leasehold Improvements	Buildings	Plant and machinery	Moulds	Electrical Installation	Furniture and fixtures	Total
Balance as at April 1, 2022	187.22	-	220.21	670.79	80.62	9.62	1,178.46
Additions	-	6.37	2,031.81	133.28	-	-	2,171.46
Transfers	(187.22)	-	(304.97)	(670.83)	(80.61)	(9.62)	(1,263.25)
Balance as at March 31, 2023	-	6.37	1,947.05	133.24	0.01	-	2,086.67
Balance as at April 1, 2023	-	6.37	1,947.05	133.24	0.01	-	2,086.67
Additions	-	2,784.52	21,179.20	3.03	-	-	23,966.75
Transfers	-	-	(7,736.55)	(136.24)	-	-	(7,872.79)
Sale of Asset	-	-	(179.23)	-	-	-	(179.23)
Balance as at March 31, 2024	-	2,790.89	15,210.47	0.03	0.01	-	18,001.40

CWIP ageing schedule is as below:

As at March 31, 2024

Particulars	Amount in Capital-work-in-progress for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress				
- Buildings	2,784.52	6.37	-	2,790.89
- Plant and machinery	14,946.66	263.81	-	15,210.47
- Moulds	0.03	-	-	0.03
- Electrical Installation	-	0.01	-	0.01

As at March 31, 2023

Particulars	Amount in Capital-work-in-progress for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress				
- Buildings	6.37	-	-	6.37
- Plant and machinery	1,780.82	166.23	-	1,947.05
- Moulds	133.25	-	-	133.25

5.1 There are no projects as on each reporting year where activity had been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.

5.2 Details of borrowing cost capitalized to CWIP

Borrowing cost of ₹ 241.83 lakhs (March 31, 2023: ₹ 107.64 lakhs) pertaining to plant and machinery has been capitalized in capital work-in-progress. Borrowing cost includes interest and other costs on borrowings made specifically in relation to the qualifying asset, along with exchange differences which are regarded as an adjustment to interest costs. Refer note 23.1 (a) for summary of borrowing arrangements.



6 Intangible assets

Particulars	Software	Designs and Patents	Total
<b>I. Cost/deemed cost</b>			
Balance as at April 1, 2022	46.06	26.17	72.23
Additions	13.85	-	13.85
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2023	59.91	26.17	86.08
Balance as at April 1, 2023	59.91	26.17	86.08
Additions	390.39	-	390.39
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2024	450.30	26.17	476.47
<b>II. Accumulated amortisation</b>			
Balance as at April 1, 2022	14.69	4.62	19.31
Amortisation expense for the year	21.30	5.08	26.38
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2023	35.99	9.70	45.69
Balance as at April 1, 2023	35.99	9.70	45.69
Amortisation expense for the year	182.71	5.27	187.98
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2024	218.70	14.97	233.67
<b>III. Net carrying amount (I-II)</b>			
Balance as at March 31, 2024	231.60	11.20	242.80
Balance as at March 31, 2023	23.92	16.47	40.39

6.1 The Group has not revalued its intangible assets as on each reporting year and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.





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7 Intangible assets under development

Particulars	Softwares
Balance as at April 1, 2022	276.49
Additions	201.66
Transfers	-
Balance as at March 31, 2023	478.15
Balance as at April 1, 2023	478.15
Additions	-
Transfers	(478.15)
Balance as at March 31, 2024	-

7.1 Intangible assets under development ageing schedule is as below:

As at March 31, 2024

Particulars	Amount in intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress Software development and Implementation	-	-	-	-

As at March 31, 2023

Particulars	Amount in intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress Software development and Implementation	201.66	276.49	-	478.15

7.2 There are no projects as on each reporting year where activity had been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.





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8 Right-of-use assets

Particulars	Premises	Leasehold land	Total
<b>I. Cost</b>			
Balance as at April 1, 2022	1,507.43	694.42	2,201.85
Additions	137.29	-	137.29
Disposals	(160.62)	-	(160.62)
<b>Balance as at March 31, 2023</b>	<b>1,484.10</b>	<b>694.42</b>	<b>2,178.52</b>
Balance as at April 1, 2023	1,484.10	694.42	2,178.52
Additions	-	-	-
Remeasurement	107.23	-	107.23
Disposals	-	-	-
<b>Balance as at March 31, 2024</b>	<b>1,591.33</b>	<b>694.42</b>	<b>2,285.75</b>
<b>II. Accumulated depreciation</b>			
Balance as at April 1, 2022	261.15	9.54	270.69
Amortisation expense for the year	222.12	9.54	231.66
Eliminated on disposal	(80.30)	-	(80.30)
<b>Balance as at March 31, 2023</b>	<b>402.97</b>	<b>19.08</b>	<b>422.05</b>
Balance as at April 1, 2023	402.97	19.08	422.05
Amortisation expense for the year	235.95	9.57	245.52
Eliminated on disposal	-	-	-
<b>Balance as at March 31, 2024</b>	<b>638.92</b>	<b>28.65</b>	<b>667.57</b>
<b>III. Net block balance (I-II)</b>			
As on March 31, 2024	952.41	665.77	1,618.18
As on March 31, 2023	1,081.13	675.34	1,756.47

8.1 Details of lease liabilities

Particulars	Amount
Balance as at April 1, 2022	1,043.14
Recognised during the year	137.27
Finance cost accrued during the year	95.15
Derecognised during the year	(93.31)
Payment of lease liabilities	(278.14)
<b>As at March 31, 2023</b>	<b>904.11</b>
Balance as at April 1, 2023	904.11
Recognised during the year	-
Remeasurement	107.23
Finance cost accrued during the year	82.38
Derecognised during the year	-
Payment of lease liabilities	(296.77)
<b>As at March 31, 2024</b>	<b>796.95</b>

8.2 Classification of lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current	560.22	713.51
Current	236.73	190.60
<b>Total</b>	<b>796.95</b>	<b>904.11</b>



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8.3 The Group has taken premises on lease for an average lease term of 4.67 years (as at March 31, 2023: 4.67 years). Gross carrying value of leasehold land includes amounts which were paid upfront, at the commencement date of the lease along with relevant initial direct costs to acquire leasehold rights for remaining tenure of 82 years from August 2012. Along with that the Group has also entered into long term leases of around 75 to 99 years for land leases.

8.4 Amount recognised in consolidated statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Amortisation expenses on right-of-use assets	245.52	231.66
- Interest expenses on lease liability	82.38	95.15
- Expenses related to short term leases (refer note 38)	2,481.82	2,114.25
- Expense relating to variable lease payments not included in the measurement of the lease liability (refer note 38)	-	1.37
- Income from sub-leasing right-of-use assets (refer note 31)	(4.88)	(3.63)
- Gain on early termination of lease (refer note 31)	-	13.08

8.5 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis.

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	298.34	265.13
One to five years	604.34	807.03
More than five years	64.85	65.86

8.6 The total cash outflows for leases amounts to ₹ 2773.71 lakhs (March 31, 2023: ₹ 2390.13 lakhs) (includes cash outflow for short term and long term leases).

8.7 The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

8.8 As a lessor:

The Group has entered into operating leases on its leasehold land. These leases have terms of between 8 and 20 years. Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	2.48	3.68
One to five years	11.23	11.23
More than five years	8.08	10.56

Rental income recognised by the Group during the year ended 31 March 2024 is ₹ 4.88 lakhs (March 31, 2023: ₹ 3.63 lakhs).



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9 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Non-current</b>				
<b>Unquoted Investments</b>				
Investments in equity instruments of associates under equity method				
Investment in Pegasus Tabletware Private Limited (Face Value of ₹ 10/- each)	8,00,000.00	31.71	8,00,000.00	78.86
<b>Total (A)</b>		<b>31.71</b>		<b>78.86</b>
<b>Quoted Investments</b>				
Investments measured at fair value through other comprehensive income (FVTOCI)				
<b>Bonds</b>				
SBI Perpetual Bond - 8.75%	350.00	3,486.96	350.00	3,469.22
SBI Perpetual Bond - 9.00%	10.00	964.40	10.00	974.09
GIC Housing Finance Ltd. 8.70%	500.00	499.19	-	-
<b>Investments measured at fair value through profit or loss (FVTPL)</b>				
<b>Mutual fund units (Quoted fully paid up)</b>				
Bharat Bond ETF FOF April-2032	51,41,765.58	583.69	51,41,765.58	537.83
<b>Total (B)</b>		<b>5,534.24</b>		<b>4,981.14</b>
<b>Total (A+B)</b>		<b>5,565.95</b>		<b>5,060.00</b>



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Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Current</b>				
<b>Quoted Investments</b>				
Investments measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds				
SBI Liquid Fund - Direct Growth	-	-	58,330.75	2,055.17
SBI Premier Liquid Fund	33,215.00	1,255.29	4,260.00	150.10
SBI Arbitrage Opp. Fund	59,60,141.00	1,950.98	96,29,373.95	1,701.18
SBI Banking/Plus Fund	1,34,983.00	4,079.32	1,34,983.00	3,745.77
Icici Prudential Long Short Fund -Series 1 (ES)	-	-	99,950.00	1,082.55
Bharat Bond ETF FOF April-2023	-	-	2,02,27,765.00	2,471.89
Equity share (Quoted fully paid up)				
Equity Shares of Mindspace Business Park REIT	3,50,000.00	1,208.87	3,50,000.00	1,144.85
Equity Shares of Brookfield REIT	1,00,000.00	254.70	1,00,000.00	279.83
<b>Market Link Debenture</b>				
Tata Clean Tech Capital Ltd.	100.00	1,119.98	-	-
Mahindra & Mahindra Financial Services Ltd	45.00	492.05	-	-
<b>Market linked non convertible Debenture</b>				
Kotak Mahindra Prime Ltd.	100.00	1,100.04	-	-
		<b>11,411.23</b>		<b>12,631.34</b>

**9.1 Aggregate amount of investments and market value thereof:**

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying value of unquoted investments	31.71	78.86
Aggregate carrying value of quoted investments	16,945.47	17,612.48
Aggregate amount of market value of quoted investments	16,945.47	17,612.48

**9.2 Loss of control in subsidiary company**

During the year ended March 31, 2023, the Group has disposed off its entire equity interest in Wilm Plast Moldetipo Private Limited for a cash consideration of ₹ 15.00 lakhs, resulting in loss of control. An amount of ₹ 37.24 lakhs (being the proportionate share of the carrying amount of net assets in Wilm Plast Moldetipo Private Limited) has been transferred to non-controlling interests (refer note 21). The gain on disposal of Wilm Plast Moldetipo Private Limited is ₹ 22.24 lakhs (refer note 31).





10 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current - unsecured, considered good unless otherwise stated</b>		
Loans to employees	66.53	70.25
Loan to an associate for business purpose (refer note 10.1)	752.09	693.43
<b>Total</b>	<b>818.62</b>	<b>763.68</b>
<b>Current- unsecured, considered good unless otherwise stated</b>		
Loans to employees	104.94	116.84
<b>Total</b>	<b>104.94</b>	<b>116.84</b>

10.1 The Group has provided loan to its associate concern which is repayable only after the associate repays the loan taken from bank in accordance with bank loan covenants, repayable in 7 years. This loan bears interest of 10% payable annually. The loan is held by the Group with a business model whose objective is to collect contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence, it is classified as financial asset measured at amortised cost.

10.2 Details of loans to related parties

Type of borrowers	Amount of loan outstanding	Percentage to the total Loans
<b>Related parties</b>		
- Loan to associate concern - Pecasa Tableware Private Limited*		
- As at March 2024	752.09	81.43%
- As at March 2023	693.43	78.75%

\*including interest thereon

10.3 Details of fair value of the loans carried at amortised cost is disclosed in note 46.3.

10.4 Disclosure under Regulation 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Entity	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Associate</b>		
Pecasa Tableware Private Limited	752.09 (752.09)	693.43 (693.43)

- Figures in brackets relate to maximum amount outstanding during the year.
- All the above loans have been given for business purpose only.



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11 Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current - unsecured, considered good unless otherwise stated</b>		
Deposits with banks		
- Long term deposits with banks with remaining maturity period of more than 12 months (refer note 11.1 and 11.2)	364.27	343.84
Security deposits	469.13	549.85
<b>Total</b>	<b>833.40</b>	<b>893.69</b>
<b>Current - unsecured, considered good unless otherwise stated</b>		
Deposits with banks		
- Long term deposit with banks with remaining maturity period less than 12 months	16.92	72.02
Security deposits	712.95	126.48
Interest accrued but not due on security deposits	242.45	234.79
Advance for investment in mutual fund	-	1,300.00
Other receivables	1.48	8.02
<b>Total</b>	<b>973.80</b>	<b>1,741.31</b>

11.1 Deposits with banks includes balances held as margin money and security against guarantees and other commitments of ₹ 97.47 lakhs (March 31, 2023: Rs 92.60 lakhs)

11.2 Details of Deposits with bank held as lien

Particulars	As at March 31, 2024	As at March 31, 2023
-Fixed Deposit held for EPCG license.	126.22	121.10
-Fixed Deposit held as lien with electricity department.	5.00	11.10
-Fixed Deposit held as lien with Member Secretary, Planning and Development authority, Daman	-	0.50



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**12 Income tax assets (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax (net of provisions as at March 31, 2024: ₹ 6268.57 lakhs; as at March 31, 2023: ₹ 4,940.97 lakhs) (refer note 12.1)	372.27	234.31
<b>Total</b>	<b>372.27</b>	<b>234.31</b>

12.1 Advance tax (net of provisions) as at March 31, 2024 includes ₹ 3.47 lakhs (as at March 31, 2023 : ₹ 3.47 lakhs) being excess tax paid on buy-back of shares.

**13 Other assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current - unsecured, considered good unless otherwise stated</b>		
Balances with government authorities (other than income taxes)	34.82	26.82
Capital advances	2,819.63	3,979.81
Prepaid Gratuity (refer note 43)	1.32	-
Prepaid expenses	14.52	15.72
	<b>2,870.29</b>	<b>4,022.35</b>
<b>Current - unsecured, considered good unless otherwise stated</b>		
Advances to suppliers & employees	2,235.84	2,097.68
Export benefits receivable	144.50	188.00
Prepaid Gratuity (refer note 43)	2.78	-
Balances with government authorities (other than income taxes) (refer note 13.1)	3,471.26	1,297.29
Other receivables	0.45	-
Prepaid expenses	192.86	171.79
<b>Total</b>	<b>6,047.69</b>	<b>3,754.76</b>



**14 Inventories**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At lower of cost or NRV</b>		
Raw materials	13,169.95	10,803.80
Semi-finished goods	5,864.69	4,176.23
Finished goods	11,458.30	24,809.91
Stock-in-trade	13,399.65	1,071.51
Packing Material	2,161.13	1,883.52
Stores and spares	161.63	231.02
<b>Total</b>	<b>46,215.35</b>	<b>42,975.99</b>

14.1 The cost of inventories recognised as an expense during the year was ₹ 94842.38 lakhs (March 31, 2023: ₹ 89551.25 lakhs). The Group has written-down of inventory to net realisable value for the year ended March 31, 2024: Rs 23.91 lakhs (for the year ended March 31, 2023: NIL).

**14.2 Details of goods-in-transit included in inventories above**

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	393.03	395.07
Semi-finished goods	191.64	-
Stock-in-trade	904.70	-
Finished goods	255.80	331.86
	<b>1,745.17</b>	<b>726.93</b>

14.3 The mode of valuation of inventories has been stated in note (2.3(g)) of accounting policies.

14.4 In accordance with Ind AS 2 - Inventories, the Group has during the year changed the accounting method for determining cost of Inventory of Raw Materials, Finished Goods and Work in Process from First In First Out (FIFO) basis to Weighted Average Method.

The Group believes that this change to weighted average method is preferable as it reflects more precise valuation based on the new accounting software implemented by the Group.

In accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the impact i.e. increase/(decrease) due to change in method of determining cost of Inventory on each item of Statement of Profit and Loss is not material.

The impact on the previous year's figure on account of change has not been given effect to retrospectively, being impracticable. To this extent the previous year's figures are not comparable.

**15 Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables		
Unsecured, considered good	61,058.34	46,230.31
Unsecured, credit impaired	545.57	625.23
	61,603.91	46,855.54
Less: Expected credit loss allowance (Refer note 15.3 below)	(545.57)	(625.23)
<b>Total</b>	<b>61,058.34</b>	<b>46,230.31</b>





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15.1 The average credit period on sales of goods is 30-120 days.

15.2 The Group has used a practical expedient for computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

15.3 Movement in the expected credit loss allowance

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	625.23	557.43
Movement in expected credit loss allowance	(79.66)	67.80
Balance at end of the year	545.57	625.23

15.4 Trade receivables from related parties are disclosed separately under note 44.

15.5 Trade receivables with carrying value of ₹8,585.98 lakhs (for the year ended March 31, 2023: ₹ 7,410.06 lakhs) are hypothecated against cash credit facilities availed by the Group amounting to ₹ 1500.00 lakhs.



15.5 Ageing of receivables  
As on March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of invoice					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed</b>							
- considered good	31,375.22	27,556.56	1,456.09	560.77	109.70	0.00	61,058.34
- credit impaired	17.14	101.10	39.38	115.11	201.17	71.67	545.57
<b>Disputed</b>							
- considered good	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Less: Expected credit loss allowance	31,392.36 (17.14)	27,657.66 (101.10)	1,495.47 (39.38)	675.88 (115.11)	310.87 (201.17)	71.67 (71.66)	61,603.91 (545.57)
<b>Total</b>	<b>31,375.22</b>	<b>27,556.56</b>	<b>1,456.09</b>	<b>560.77</b>	<b>109.70</b>	<b>0.01</b>	<b>61,058.34</b>

As on March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of invoice					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed</b>							
- considered good	35,663.93	8,424.01	1,249.33	770.99	61.65	60.40	46,230.31
- credit impaired	3.31	60.47	40.54	107.06	235.69	178.16	625.23
<b>Disputed</b>							
- considered good	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Less: Expected credit loss allowance	35,667.24 (3.31)	8,484.48 (60.47)	1,289.87 (40.54)	878.05 (107.06)	297.34 (235.69)	238.56 (178.16)	46,855.54 (625.23)
<b>Total</b>	<b>35,663.93</b>	<b>8,424.01</b>	<b>1,249.33</b>	<b>770.99</b>	<b>61.65</b>	<b>60.40</b>	<b>46,230.31</b>

15.6 There are no unbilled trade receivables, hence the same are not disclosed in the ageing schedule.



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**16 Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks</b>		
- In current accounts	2,493.15	2,950.59
- In Cash credit account	719.23	104.49
<b>Cash on hand</b>	5.42	6.59
<b>Total</b>	<b>3,217.80</b>	<b>3,061.67</b>

**16.1** Cash credit account having a debit balance, hence presented under Cash and Cash Equivalent. Details of Cash credits are as follows:

**Summary of cash credit arrangement**

Particulars	Amount outstanding as at March 31, 2024	Amount outstanding as at March 31, 2023
<b>IDBI Bank</b>	719.23	104.49
<b>Rate of interest:</b> MCLR (Y) + 60 bps per annum		
<b>Security:</b>		
1. Hypothecation of moveable fixed assets of WimPlast Limited, present & future		
2. First and exclusive charge on current assets of Wim Plast Limited both present and future		
<b>Terms of repayment:</b> One year / 12 months line		

**16.2 Details of non cash transactions from financing activities**

- (a) During the financial year ended March 31, 2023, the Company has reduced the face value of equity shares of ₹ 10/- to ₹ 5/- . Accordingly, 6,50,00,000 (Six Crore Fifty Lakh) equity shares of ₹ 10/- (Indian Rupees Ten Only) each of the company were sub-divided into 13,00,00,000 (Thirteen Crores) equity shares of ₹ 5/- (Indian Rupees Five Only) each for NIL consideration.
- (b) During the financial year ended March 31, 2023, the Company had, via Shareholders' approval, utilised a sum of ₹ 97,49,00,000/- out of the Company's retained earnings and such amounts is transferred to the share capital account and is applied for issue and allotment of 9,74,90,000 equity shares of face value ₹ 10/- each ("Equity Shares") of the Company as bonus shares credited as fully paid-up, in the proportion of 6499:1. I.e. 6,499 (Six Thousand Four Hundred and Ninety Nine) new Equity Share for every 1 (One) Equity Shares held on on September 22, 2022 and in the proportion of 1:2, I.e. 1 (One) new Equity Share for every 2 (Two) Equity Shares held on February 24, 2022 for NIL consideration.
- (c) On October 10, 2023, the Company has converted 36,32,128 CCPS held by India Advantage Fund S5 I into 87,06,211 Equity Shares, 14,07,448 CCPS held by India Advantage Fund S4 I into 33,73,653 Equity Shares, 4,08,614 CCPS held by Dynamic India Fund S4 US I into 9,79,448 Equity Shares and 17,40,393 Series A CCPS held by Tata Capital Growth Fund II into 41,71,722 Equity Shares, such that the Equity Shares issued upon such conversion will rank pari passu with the existing Equity Shares.

**16.3** The above Cash and cash equivalents excludes the proceeds received in the share escrow account amounting to ₹ 1,90,000 Lakhs on account of offer for sale made by selling shareholders. Book running lead managers disbursed ₹ 1,80,711.33 Lakhs (net of issue expenses of ₹ 9,288.67 lakhs) to its selling shareholders. The balance in share escrow account is Nil.



**17 Bank balance other than cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits with original maturity of more than three months but less than twelve months (refer 17.1)	3,178.64	457.90
Earmarked deposits with bank		
- Unclaimed dividends	50.84	54.69
- In gratuity account	10.53	5.11
- Others (refer note 17.2)	48.48	1,413.90
<b>Total</b>	<b>3,288.49</b>	<b>1,931.60</b>

17.1 Bank deposits of ₹ 3073.82 lakhs (March 31, 2023: Nil) are held as lien against bank guarantee. During the current year, the company has given guarantee of ₹ 1600 lakhs to National Stock Exchange for a original period from October 25,2023 to April 24,2024 further renewed up to August 24,2024 on account of compliance of its Listing regulations.

**17.2 Details of Earmarked balances with banks - Others**

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit liened with		
- EPCG License	48.48	45.87
- Canteen stores department	-	1,346.87
- Against letter of credit	-	21.16
<b>Total</b>	<b>48.48</b>	<b>1,413.90</b>

**18 Assets classified as held for sale**

Particulars	As at March 31, 2024	As at March 31, 2023
Building	-	1,455.06
Plant and machinery	-	42.78
Furniture and fixtures	-	45.25
Office equipments	-	1.31
<b>Total</b>	<b>-</b>	<b>1,544.40</b>

18.1 Assets classified as held for sale during previous year were measured at the lower of its carrying value and fair value less cost to sell at the time of classification. There is no impairment recognised in the financial statement as the WDV as at the date of classification approximates the fair value less cost to sell.

The fair value of the assets were determined based on the values negotiated with the prospective buyers.

During the previous year, advance was received from customer for these assets classified as held for sale. Refer note 29





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**19 Equity share capital & Instruments entirely equity in nature**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised capital</b>				
Equity Shares of ₹ 5/- each (refer note 19.2 below)	22,00,00,000	11,000.00	20,00,00,000	10,000.00
Compulsory Convertible Preference Shares of ₹ 20/- each	75,00,000	1,500.00	75,00,000	1,500.00
		<b>12,500.00</b>		<b>11,500.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity Shares of ₹ 5/- each (₹ 10/- in March 2022)	21,22,31,034	10,611.55	19,50,00,000	9,750.00
	<b>21,22,31,034</b>	<b>10,611.55</b>	<b>19,50,00,000</b>	<b>9,750.00</b>

**19.1 Rights, preferences and restrictions attached to equity shares**

**(a) Voting rights**

The Company has one class of equity shares having a par value of ₹ 5 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share.

**(b) Dividend distribution rights:**

The Company in its general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of section 123 of the Companies Act, 2013, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

**(c) Sub-Division of face value of equity shares of the Company:**

As on February 24, 2023, the face value of equity shares of ₹ 10/- was reduced to ₹ 5/-. Accordingly, 6,50,00,000 (Six Crore Fifty Lakh) equity shares of ₹ 10/- (Indian Rupees Ten Only) each of the Company were sub-divided into 13,00,00,000 (Thirteen Crores) equity shares of ₹ 5/- (Indian Rupees Five Only) each.



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**(d) Issue of bonus shares to the equity shareholders of the Company**

i) On September 22, 2022, the Company had, via Shareholders' approval, utilised a sum of ₹ 64,99,00,000/- (Indian Rupees Sixty-Four Crore Ninety-Nine Lakh Only) out of the Company's retained earnings and such amounts was transferred to the share capital account and applied for issue and allotment of 6,49,90,000 (Six Crore Forty Nine Lakh Ninety Thousand) equity shares of face value ₹ 10/- (Indian Rupees Ten Only) each ("Equity Shares") of the Company as bonus shares ("Bonus Equity Shares") credited as fully paid-up, to the eligible shareholders of the Company, whose names appeared in the Register of Members as on September 05, 2022, in the proportion of 6499:1, i.e. 6,499 (Six Thousand Four Hundred and Ninety Nine) new Equity Share for every 1 (One) Equity Shares held and that the Equity Share so issued and allotted are treated for all purposes as an increase of the nominal amount of the equity share capital of the Company and not as an income in lieu of dividend credited.

ii) On February 24, 2023, the Company had, via Shareholders' approval, utilised a sum of ₹ 32,50,00,000/- (Indian Rupees Thirty Two Crore Fifty Lakh Only) out of the Company's retained earnings and such amounts have been transferred to the share capital account and applied for issue and allotment of 6,50,00,000 (Six Crore Fifty Lakh) equity shares of face value ₹ 5/- (Indian Rupees Five Only) each ("Equity Shares") of the Company as bonus shares ("Bonus Equity Shares") credited as fully paid-up, to the eligible shareholders of the Company, whose names appeared in the Register of Members as on February 21, 2023, in the proportion of 1:2, i.e. 1 (One) new Equity Share for every 2 (Two) Equity Shares held and that the Equity Share so issued and allotted are treated for all purposes as an increase of the nominal amount of the equity share capital of the Company and not as an income in lieu of dividend credited.

Pursuant to the bonus issue, the existing issued, paid-up and subscribed share capital of the Company stands at ₹ 97,50,00,000 consisting of 19,50,00,000 equity shares of face value of ₹ 5/- (Indian Rupees Five Only) each.

**(e) Conversion of CCPS into equity shares of the Company**

On October 10, 2023, the Company, in pursuant to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the articles of association of the Company and in accordance with the Shareholders' Agreement, the First Addendum, the Second Amendment Agreement and the Third Amendment Agreement, read with the deed of adherence dated November 9, 2022, has converted 36,32,128 CCPS held by India Advantage Fund S5 I into 87,06,211 Equity Shares, 14,07,448 CCPS held by India Advantage Fund S4 I into 33,73,653 Equity Shares, 4,08,614 CCPS held by Dynamic India Fund S4 US I into 9,79,448 Equity Shares and 17,40,393 Series A CCPS held by Tata Capital Growth Fund II into 41,71,722 Equity Shares, such that the Equity Shares issued upon such conversion will rank pari passu with the existing Equity Shares.



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**19.2 Authorised share capital**

- (a) The Authorized Share Capital of the Company was increased to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only) divided into 6,50,00,000 (Six Crore Fifty Lakh) equity shares of ₹ 10/- (Indian Rupees Ten only) each and 1,00,00,000 (One Crore) Preference Shares of ₹ 10/- (Indian Rupees Ten Only) each in the extra ordinary general meeting of the members held on August 29, 2022.
- (b) The Authorised Share Capital of the Company was increased to ₹ 1,00,00,00,000/- (Indian Rupees One Hundred Crore only) divided into 8,50,00,000 (Eight Crore Fifty Lakh) equity shares of ₹ 10/- (Indian Rupees Ten only) each and 75,00,000 (Seventy-Five Lakh) Preference Shares of ₹ 20/- (Indian Rupees Twenty Only) each in the extra ordinary general meeting of the members held on September 22, 2022.
- (c) The Authorised Share Capital of the Company was further increased to ₹ 1,15,00,00,000/- (Indian Rupees One Hundred and Fifteen Crore only) divided into 20,00,00,000 (Twenty Crore) equity shares of ₹ 5/- (Indian Rupees Five only) each and 75,00,000 (Seventy-Five Lakh) Preference Shares of ₹ 20/- (Indian Rupees Twenty Only) each in the extra ordinary general meeting of the members held on February 24, 2023.
- (d) The Authorised Share Capital of the Company was further increased to ₹ 1,25,00,00,000/- (Indian Rupees One Hundred and Twenty five Crore only) divided into 22,00,00,000 (Twenty Two Crore) equity shares of ₹ 5/- (Indian Rupees Five only) each and 75,00,000 (Seventy-Five Lakh) Preference Shares of ₹ 20/- (Indian Rupees Twenty Only) each in the extra ordinary general meeting of the members held on July 29, 2023.

**19.3 (A) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the relevant year	19,50,00,000	9,750	10,000	1.00
Add: Bonus shared issued on September 22, 2022	-	-	6,49,90,000	6,499
Add: Impact of share split as on February 24, 2023	-	-	6,50,00,000	-
Add: Bonus shared issued on February 24, 2023	-	-	6,50,00,000	3,250
Add: Conversion of CCPS into equity shares as on October 10, 2023	1,72,31,034	861.55	-	-
<b>At the end of the year</b>	<b>21,22,31,034</b>	<b>10,611.55</b>	<b>19,50,00,000</b>	<b>9,750.00</b>





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(B) Reconciliation of the number of instruments entirely equity in nature outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the relevant year	-	-	-	-
Add: Classified to equity during the year (refer note 20.1)	71,88,583	143.77	-	-
Less: Converted into ordinary class of equity shares	(71,88,583)	(143.77)	-	-
At the end of the year	-	-	-	-

19.4 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mr. Pankaj Rathod	2,37,35,761.00	11.18%	3,50,99,997.00	18.00%
Mr. Pradeep G Rathod	2,26,67,835.00	10.68%	2,72,99,997.00	14.00%
MR Sangeeta P. Rathod	1,25,11,893.00	5.90%	1,56,00,000.00	8.00%
Mr. Gaurav P Rathod	4,74,35,590.00	22.35%	5,46,00,000.00	28.00%
Pankaj Rathod Family Trust	1,95,00,000.00	9.19%	1,95,00,000.00	10.00%
Babita Rathod Family Trust	1,95,00,000.00	9.19%	1,95,00,000.00	10.00%
<b>Total</b>	<b>14,53,51,079.00</b>	<b>68.49%</b>	<b>17,15,99,994.00</b>	<b>88.00%</b>

19.5 Details of shareholding of the promoters

Promoter name	As at March 31, 2024		% Change during the year
	Number of shares held	% of total shares	
Mr. Pankaj Rathod	2,37,35,761	11.18%	-6.82%
Mr. Pradeep G Rathod	2,26,67,835	10.68%	-3.32%
Mr. Gaurav P Rathod	4,74,35,590	22.35%	-5.65%





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Promoter name	As at March 31, 2023		% Change during the year
	Number of shares held	% of total shares	
Mr. Pankaj Rathod	3,50,99,997.00	18.00%	-14.00%
Mr. Pradeep G Rathod	2,72,99,997.00	14.00%	-2.00%
Mr. Gaurav P Rathod	5,46,00,000.00	28.00%	0.00%

**19.6 During the period of five years immediately preceding the date as at which the Balance Sheet is prepared:**

- No class of shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- No class of shares were bought back by the Company.
- During the financial year ended March 31, 2023, the Company had, via Shareholders' approval, utilised a sum of ₹ 97,49,00,000/- out of the Company's retained earnings and such amounts was transferred to the share capital account and applied for issue and allotment of :
  - 6,49,90,000 equity shares of face value ₹ 10/- each ("Equity Shares") of the Company as bonus shares credited as fully paid-up, in the proportion of 6499-1, i.e. 6,499 (Six Thousand Four Hundred and Ninety Nine) new Equity Share for every 1 (One) Equity Shares held on September 22, 2022 and allotted via Board meeting held on September 22, 2022 for NIL consideration and
  - 6,50,00,000 equity shares of face value ₹ 5/- each ("Equity Shares") in the proportion of 1:2, i.e. 1 (One) new Equity Share for every 2 (Two) Equity Shares held on February 24, 2023 and allotted via Board meeting held on March 27, 2023 for NIL consideration.

**19.7** There are no calls unpaid.

**19.8** There are no forfeited shares.

**19.9 Refer note 24.2 for terms of / rights attached to compulsory convertible preference shares (including Series A CCPS)**

Considering the investors have cash settlement alternatives which are not under the control of the Company, hence the CCPS held by the investors were classified as a financial liability as at March 31, 2023.



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Subsequently, pursuant to resolution dated June 09, 2023 and addendum to CCPS agreement effective April 01, 2023, the conversion ratio in terms of the agreement stands amended, as follows:

-Each CCPS will be converted into Equity Shares at a fixed ratio of 1: 2.397, subject to corporate action adjustments, as provided in the agreement. Further, certain exit options in terms of the original agreement have been amended with effect from April 01, 2023, including waiver of the Investor's right to require the Company to buy back / purchase all of the Investors' shares at a price determined in terms of the agreement. Subsequently, pursuant to resolution dated August 05, 2023, the CCPS agreement was further amended in respect of modifications in the board nomination and waiver of certain rights of investors and Promoters.

Upon such change in existing terms of CCPS, the existing CCPS classified as a financial liability is treated as instrument entirely in nature of equity as on April 01, 2023 and consequently, financial liability pertaining to 0.0001% Compulsorily Convertible Preference Shares of ₹ 48,310.00 lakhs, have been classified as instruments entirely equity in nature amounting to ₹ 1437.70 lakhs and securities premium of ₹ 47,448.45 lakhs.

On October 10, 2023, the Company, in pursuant to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the articles of association of the Company and in accordance with the Shareholders' Agreement, the First Addendum, the Second Amendment Agreement and the Third Amendment Agreement, read with the deed of adherence dated November 9, 2022, has converted 36,32,128 CCPS held by India Advantage Fund 55 I into 87,06,211 Equity Shares, 14,07,448 CCPS held by India Advantage Fund 54 I into 33,73,653 Equity Shares, 4,08,614 CCPS held by Dynamic India Fund 54 US I into 9,79,448 Equity Shares and 17,40,393 Series A CCPS held by Tata Capital Growth Fund II into 41,71,722 Equity Shares, such that the Equity Shares issued upon such conversion will rank pari passu with the existing Equity Shares.



**20 Other equity**

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	88,521.07	55,414.82
Remeasurement of defined benefit plan	116.80	55.04
Capital redemption reserves	14.90	14.90
Capital reserve on business combination under common control (Refer note 50)	(32,927.38)	(32,927.38)
General reserve	1,371.68	1,371.68
Securities premium account	47,244.70	0.13
Remeasurement of investment FVTOCI	(31.57)	(34.24)
<b>Total</b>	<b>1,04,310.21</b>	<b>23,894.95</b>

**20.1 Retained earnings**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Balance at beginning of the year</b>	55,414.82	42,993.95
Add: Profit for the year attributable to owners of the Group	33,106.26	26,612.73
Less: Issue of bonus shares as on September 22, 2022 (Refer note 19.1 (d) (i))	-	(6,499.00)
Less: Issue of bonus shares as on February 24, 2022 (Refer note 19.1 (d) (ii))	-	(3,250.00)
Less: Utilised towards buy-back of shares (net of tax) (Refer note 20.3 (a) and 20.3 (b))	-	(1,511.89)
Less: Utilised towards creation of capital redemption reserve on buy-back of shares (Refer note 20.3 (a) and 20.3 (b) below)	-	(14.90)
Less: Dividend paid on Equity shares (refer note 20.8)	-	(527.41)
Less: Distributed to partners/erstwhile owners (refer note 50)	-	(2,388.66)
<b>Balance at end of the year</b>	<b>88,521.07</b>	<b>55,414.82</b>

Retained earnings are the profits that the Groupy has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Group.

**20.2 Remeasurement of defined benefit plan**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Balance at beginning of the year</b>	55.04	54.34
Remeasurement of defined benefit obligation	82.34	(55.96)
Income tax on above	(20.58)	14.63
Less: Distributed to partners/erstwhile owners (refer note 50)	-	42.03
<b>Balance at end of the year</b>	<b>116.80</b>	<b>55.04</b>

Includes re-measurement (loss)/gain on defined benefit plans, net of taxes that will not be reclassified to consolidated statement of profit and loss.





20.3 Capital redemption reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	14.90	-
Add: Created on account of buy-back of shares (Refer note (a) and (b) below)	-	14.90
<b>Balance at end of the year</b>	<b>14.90</b>	<b>14.90</b>

In accordance with Section 69 of The Companies Act, 2013, the Group has created a capital redemption reserve equal to the nominal value of shares brought back as an appropriation from retained earnings.

**(a) Buyback of Equity Shares by Group Company - Cello Household Private Limited**

The buyback was offered to all eligible equity shareholders of the Group Company - Cello Household Private Limited (including the Promoters, the Promoter Group and Persons in Control of the Company). The buyback of equity shares commenced on November 22, 2022 and was completed on November 29, 2022. During this buyback period, the Group Company - Cello Household Private Limited had purchased and extinguished a total of 70,000 equity shares at an average buyback price of ₹ 951.96 per equity share comprising 7% of the pre-buyback paid-up equity share capital of the Group Company - Cello Household Private Limited. The buyback resulted in a cash outflow of ₹ 819.98 lakhs. (including tax). The Group Company - Cello Household Private Limited funded the buyback from its free reserves.

**(b) Buyback of Equity Shares by Group Company - Cello Houseware Private Limited**

The buyback was offered to all eligible equity shareholders of the Group Company - Cello Houseware Private Limited (including the Promoters, the Promoter Group and Persons in Control of the Company). The date of opening of buyback of equity shares was November 26, 2022 whereas proposed date of completion and date of extinguishment of the certificates were November 28, 2022 & November 29, 2022 respectively. During this buyback period, the Group Company - Cello Houseware Private Limited had purchased and extinguished a total of 79,000 equity shares at an average buyback price of ₹ 727.54 per equity share comprising 7.90% of the pre-buyback paid-up equity share capital of the Group Company - Cello Houseware Private Limited. The buyback resulted in a cash outflow of ₹ 706.81 lakhs (including tax). The Group Company - Cello Houseware Private Limited funded the buyback from its free reserves.

20.4 Capital reserve on business combination under common control

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	(32,927.38)	(35,639.57)
Add: Adjustment for change in Net assets and Reserve not transferred (net of Tax) (Refer note 50)	-	2,712.19
<b>Balance at end of the year</b>	<b>(32,927.38)</b>	<b>(32,927.38)</b>

Capital reserve represents difference between the net assets acquired in business combination under common control and the consideration paid / payable, in accordance with IND AS 103 Appendix C.



20.5 General reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	1,371.68	1,371.68
Add: Change during the year	-	-
<b>Balance at end of the year</b>	<b>1,371.68</b>	<b>1,371.68</b>

The general reserve represent amount appropriated out of retained earnings based on the provisions of The Companies Act, 2013.

20.6 Securities premium account

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	0.13	0.13
Add: Change during the year (net of tax)	47,244.57	-
<b>Balance at end of the year</b>	<b>47,244.70</b>	<b>0.13</b>

- a. Securities premium is used to record the premium on issue of shares, which is eligible for utilisation in accordance with The Companies Act, 2013.

20.7 Remeasurement of investment FVTOCI

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	(34.24)	(16.92)
Add: Change during the year (net of taxes)	2.69	(17.32)
<b>Balance at end of the year</b>	<b>(31.57)</b>	<b>(34.24)</b>

Changes in the fair value of financial instruments measured at fair value through OCI (net of tax) are recognised in investment revaluation reserve

20.8 Details of dividends paid / proposed:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Dividend declared and paid during the year:</b>		
Final dividend		
<b>a) Parent</b>	-	-
<b>b) Component (Wim Plast Limited)</b> of ₹ 8.50/- per share for F.Y. 2022-23 (₹ 8/- per share for F.Y. 2021-22)	1,020.29	960.27
<b>Proposed Dividends on equity shares:</b>		
<b>a) Parent</b>	3,183.47	-
Final Dividend recommended by the board of directors for the year ended March 31, 2024 ₹1.50 per share (March 31, 2023: Nil per share) subject to approval of shareholders in the ensuing annual general meeting		
<b>b) Component (Wim Plast Limited)</b>	1,200.34	1,020.29
Final Dividend recommended by the board of directors for the year ended March 31, 2024 ₹ 10.00 per share (March 31, 2023: ₹ 8.5 per share) subject to approval of shareholders in the ensuing annual general meeting.		



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## 21 Non controlling interest

### 21.1 Subsidiaries that have non-controlling interests are listed below:

Particulars	Non-controlling interest share	
	As at March 31, 2024	As at March 31, 2023
Wim Plast Limited	45.08%	45.08%

### 21.2 Movement of Non-controlling interest

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	19,993.96	18,513.50
Add: Profit for the year attributable to non controlling interest	2,512.10	1,892.35
Add: Remeasurement benefits during the year (net of tax)	16.00	(2.06)
Add: Remeasurement of investment through OCI during the year	2.20	(14.21)
Less: Dividend Paid	(459.92)	(432.86)
Less: Adjustment on account of sale of subsidiary (refer note 9.2)	-	37.24
Balance at end of the year	22,064.35	19,993.96

### 21.3 Summarised financial information of Non-controlling interests

The summarised financial information below represents amounts before intragroup eliminations.

### 21.4 Summarised statement of assets and liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current assets	13,642.29	13,094.36
Current assets	39,332.51	35,544.63
Non-current liabilities	(913.84)	(870.58)
Current liabilities	(3,112.69)	(3,413.16)
Net assets	48,948.27	44,355.25
Share of Non-controlling interest	22,064.35	19,993.96

### 21.5 Summarised statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue	36,754.25	34,158.72
Expenses	(31,181.33)	(29,989.80)
Profit for the year	5,572.92	4,168.92
Profit attributable to non-controlling interests	2,512.10	1,892.35
Profit attributable to the owners of the Group	3,060.82	2,276.57
Other comprehensive income for the year	40.38	(36.10)
Other comprehensive income attributable to non-controlling interests	18.20	(16.27)
Other comprehensive income attributable to the owners of the Group	22.18	(19.83)





#### 21.6 Summarised cash flow statement

Particulars	Year ended March 31,	Year ended March
	2024	31, 2023
Cash flow from operating activities	4,628.85	6,348.17
Cash flow from investing activities	(3,022.73)	(5,533.46)
Cash flow from financing activities	(1,020.29)	(980.27)
<b>Total cash flow</b>	<b>585.83</b>	<b>(165.56)</b>
Share of non-controlling interest	264.09	(74.63)

#### 22 Details of associates

Details of the Group's associate at the end of the reporting year is as follows:

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group
Pecasa Tableware Private Limited	Manufacturing of porcelain based tableware products	Tirupathi District, State of Andhra Pradesh India	40%

Above associate is accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 2.1(a).

Pursuant to a shareholder agreement, the Company has the right to cast 40 per cent of the votes at shareholder meetings of Pecasa Tableware Private Limited.

#### Summarised financial information of the Associate

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts in associates' financial statements prepared in accordance with Ind AS [adjusted by the Group for equity accounting purposes].

#### Summarised statement of assets and liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current assets	5,811.25	1,962.17
Current assets	1,970.30	2,333.61
Non-current liabilities	(4,438.03)	(1,783.69)
Current liabilities	(3,264.26)	(2,314.94)
<b>Net assets</b>	<b>79.26</b>	<b>197.15</b>
Proportion of Group's ownership interest in associate	31.71	78.86
Carrying amount of Group's ownership interest in associate (Refer note 9)	31.71	78.86

#### Summarised statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue	37.23	14.36
Expenses	(155.11)	(17.22)
(Loss) for the year	(117.88)	(2.86)
Group's share of loss of associate	(47.15)	(1.14)
Other comprehensive income for the year	-	-
Group's share of OCI of associate	-	-



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Summarised statement of contingent liabilities and commitments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Contingent Liabilities</b>		
- Guarantees extended by the Company (Against EPCG license)	46.40	28.80
- Corporate Bond given to DGFT for EPCG Imports	308.00	190.00
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	67.99	622.99





23 Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non- current borrowings</b>		
Secured- Loans from banks: at amortised cost		
Term loans		
- from banks (refer note 23.1(a) & 23.1(b))	2,773.76	866.16
<b>Total</b>	<b>2,773.76</b>	<b>866.16</b>
<b>Current borrowings</b>		
Secured - Loans from banks - at amortised cost		
Packing credit (refer note 23.1(c))	1,450.00	1,550.00
Unsecured: at amortised cost		
Loans from related parties (refer note 23.1(d))	32,050.50	30,190.42
<b>Total</b>	<b>33,500.50</b>	<b>31,740.42</b>

23.1 Summary of borrowing arrangements

The terms of repayment of term loans and other loans are stated below:

(a) As at March 31, 2024

Particulars	Amount outstanding	Terms of repayment
DBS Bank	879.19	60 months from date of first drawdown.
Rate of interest: IBOR/EURIBOR + 200 bps per annum		
Security:	688.72	36 months from date of first drawdown.
1. Hypothecation of movable fixed assets of the Cello Consumerware Private Limited, present & future	1,205.85	18 months from date of first drawdown.
2. First and exclusive charge on current assets of Cello Consumerware Private Limited both present and future		
3. Corporate guarantee of M/s Cello World Limited (formerly known as Cello World Private Limited) being Parent Company		

(b) As at March 31, 2023

Particulars	Amount outstanding	Terms of repayment
DBS Bank	866.16	60 months from date of first drawdown.
Rate of interest: IBOR/EURIOBR+ 200 bps per annum		
Security:		
1. Hypothecation of moveable fixed assets of the company present & future		
2. First and exclusive charge on current assets of Cello Conusmerware Private Limited both present and future		
3. Corporate guarantee of M/s Cello World Limited (formerly known as Cello World Private Limited) being Parent Company		



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- (c) Unsecured borrowings (Packing credit) carry interest of SOFR-3% p.a. subvention and are payable within a year.
- (d) Loans from related parties are interest free and repayable on demand.  
Borrowings from related parties are disclosed separately under note 44.

**23.2 Reconciliation of the borrowings outstanding at the beginning and end of the year**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance as at the beginning of the year	32,606.58	45,247.68
<b>(a) Financing cash flows</b>		
Loans taken	10,776.63	15,370.00
Loans repaid	(6,994.95)	(28,057.71)
Interest paid	(222.89)	-
<b>Net financing cash flows</b>	<b>3,558.79</b>	<b>(12,687.71)</b>
<b>(b) Non-cash changes</b>		
- Interest accruals on account of amortisation	108.89	46.61
<b>Balance as at the end of the year</b>	<b>36,274.26</b>	<b>32,606.58</b>

**23.3** There were no defaults in repayment of borrowings during the current year.



24 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
<b>Financial liabilities at FVTPL:</b>		
0.0001% Compulsorily Convertible Preference Shares (refer note 24.1)	-	48,310.00
<b>Financial liabilities at amortised cost:</b>		
Security deposit payable	0.03	0.03
	<b>0.03</b>	<b>48,310.03</b>
<b>Current</b>		
<b>Financial liabilities at amortised cost:</b>		
Security deposits	1,135.62	1,051.46
Unclaimed dividend	50.84	54.69
Purchase consideration payable to related parties towards Business acquisitions (Refer Note 50)	-	197.45
Other payables (refer note 24.4)	14.17	-
Creditors for capital supplies/services	3,027.62	365.58
<b>Total</b>	<b>4,228.25</b>	<b>1,669.18</b>

24.1 The Company had issued 54,48,190, 0.0001% Compulsorily Convertible Preference Shares of ₹ 20/- (Indian Rupees Twenty Only) each issued at premium of ₹ 640.77/- each in the extra ordinary general meeting held on October 22, 2022. Further, the Company had issued 17,40,393, 0.0001% Series A Compulsorily Convertible Preference Shares of ₹ 20/- each issued at premium of ₹ 640.77/- each to Tata Capital Growth Fund II in the extra ordinary general meeting held on November 23, 2022.

Name of entity ("Investors"/ "holders of CCPS")	Number of CCPS	Issue price (₹)	Total Issue
<b>CCPS</b>			
India Advantage Fund S5 I	36,32,128	660.77	24,000.01
India Advantage Fund S4 I	14,07,448	660.77	9,299.99
Dynamic India Fund S4 US I	4,08,614	660.77	2,700.00
	<b>54,48,190</b>		<b>36,000.00</b>
<b>CCPS Series A</b>			
Tata Capital Growth Fund II	17,40,393	660.77	11,500.00
<b>Total</b>	<b>71,88,583</b>		<b>47,500.00</b>

24.2 Terms of/ rights attached to compulsory convertible preference shares (including Series A CCPS)

The CCPS shall be participating, compulsorily convertible and non-cumulative preference shares of the Company. The holders of the CCPS have the right to receive dividend in preference and priority to any other shareholder of the Company at a rate of 0.0001% ("Preferential Dividend"), if declared by the Board of Directors. In addition to and after payment of the Preferential Dividend, each CCCPS would be entitled to participate pari passu in any cash or non-cash dividends paid to the holders of shares of all other classes (including Equity Shares) or series on a pro rata, as-if-converted basis.





A holder of CCPS may, issue a notice to the Company for conversion of the CCPS into Equity Shares, on the occurrence of the following:

- (a) Prior to the last day permitted under and if required, under the Applicable Law in connection with an IPO; or
- (b) After 1 year from Closing (in terms of the agreement), at any time at the option of the holders of the CCPS; or
- (c) 1 day prior to the expiry of 20 years from date of issuance of the CCPS.

Each CCPS shall be convertible into Equity Shares in the ratio of 1:1, subject to adjustments provided in the agreement.

Pursuant to special resolution dated February 24, 2023, the conversion ratio in terms of the agreement were amended as follows:

- i) from 1:1 to 1:3
- ii) from 1:0.799 to 1:2.397
- iii) from 1:2 to 1:6 and from 1:1.598 to 1:4.794 respectively

The holders of CCPS were entitled to participate in the surplus proceeds from Liquidation Event, if any, on a pro-rata basis along with all other holders of Equity Shares on a fully diluted basis, after the total investment amount plus any declared but unpaid dividends on CCPS, paid to the Investors in priority in terms of the agreement.

The holders of CCPS had various exit options in terms of the agreement, including the right to require the Company to buy back / purchase all of the Investors' shares at a price determined in terms of the agreement (in the event that the Investors are not provided an exit in terms of the agreement by July 31, 2027).

In terms of the CCPS agreement, the Company shall not, directly, or indirectly, take any action or decision in respect of certain affirmative vote matters specified in the agreement without obtaining consent of majority eligible investors.

Considering the investors have cash settlement alternatives which were not under the control of the Company, hence the CCPS held by the investors have been classified as a financial liability.

Pursuant to resolution dated June 09, 2023 and addendum to CCPS agreement effective April 01, 2023, the conversion ratio in terms of the agreement further got amended, as follows:

-Each CCPS will be converted into Equity Shares at a fixed ratio of 1: 2.397, subject to corporate action adjustments, as provided in the agreement.

Further, certain exit options in terms of the original agreement have been amended with effect from April 01, 2023, including waiver of the Investor's right to require the Company to buy back / purchase all of the Investors' shares at a price determined in terms of the agreement.

Subsequently, pursuant to resolution dated August 05, 2023, the CCPS agreement was further amended in respect of modifications in the board nomination and waiver of certain rights of Investors and Promoters.

Upon such change in existing terms of CCPS, the existing CCPS classified as a financial liability is treated as instrument entirely in nature of equity as on April 01, 2023.

As a result of this, financial liability pertaining to 0.0001% Compulsorily Convertible Preference Shares of ₹ 48,310.00 lakhs, have been classified as instruments entirely equity in nature amounting to ₹ 1437.70 lakhs and securities premium of ₹ 47,448.45 lakhs till the conversion of CCPS to equity shares on October 10, 2023. (refer note 18).



On October 10, 2023, the Company, in pursuant to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the articles of association of the Company and in accordance with the Shareholders' Agreement, the First Addendum, the Second Amendment Agreement and the Third Amendment Agreement, read with the deed of adherence dated November 9, 2022, has converted 36,32,128 CCPS held by India Advantage Fund S5 I into 87,06,211 Equity Shares, 14,07,448 CCPS held by India Advantage Fund S4 I into 33,73,653 Equity Shares, 4,08,614 CCPS held by Dynamic India Fund S4 US I into 9,79,448 Equity Shares and 17,40,393 Series A CCPS held by Tata Capital Growth Fund II into 41,71,722 Equity Shares, such that the Equity Shares issued upon such conversion will rank pari passu with the existing Equity Shares.

24.3 Details of fair value of the liabilities carried at amortised cost is disclosed in note 46.

24.4 The credit balance of ₹ 14.17 Lakhs in the IPO Expenses recoverable account reflects outstanding bills from the self-certified syndicate bank (SCSB), the payment to those made by Company on the basis of pro-forma Invoices and subsequent reimbursement from the Share escrow account.

25 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Provision for employee benefits - Gratuity (refer note 43)	252.82	250.13
<b>Total</b>	<b>252.82</b>	<b>250.13</b>
<b>Current</b>		
Provision for employee benefits - Gratuity (refer note 43)	11.65	20.84
Provision for warranty (refer note 25.1 & 25.2)	146.94	119.53
<b>Total</b>	<b>158.59</b>	<b>140.37</b>

25.1 Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

25.2 Movement in provision for warranty

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	119.53	64.53
Add: Provisions made during the year	158.54	55.00
Less: Provisions utilised during the year	(131.13)	-
Less: Provisions reversed during the year	-	-
<b>Balance at the end of the year</b>	<b>146.94</b>	<b>119.53</b>
<b>Current</b>	<b>146.94</b>	<b>119.53</b>
<b>Non-current</b>	<b>-</b>	<b>-</b>



**26 Deferred tax liabilities(net)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax asset	(207.66)	(471.90)
Deferred tax liabilities	1,259.05	840.57
<b>Total</b>	<b>1,051.39</b>	<b>368.67</b>

**26.1 Deferred tax liabilities/(assets) for the year ended March 31, 2024**

Particulars	Opening balance as on April 1, 2023	Recognised in profit or loss (expense)/ credit	Recognised in other comprehensive income	Recognised directly in equity #	Closing balance as on March 31, 2024
Property, plant and equipment	705.70	523.08	-	-	1,228.68
Intangible assets	(2.46)	(20.49)	-	-	(22.95)
Right-to-use assets and leases liabilities	(45.96)	(6.60)	-	-	(52.56)
Other current asset	(0.55)	0.66	-	-	0.11
Other financial assets	285.45	75.50	1.65	-	362.60
Investment measured at fair value	4.01	(4.01)	-	-	-
Defined benefits obligations	(98.36)	(13.57)	25.96	-	(85.97)
Deductions under sec 43B of Income Tax Act, 1961	(16.49)	(90.36)	-	-	(106.85)
Other Financial liabilities	(218.20)	13.90	-	203.88	(0.42)
Allowance for expected credit loss	(244.47)	36.73	-	-	(207.74)
Inventory	-	(48.11)	-	-	(48.11)
Unabsorbed losses	-	(16.42)	-	-	(16.42)
<b>Total</b>	<b>368.67</b>	<b>451.21</b>	<b>27.61</b>	<b>203.88</b>	<b>1,051.39</b>



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Deferred tax liabilities/(assets) in relation to the year ended March 31, 2023

Particulars	Opening balance as on April 1, 2022	Recognised in profit or loss (expense)/ credit	Recognised in other comprehensive income	Recognised directly in equity *	Closing balance as on March 31, 2023
Property, plant and equipment	917.06	(109.79)	-	(101.57)	705.70
Intangible assets	0.20	(1.67)	-	(0.99)	(2.46)
Right-to-use assets and leases liabilities	(35.94)	(10.02)	-	-	(45.96)
Other current assets	(155.53)	(58.29)	-	213.27	(0.55)
Other financial assets	257.07	38.98	(10.60)	-	285.45
Investment measured at fair value	-	4.01	-	-	4.01
Defined benefit obligations	(166.27)	71.30	(15.33)	11.94	(98.36)
Disallowances under sec 43B of Income Tax Act, 1961	(56.41)	244.69	-	(204.77)	(16.49)
Other Financial liabilities	(0.42)	(210.59)	-	(7.19)	(218.20)
Other current liabilities	-	33.04	-	(33.04)	-
Allowance for expected credit loss	(149.53)	(119.11)	-	34.17	(234.47)
Unabsorbed losses	(51.89)	11.71	-	40.18	-
<b>Total</b>	<b>558.34</b>	<b>(105.74)</b>	<b>(25.93)</b>	<b>(58.00)</b>	<b>368.67</b>

\* Pertaining to assets not taken over in respect to Common Control/Business Combination/loss of control on sale of subsidiary.





**27 Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro and small enterprises	3,892.42	4,262.44
(b) Total outstanding dues of creditors other than micro and small enterprises	10,526.14	9,154.28
<b>Total</b>	<b>14,418.56</b>	<b>13,416.72</b>

27.1 The average credit period on purchases is 45-90 days.

27.2 For explanations on the Group's liquidity risk management processes refer note 45.5.

27.3 Trade payables from related parties are disclosed separately under note 44.

**27.4 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

The amounts due to Micro and Small Enterprises as defined in section 22 of the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	3,885.34	4,254.27
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	7.08	8.17
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(c) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the period	33.60	3.77
(e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	9.51	2.49
(f) Further interest remaining due and payable for earlier periods	-	-





**27.5 Ageing of trade payables**

As on March 31, 2024

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed dues</b>							
- MSME	-	3,763.77	127.77	-	-	-	3,891.54
- Others	7,171.70	2,177.13	1,103.89	68.50	1.21	3.71	10,526.14
<b>Disputed dues</b>							
- MSME	-	-	0.88	-	-	-	0.88
- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>7,171.70</b>	<b>5,940.90</b>	<b>1,232.54</b>	<b>68.50</b>	<b>1.21</b>	<b>3.71</b>	<b>14,418.56</b>

As on March 31, 2023

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed dues</b>							
- MSME	-	3,533.55	553.61	4.15	0.71	-	4,092.02
- Others	5,451.17	2,143.64	1,547.11	5.37	2.76	4.23	9,154.28
<b>Disputed dues</b>							
- MSME	-	85.90	84.12	-	-	0.40	170.42
- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>5,451.17</b>	<b>5,763.09</b>	<b>2,184.84</b>	<b>9.52</b>	<b>3.47</b>	<b>4.63</b>	<b>13,416.72</b>



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**28 Current tax liabilities (net of advance tax)**

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax payable (net of advance tax as at March 31, 2024: ₹ 6,583.24 lakhs; as at March 31, 2023: ₹ 4,046.12 lakhs)	324.58	355.16
<b>Total</b>	<b>324.58</b>	<b>355.16</b>

**29 Other current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	1,767.33	1,410.05
Advances from customers	711.86	627.58
Advance against assets classified as held for sale (refer note 18.1)	-	1,000.00
<b>Total</b>	<b>2,479.19</b>	<b>3,037.63</b>

**30 Revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sales of products	1,98,864.93	1,78,493.44
Sales of services	7.57	154.70
Other operating income		
- Scrap sales	452.32	478.33
- Export incentives	701.59	543.03
<b>Total</b>	<b>2,00,026.41</b>	<b>1,79,669.50</b>

**30.1** The Group presently recognises its revenue from contract with customers for the transfer of goods at a point in time and rendering of services over time

External revenue by timing of revenue	For the year ended March 31, 2024	For the year ended March 31, 2023
Goods transferred at a point in time	1,98,864.93	1,78,493.44
Services transferred over a period of time	7.57	154.70
<b>Total</b>	<b>1,98,872.50</b>	<b>1,78,648.14</b>

**30.2 Contract balances**

Refer details of trade receivables in note 15 and contract liabilities (advance from customer) in note 29.

**30.3** The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.



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**30.4 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contracted price with the customers	2,01,984.16	1,86,502.04
Reduction towards variables considerations (Discounts, rebates, refunds, credits, price concessions)	(3,111.66)	(7,853.90)
<b>Revenue from contract with customers (as per consolidated profit and loss account)</b>	<b>1,98,872.50</b>	<b>1,78,648.14</b>

**30.5** There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2024 and year ended March 31, 2023.



**31 Other income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest income on financial assets measured at amortised cost</b>		
Bank deposits	180.61	201.80
Financial assets	468.77	419.63
Loan to associate	65.18	48.26
Electricity deposits	5.33	24.21
	<b>719.89</b>	<b>693.90</b>
<b>Income on financial assets measured at FVTPL</b>		
Net gain on investments	958.89	537.00
Other dividends	60.52	61.40
	<b>1,019.41</b>	<b>598.40</b>
<b>Other non-operating income</b>		
Gain on foreign exchange transactions (net)	329.73	201.11
Sundry balance written back	38.34	31.92
Insurance claim received	-	4.01
Rental income (refer note 8.8)	4.88	3.63
Bad Debts written off recovered	5.84	-
Net gain on disposal of property, plant & equipment	377.50	16.01
Subsidy received (refer note 31.1)	-	36.38
Gain on early termination of lease	-	13.08
Gain on loss of control of subsidiary (refer note 9.2)	-	70.88
Miscellaneous income	10.54	1.22
Interest on income tax refund	0.61	3.44
	<b>767.44</b>	<b>381.68</b>
<b>Total</b>	<b>2,506.74</b>	<b>1,673.98</b>

31.1 Entities within the Group entered into an MOU with Ozone Cell, MoEF&CC for conversion from HCFC141b to Ecomate technology. In accordance with the MOU, the entity was entitled to receive subsidy consequent to fulfillment of the conditions stated therein. During the year ended March 31, 2024, the Group has received subsidy amounting to NIL (year ended March 31, 2023: ₹ 36.38 lakhs) from the Ozone Cell, MoEF&CC. The grant was recognised as an adjustment to the capital expenditure, relevant expenses in relation to grant were charged to the consolidated statement of profit & loss and the amount of subsidy received was recognized as an income.

**32 Cost of materials consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock - raw materials	10,803.80	11,880.36
Opening stock - packing material	1,883.52	1,815.74
Add - Purchases - raw materials	59,473.73	53,608.60
Add - Purchases - packing material	11,457.06	10,161.80
Less - Closing stock - raw materials	(13,169.95)	(10,803.80)
Less - Closing stock - packing material	(2,161.13)	(1,883.52)
<b>Total</b>	<b>68,287.03</b>	<b>64,779.18</b>



**33 Purchases of stock-in-trade**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stock-in-trade	27,220.34	30,889.88
<b>Total</b>	<b>27,220.34</b>	<b>30,889.88</b>

**34 Changes in inventories of finished goods, semi finished goods and stock-in-trade**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening balance</b>		
Finished goods	24,809.91	19,992.41
Semi-finished goods	4,176.23	3,410.53
Stock-in-trade	1,071.51	536.90
	<b>30,057.65</b>	<b>23,939.84</b>
<b>Closing balance</b>		
Finished goods	(11,458.30)	(24,809.91)
Semi-finished goods	(5,864.69)	(4,176.23)
Stock-in-trade	(13,399.65)	(1,071.51)
	<b>(30,722.64)</b>	<b>(30,057.65)</b>
<b>Total changes in inventories of finished goods</b>	<b>(664.99)</b>	<b>(6,117.81)</b>

**35 Employee benefits expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	17,547.78	14,571.34
Contributions to provident and other funds (refer note 43)	863.85	714.96
Gratuity (Refer note 43)	200.22	210.13
Staff welfare expenses	334.32	261.15
<b>Total</b>	<b>18,946.17</b>	<b>15,757.58</b>

**36 Finance costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest and finance charges on financial liabilities carried at amortised cost</b>		
- from related parties	-	14.35
- from banks	108.89	35.26
- On security deposits	18.58	15.00
- On lease liabilities	82.38	95.15
Interest on delayed payment of taxes/others	45.48	15.84
<b>Total</b>	<b>255.33</b>	<b>175.60</b>

**37 Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4)	5,241.10	4,774.50
Amortisation of intangible assets (refer note 6)	187.98	26.38
Depreciation of right-of-use assets (refer note 8)	245.52	231.66
<b>Total</b>	<b>5,674.60</b>	<b>5,032.54</b>





**38 Other expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisements	2,703.35	2,369.76
Allowance for expected credit loss	170.24	67.80
Bad Debts	13.38	-
Carriage outward	7,142.12	4,356.67
Corporate social responsibility expenditure	571.17	400.62
Consumption of stores and spares	1,058.60	741.68
Donations	4.50	13.00
Directors sitting fees	27.45	5.25
Electricity charges	5,454.86	5,691.82
Insurance	323.48	284.49
Labour/jobwork charges	3,909.62	3,386.52
Legal and professional fees	938.39	1,757.27
Payment to auditors (refer note 38.1)	302.95	209.51
Product development charges	59.35	101.99
Rent (refer note 8.4)	2,481.82	2,115.62
Rates and taxes	82.36	289.60
Repairs and maintenance		
- Buildings	38.13	326.46
- Plant and machinery	575.07	579.91
- Others	335.27	414.49
Royalty	719.31	1,016.95
Sales commission	1,384.64	1,654.43
Sales promotion and conference expenses	3,837.49	1,629.47
Security charges	211.51	177.74
Selling and distribution expenses	400.59	1,056.77
Service centre charges	157.46	196.06
Sundry balances written off (net)	210.24	704.31
Travel and conveyance	1,435.30	1,274.89
Net loss on financial liability measured at fair value through profit or loss		
- Compulsory convertible preference shares	-	810.00
Miscellaneous expenses	718.66	673.80
<b>Total</b>	<b>35,267.31</b>	<b>32,306.88</b>

**38.1 Notes to Audit Remuneration**

The above excludes Audit fees of ₹ 365 lakhs and out of pocket expenses of ₹ 15.68 lakhs towards services rendered by Auditors for the purpose of IPO, which have been paid out of proceeds received from selling shareholders.



**39 Current tax and deferred tax**

**39.1 Income tax expense recognised in statement of profit and loss**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax:</b>		
Current tax on profit for the year	11,439.27	10,162.63
Short provision of tax relating to earlier years	(8.63)	(43.48)
<b>Total current tax expense</b>	<b>11,430.64</b>	<b>10,119.15</b>
<b>Deferred tax expense/ (credit)</b>		
In respect of current period	451.21	(105.74)
<b>Total deferred tax expense/(benefit)</b>	<b>451.21</b>	<b>(105.74)</b>
<b>Income tax expense</b>	<b>11,881.85</b>	<b>10,013.41</b>

**39.2 Income Tax recognised in other comprehensive income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>i) Deferred tax</b>		
Remeasurement gain/(loss) on defined benefit plans	(25.96)	15.33
Net change in fair values of investments other than equity shares carried at fair value through OCI	(1.65)	10.60
<b>Total</b>	<b>(27.61)</b>	<b>25.93</b>

**39.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Profit/(loss) before income tax expense</b>	<b>47,500.21</b>	<b>38,518.49</b>
Income Tax Rate	25.17%	25.17%
Income Tax using the Company's domestic Tax rate #	11,955.80	9,695.10
Effect of items that are not deductible in determining taxable profit	272.51	147.77
Effect of items that are deductible in determining taxable profit	(214.54)	13.22
Effect of items that are exempted	(134.71)	(35.65)
Unabsorbed losses	-	(11.11)
Effect of income taxed at different rate	(149.74)	(17.61)
Effect of adoption of Ind AS	-	-
Income tax related earlier year	(8.63)	(43.48)
Others	161.16	265.17
<b>Income tax expense recognised in Consolidated Statement of Profit or Loss</b>	<b>11,881.85</b>	<b>10,013.41</b>

# The tax rate used for the reconciliations above is the corporate tax rate plus surcharge (as applicable) on corporate tax, education cess and secondary and higher education cess on corporate tax, payable by corporate entities in India on taxable profits under Income Tax Act, 1961.

In pursuance of Section 115BAA of the Income Tax Act, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has opted for irrevocable option of shifting to lower tax rate w.e.f FY 19-20. @ 25.168%

39.4 The group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).





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#### 40 Earnings per Equity Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Profit attributable to the owners of the Company	33,106.26	26,612.73
(b) Weighted average number of ordinary shares outstanding for the purpose of basic earnings per share (numbers)	21,22,31,034	19,50,00,000
(c) Effect of potential ordinary shares (numbers)	-	71,16,032
(d) Weighted average number of ordinary shares in computing diluted earnings per share [(b) + (c)] (numbers)	21,22,31,034	20,21,16,032
(e) Earnings per share on Profit for the year (Face Value ₹ 5/- per share)		
– Basic [(a)/(b)] (₹)	15.60	13.65
– Diluted [(a)/(d)] (₹)	15.60	13.17

40.1 Refer Note 19.1 (c) for subdivision of face value of equity shares of the Company, Note 19.1(d) for issue of bonus shares to equity shareholders of the Company and Note 19.1(e) for conversion of CCPS into equity shares of the Company.

#### 41 Contingent liabilities and commitments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Contingent Liabilities</b>		
a) Sales Tax claims disputed by the Group relating to tax rate determination and pending declaration forms	324.10	472.21
b) Bank guarantees	1,905.16	2,715.16
c) Trade mark	30.00	-
d) Litigation - Complaints by Consumer	2.23	-
e) Civil Matters	3.70	-
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	6,135.35	11,206.73

41.1 The Group did not expect any outflow of economic resources in respect of the above and therefore no provision was made in respect thereof.

41.2 Contingent liabilities under civil matters pertains to cases pending before metrology forum relating to disclosure of weight mention and measurement standards of products.

#### 42 Segment information

42.1 Consequent to the adoption of Ind AS, the Group has identified one operating segment viz, "Consumer Products" which is consistent with the internal reporting provided to the Board of Directors, who has been identified as the chief operating decision maker (CODM). The CODM allocates resources and assesses performance of the operating segment of the Group.



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**42.2 Geographical information**

The Group presently caters to both international and domestic market i.e., outside India and in India details of the same are as follows:

Particulars	Revenue from External Customers	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	1,81,104.61	1,65,648.83
Outside India	18,921.80	14,020.67
<b>Total</b>	<b>2,00,026.41</b>	<b>1,79,669.50</b>

Particulars	Non-current assets*	
	As at March 31, 2024	As at March 31, 2023
Within India	63,001.07	39,051.90
Outside India	-	-
<b>Total</b>	<b>63,001.07</b>	<b>39,051.90</b>

\*Non-current assets exclude loans, other financial assets, and deferred tax assets.

**42.3 Information about major customers**

No single customer contributed 10% or more to the Group's revenue for the year ended March 31, 2024 and March 31, 2023.



**43 Employee benefit plans**

**43.1 Defined contribution plans:**

The Group participates in Provident fund as defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to provident fund represents the value of contributions payable during the period by the Group at rates specified by the rules of provident fund. The only amounts included in the consolidated balance sheet are those relating to the prior months contributions that were not paid until after the end of the reporting period.

**(a) Provident fund and pension**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India (GOI). The Group has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the consolidated statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Group.

Contribution to defined contribution plans, recognised in the consolidated statement of profit and loss for the year under employee benefits expense, are as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Employer's contribution to provident fund and pension	814.79	666.16
ii) Employer's contribution to labour fund	0.14	0.13
iii) Employer's contribution to state insurance corporation	11.32	12.96
iv) Employer's contribution to National Pension Scheme	29.99	29.35
v) Employer's contribution to super annuation fund	7.61	6.36
<b>Total (refer note 35)</b>	<b>863.85</b>	<b>714.96</b>

**(b) Defined benefit plans:**

**Gratuity**

The Group has an obligation towards gratuity, a funded defined benefit retirement plan covering all employees. The plan provides for lump sum payment to vested employees at retirement or at death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Group makes annual contributions (from year ended March 31, 2023 onwards) to gratuity fund managed by Kotak Mahindra Life Insurance Company Limited.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out for the year ended March 31, 2024 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



(A) Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

**(1) Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**(2) Interest rate risk**

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**(3) Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**(4) Mortality risk:**

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(B) Principal actuarial assumptions used:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Discount rate	6.95% - 6.97%	7.10% - 7.40%
2. Salary escalation	5.00% - 9.00%	5%-10%
3. Expected return of Assets	6.95% - 7.22%	6.93%-7.15%
4. Rate of employee turnover	2%-38%	5%-39%
5. Mortality rate	India assured lives mortality (2012-14) ult.	

(C) Expenses recognised in consolidated statement of profit and loss

Particulars	Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	187.70	176.64
Expected Return on Plan Assets	(34.35)	-
Administration expenses	(0.20)	0.74
Interest on net defined benefit liability / (asset)	47.07	32.75
(Gains) / losses on settlement	-	-
<b>Components of defined benefit cost recognised in consolidated statement of profit and loss (refer note 35)</b>	<b>200.22</b>	<b>210.13</b>

The current service cost and the net interest expenses for the year are included in the 'Employee benefits expense' line item in the Consolidated Statement of profit and loss.





(D) Expenses recognized in the Other Comprehensive Income (OCI)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains)/losses on obligation for the year		
- Due to changes in demographic assumptions	(40.19)	98.39
- Due to changes in financial assumptions	(11.25)	(123.62)
- Due to experience adjustment	31.17	84.56
Return on plan assets, excluding interest income	(83.45)	(0.62)
<b>Net (income)/expense for the period recognized in OCI</b>	<b>(103.72)</b>	<b>58.71</b>

(E) Amount recognised in the consolidated balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	1,076.14	892.26
Fair value of plan assets	(815.77)	(621.29)
<b>Net liability arising from defined benefit obligation</b>	<b>260.37</b>	<b>270.97</b>

(F) Net liability recognised in the consolidated balance sheet

Recognised under:	As at March 31, 2024	As at March 31, 2023
Long term provision (refer note 25)	252.82	250.13
Short term provision (refer note 25)	11.65	20.84
Non Current Prepaid Gratuity (refer note 13)	(1.32)	-
Current Prepaid Gratuity (refer note 13)	(2.78)	-
<b>Total</b>	<b>260.37</b>	<b>270.97</b>

(G) Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	892.26	682.67
Transfer in/(out) obligation	-	111.66
Current service cost	187.70	176.64
Past service cost	-	-
Interest cost	58.51	43.19
Actuarial (gains)/losses	(20.27)	59.33
Acquisition/Business Combination/Divestiture	-	(111.65)
Benefits paid from the fund	(42.06)	(69.58)
<b>Closing defined benefit obligation</b>	<b>1,076.14</b>	<b>892.26</b>

(H) Movements in the fair value of the plan assets are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of the plan assets	621.29	151.46
Contributions by the Employer	107.32	528.35
Interests on plan assets	34.35	(1.96)
Remeasurement (gains)/losses	83.45	2.58
Interest income	11.42	10.44
Benefits paid	(42.06)	(69.58)
<b>Closing fair value of plan assets</b>	<b>815.77</b>	<b>621.29</b>

\*Actual benefit of ₹ 42.06 lakhs is paid directly by the enterprise and not through the Fund and hence the same has been added to Actual Enterprise's Contributions and benefit paid.



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(i) Description of Plan Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Insurer Managed Funds	100%	100%

(j) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2024	For the year ended March 31, 2023
Year 1 cashflow	262.27	181.09
Year 2 cashflow	161.53	87.04
Year 3 cashflow	154.90	77.31
Year 4 cashflow	139.11	84.48
Year 5 cashflow	122.67	79.25
Year 6 to year 10 cashflow	379.63	339.69

(K) Sensitivity analysis

The Sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Projected benefit obligation on current assumptions</b>		
<b>Rate of discounting</b>		
Impact of +0.5% change (% change)	1,065.30 (1.38% to 3.26%)	901.77 (4.54% to 10.31%)
Impact of -0.5% change (% change)	1,088.23 1.43% to 3.46%	887.48 (8.83% to 4.86%)
<b>Rate of salary increase</b>		
Impact of +0.5% change (% change)	1,085.47 1.31% to 3.76%	886.42 (8.87% to 4.88%)
Impact of -0.5% change (% change)	1,105.19 (1.42% to 3.33%)	902.91 (4.60% to 10.57%)

(L) Other disclosures

The weighted average duration of the obligations as at March 31, 2024 is 2.95 years to 6.09 years (as at March 31, 2023: 3.01 years to 17.50 years).

The Group's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 57.11 lakhs (As at March 31, 2023: ₹ 140.44 lakhs).



**44 Related party disclosures**

Cello World Limited (formerly known as Cello World Private Limited) is jointly/collectively controlled, directly or indirectly, by Pradeep G. Rathod and Pankaj G. Rathod (alongwith their respective immediate family members)

**44.1 Details of related parties**

Description of relationship	Name of the related party
<b>Associate Concern</b>	Pecasa Tableware Private Limited
<b>Key management personnel</b> - Chairman and Managing Director - Joint Managing Director - Joint Managing Director - Chief Financial Officer - Company Secretary - Independent Director - Independent Director - Independent Director - Independent Director - Independent Director	Pradeep Rathod Pankaj Rathod Gaurav Rathod Atul Parolia (w.e.f 01st April, 2023) Hemangi Trivedi (w.e.f 17th April, 2023) Arun Kumar Singhal Manali Nitin Kshirsagar Piyush Sohanraj Chhajed Puspa Raj Singhvi Sunipa Ghosh
<b>Relatives of key management personnel (where transactions have taken place)</b>	Babita Pankaj Rathod Ruchi Gaurav Rathod Sangeeta Pradeep Rathod Sneha Pankaj Rathod Pampuben Ghisulal Rathod
<b>Enterprises over which the KMP have significant influence (where transactions have taken place)</b>	Cello Marketing - Partnership Firm Cello Foundation (Formerly known as Cello Foundation (Formerly known as Badamia Charitable Trust)) Cello International Private Limited Cello Pens and Stationery Private Limited Cello Sonal Construction Cello World - Partnership Firm Cello Houseware - Partnership Firm R & T Houseware Pvt Ltd Vardhaman Realtors Cello Plastic Industrial Works GPR Finance Rathod Investment Corp. Cello Household Appliances Private Limited Wimplast Moldetipo Private Limited Cello Plastotech Unomax Pens and Stationery Private Limited (w.e.f 01.11.2022) Urmaoben Family Trust Cello Entrade Millennium Houseware





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44.2 Transactions during the year with related parties

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A</b>	<b>Sales</b>		
<b>I</b>	<u>Enterprises over which the KMP have significant influence.</u>		
	Cello Marketing	-	80.02
	Cello Foundation (Formerly known as Badamia Charitable Trust)	-	9.18
	Cello International Private Limited	33.04	198.12
	Cello Pens and Stationery Private Limited	49.83	13.74
	Wim Plast Moldetipo Private Limited	2,133.01	-
	Cello Houseware	32.40	48.26
	<b>Total (A)</b>	<b>2,248.28</b>	<b>349.32</b>
<b>II</b>	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	0.23	6.43
	Pankaj Ghisulal Rathod	5.88	5.30
	Gaurav Pradeep Rathod	0.77	-
	<b>Total (B)</b>	<b>6.88</b>	<b>11.73</b>
<b>III</b>	<u>Relatives of key management personnel</u>		
	Babita Pankaj Rathod	1.77	3.44
	Ruchi Gaurav Rathod	0.48	0.60
	Sangeeta Pradeep Rathod	2.26	0.95
	Pampuben Ghisulal Rathod	-	1.26
	<b>Total (C)</b>	<b>4.51</b>	<b>6.25</b>
	<b>Total (A+B+C)</b>	<b>2,259.67</b>	<b>367.30</b>
<b>B</b>	<b>Purchases</b>		
<b>I</b>	<u>Enterprises over which the KMP have significant influence.</u>		
	Cello Marketing	-	812.53
	Unomax Pens and Stationery Private Limited	3.69	-
	Wim Plast Moldetipo Private Limited	14.58	-
	Cello Houseware	17.48	20.63
	<b>Total (A)</b>	<b>35.75</b>	<b>833.16</b>
<b>II</b>	<u>Associate Concern</u>		
	Pecasa Tableware Private Limited	26.01	-
	<b>Total (B)</b>	<b>26.01</b>	<b>-</b>
	<b>Total (A+B)</b>	<b>61.76</b>	<b>833.16</b>
<b>C</b>	<b>Rent Expenses</b>		
<b>I</b>	<u>Enterprises over which the KMP have significant influence.</u>		
	Cello Household Appliances Pvt. Ltd.	1,266.53	1,004.67
	Vardhaman Realtores	371.38	331.05
	Millenium Houseware	42.07	40.07
	Cello Houseware	35.05	34.08
	Cello Home Products	671.42	639.45
	<b>Total (A)</b>	<b>2,386.45</b>	<b>2,049.32</b>



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<b>II Key Management Personnel</b>			
	Pradeep Ghisulal Rathod	-	10.00
	Pankaj Ghisulal Rathod	-	10.00
	<b>Total (B)</b>	-	<b>20.00</b>
	<b>Total (A+B)</b>	<b>2,386.45</b>	<b>2,069.32</b>
<b>D Interest Received</b>			
<b>I Associate Concern</b>			
	Pecasa Tableware Private Limited	65.18	-
	<b>Total</b>	<b>65.18</b>	<b>-</b>
<b>E Sales promotion and conference</b>			
<b>I Key managerial personnel</b>			
	Pankaj Rathod	0.29	-
	<b>Total (A)</b>	<b>0.29</b>	<b>-</b>
<b>II Relative of key managerial personnel</b>			
	Ruchi Rathod	0.02	-
	<b>Total (B)</b>	<b>0.02</b>	<b>-</b>
	<b>Total (A+B)</b>	<b>0.31</b>	<b>-</b>
<b>F Royalty Expenses</b>			
<b>I Enterprises over which the KMP have significant influence</b>			
	Cello Plastic Industrial Works	448.69	779.27
	<b>Total (A)</b>	<b>448.69</b>	<b>779.27</b>
<b>II Key management personnel</b>			
	Pradeep Rathod	36.54	-
	<b>Total (B)</b>	<b>36.54</b>	<b>-</b>
	<b>Total (A+B)</b>	<b>485.23</b>	<b>779.27</b>
<b>G Labour Charges received</b>			
<b>I Enterprises over which the KMP have significant influence</b>			
	Wimplast Moldetipo Private Limited	0.76	-
	<b>Total</b>	<b>0.76</b>	<b>-</b>
<b>H Rent Received</b>			
<b>I Enterprises over which the KMP have significant influence</b>			
	WimPlast Moldetipo Private Limited	2.40	-
	<b>Total</b>	<b>2.40</b>	<b>-</b>
<b>I Corporate Social Responsibility Expenses</b>			
<b>I Enterprises over which the KMP have significant influence</b>			
	Cello Foundation (Formerly known as Cello Foundation (Formerly known as Badamia Charitable Trust))	562.29	309.90
	<b>Total</b>	<b>562.29</b>	<b>309.90</b>
<b>J Purchase of Property, Plant and Equipment</b>			
<b>I Enterprises over which the KMP have significant influence</b>			
	Cello Marketing	-	126.71
	Cello World	-	290.50
	<b>Total</b>	<b>-</b>	<b>417.21</b>



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S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
K	Reimbursement of expense		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Marketing	-	100.04
	Cello Houseware	-	0.68
	Cello International Private Limited	-	14.15
	Wim Plast Moldetipo Private Limited	4.31	-
	Cello World	-	72.75
	Cello Plastic Industrial Works	-	143.94
	<b>Total (A)</b>	<b>4.31</b>	<b>331.56</b>
II	<u>Key management personnel</u>		
	Pradeep Ghisulal Rathod	0.23	-
	<b>Total (B)</b>	<b>0.23</b>	<b>-</b>
	<b>Total (A+B)</b>	<b>4.54</b>	<b>331.56</b>
L	Sale of investment		
I	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	-	15.00
	<b>Total</b>	<b>-</b>	<b>15.00</b>
M	Loan Taken		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Pens and Stationery Private Limited	-	1,000.00
	<b>Total (A)</b>	<b>-</b>	<b>1,000.00</b>
II	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	5,290.57	9,482.00
	Pankaj Ghisulal Rathod	1,422.88	2,288.00
	Gaurav Pradeep Rathod	-	2,600.00
	<b>Total (B)</b>	<b>6,713.45</b>	<b>14,370.00</b>
	<b>Total (A+B)</b>	<b>6,713.45</b>	<b>15,370.00</b>
N	Loan Repaid		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Pens and Stationery Private Limited	-	1,000.00
	<b>Total (A)</b>	<b>-</b>	<b>1,000.00</b>
II	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	2,899.00	12,865.50
	Pankaj Ghisulal Rathod	1,942.00	8,663.59
	Gaurav Pradeep Rathod	-	5,200.00
	<b>Total (B)</b>	<b>4,841.00</b>	<b>26,729.09</b>
III	<u>Relatives of key management personnel</u>		
	Ruchi Gaurav Rathod	-	224.95
	<b>Total (C)</b>	<b>-</b>	<b>224.95</b>
	<b>Total (A+B+C)</b>	<b>4,841.00</b>	<b>27,954.04</b>



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S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
O	Loan Given		
I	<u>Associate Concern</u>		
	Pecasa Tableware Private Limited	-	650.00
	<b>Total</b>	<b>-</b>	<b>650.00</b>
P	Investment in equity shares		
I	<u>Associate Concern</u>		
	Pecasa Tableware Private Limited	-	80.00
	<b>Total</b>	<b>-</b>	<b>80.00</b>
Q	Purchase consideration paid for business combination under common control		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Plast	-	152.55
	Unomax Pens & Stationery Private Limited	-	8,113.23
	Cello Pens and Stationery Private Limited	-	6,030.56
	<b>Total (A)</b>	<b>-</b>	<b>14,296.34</b>
II	<u>Key Management Personnel</u>		
	Pradeep Rathod	-	8,913.16
	Pankaj Rathod	-	8,491.02
	Gaurav Rathod	-	4,456.58
	<b>Total (B)</b>	<b>-</b>	<b>21,860.76</b>
III	<u>Relatives of key management personnel</u>		
	Sangeeta Pradeep Rathod	-	2,611.23
	Babita Pankaj Rathod	-	2,611.23
	<b>Total (C)</b>	<b>-</b>	<b>5,222.46</b>
	<b>Total (A+B+C)</b>	<b>-</b>	<b>41,379.56</b>
R	Retained earnings distributed to partners/erstwhile owners		
I	<u>Enterprises over which the KMP have significant influence</u>		
	GPR Finance	-	615.09
	Rathod Investment Corp.	-	573.26
	<b>Total (A)</b>	<b>-</b>	<b>1,188.35</b>
II	<u>Key Management Personnel</u>		
	Pradeep Rathod	-	238.79
	Pankaj Rathod	-	415.37
	Gaurav Rathod	-	245.48
	<b>Total (B)</b>	<b>-</b>	<b>899.64</b>



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S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
III	<u>Relatives of key management personnel</u>		
	Sangeeta Pradeep Rathod	-	119.43
	Babita Pankaj Rathod	-	62.34
	Ruchi Gaurav Rathod	-	118.84
	<b>Total (C)</b>	-	<b>300.61</b>
	<b>Total (A+B+C)</b>	-	<b>2,388.60</b>
S	<u>Director Sitting Fees</u>		
I	<u>Key Managerial Personnel</u>		
I	Arun Kumar Singhal	4.25	-
II	Manali Nitin Kshirsagar	4.75	-
III	Piyush Sohanraj Chhajed	5.00	-
IV	Puspa Raj Singhvi	4.25	-
V	Sunipa Ghosh	3.50	-
	<b>Total</b>	<b>21.75</b>	-
T	<u>Buyback of Shares</u>		
I	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	-	199.30
	Pankaj Ghisulal Rathod	-	398.93
	Gaurav Pradeep Rathod	-	342.84
	<b>Total (A)</b>	-	<b>941.07</b>
II	<u>Relatives of key management personnel</u>		
	Babita Pankaj Rathod	-	147.16
	Ruchi Gaurav Rathod	-	50.39
	Sangeeta Pradeep Rathod	-	102.52
	<b>Total (B)</b>	-	<b>300.07</b>
	<b>Total (A+B+C)</b>	-	<b>1,241.14</b>

44.3 Amounts outstanding with related parties

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
A	<u>Trade receivable</u>		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Pens and Stationery Private Limited		
	Cello Marketing	-	0.88
	Cello Household Appliances Private Limited	-	97.47
	Wimplast Moldetipo Private Limited	484.90	-
	Cello Foundation (Formerly known as Badamia Charitable Trust)	-	2.33
	<b>Total (A)</b>	<b>484.90</b>	<b>100.68</b>





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S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
II	<b>Key Management Personnel</b>		
	Pradeep Ghisulal Rathod	-	2.21
	Gaurav Pradeep Rathod	0.16	-
	<b>Total (B)</b>	<b>0.16</b>	<b>2.21</b>
III	<b>Relatives of key management personnel</b>		
	Babita Pankaj Rathod	0.62	-
	Ruchi Gaurav Rathod	0.67	0.70
	Sangeeta Pradeep Rathod	0.48	0.14
	<b>Total (C)</b>	<b>1.77</b>	<b>0.84</b>
	<b>Total (A+B+C)</b>	<b>486.83</b>	<b>103.73</b>
B	<b>Trade Payable</b>		
I	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Household Appliances Private Limited	53.04	30.28
	Vardaman Realtors	13.56	23.88
	Cello Pens and Stationery Private Limited	-	12.37
	Cello Plastic Industrial Works	-	233.86
	Millennium Houseware	-	3.61
	Cello Marketing	1.13	1.13
	Cello Home Products	38.82	36.97
	Cello Houseware	2.11	-
	R & T Houseware Private Limited	33.60	33.60
	<b>Total(A)</b>	<b>142.26</b>	<b>375.70</b>
II	<b>Associate Concern</b>		
	Pecasa Tableware Private Limited	29.13	-
	<b>Total (B)</b>	<b>29.13</b>	<b>-</b>
III	<b>Key Management Personnel</b>		
	Pradeep Ghisulal Rathod	9.75	5.40
	Pankaj Ghisulal Rathod	5.45	4.39
	<b>Total (C)</b>	<b>15.20</b>	<b>9.79</b>
IV	<b>Relatives of key management personnel</b>		
	Babita Pankaj Rathod	-	0.06
	<b>Total (D)</b>	<b>-</b>	<b>0.06</b>
	<b>Total (A+B+C+D)</b>	<b>186.59</b>	<b>385.56</b>
C	<b>Loan Payable</b>		
I	<b>Key Management Personnel</b>		
	Pradeep Ghisulal Rathod	12,423.85	10,032.29
	Pankaj Ghisulal Rathod	13,386.62	13,905.74
	Gaurav Pradeep Rathod	4,219.24	4,219.24
	<b>Total (A)</b>	<b>30,029.71</b>	<b>28,157.27</b>
II	<b>Relatives of key management personnel</b>		
	Babita Pankaj Rathod	1,686.16	1,698.52
	Sangeeta Pradeep Rathod	281.82	281.82
	Ruchi Gaurav Rathod	3.26	3.26
	<b>Total (B)</b>	<b>1,971.24</b>	<b>1,983.60</b>



S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
III	Enterprises over which the KMP have significant influence		
	Umraoben Family Trust	49.55	49.55
	Total (C)	49.55	49.55
	Total (A+B+C)	32,050.50	30,190.42
D	Loan Receivable		
I	Associate Concern		
	Pecasa Tableware Private Limited	752.09	693.43
	Total	752.09	693.43
E	Investment in equity shares		
I	Associate Concern		
	Pecasa Tableware Private Limited	80.00	80.00
	Total (A)	80.00	80.00
F	Purchase consideration payable for business combination under common control		
I	Enterprises over which the KMP have significant influence		
	Cello Plast	-	197.45
	Total	-	197.45

#### 44.4 Compensation of key managerial personnel

The remuneration of the key management personnel of the Group, is set out below in aggregate for each of the categories specified in Ind AS 24:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2024
Short-term employee benefits	668.46	236.70
Post-employment benefits	-	-
Total	668.46	236.70

- (a) The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Group as a whole.
- (b) All decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Group, in accordance with shareholders' approval, wherever necessary.

#### 44.5 Funding Arrangements

- (a) Cello Industries Private Limited has provided with loan to Pecasa Tableware Private Limited (associate company) of ₹ NIL (as on March 31, 2023: 693.40 lakhs) at the rate of 10.00% p.a which is repayable after the associate repays the loan taken from the bank in accordance with the bank loan covenants, repayable in 7 years
- (b) Cello Consumerware Private Limited has availed term loan from bank of ₹ 5000.00 lakhs for business purpose against which the Parent Company has provided unconditional and irrevocable corporate guarantee. The loan outstanding as on March 31, 2024 is ₹ 2,773.26 lakhs (March 31, 2023: ₹ 795.20 lakhs).

44.6 Cello International Private Limited is amalgamated with Cello Pen and Stationery Private Limited by order of The National Company Law Tribunal (NCLT) Court V, Mumbai Bench dt 26.08.2022 and the appointed date is 1st April 2020.





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44.7 The above disclosure excludes the proceeds received in the share escrow account amounting to ₹ 1,90,000 Lakhs on account of offer for sale made by selling shareholders namely Pradeep Rathod, Pankaj Rathod, Gaurav Rathod, Babita Pankaj Rathod, Sangeeta Pradeep Rathod and Ruchi Gaurav Rathod . Book running lead managers disbursed ₹ 1,80,711.33 Lakhs (net of issue expenses of Rs 9,288.67 lakhs) to its selling shareholders. The balance in share escrow account is Nil and balance outstanding to these parties on account of such proceeds as on March 31, 2024 is Nil.



**45 Financial instruments and risk management**

**45.1 Capital risk management**

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt offset by cash and bank balances and total equity of the Group.

Particulars	As at March 31, 2024	As at March 31, 2023
Long term and short term debts*	37,071.21	33,510.69
Less: Cash and cash equivalents	(3,217.80)	(3,061.67)
<b>Net debt</b>	<b>33,853.41</b>	<b>30,449.02</b>
<b>Total Equity</b>	<b>1,36,986.11</b>	<b>53,638.91</b>
<b>Debt to equity ratio</b>	<b>0.27</b>	<b>0.62</b>
<b>Net debt to equity ratio</b>	<b>0.25</b>	<b>0.57</b>

\* Debt includes lease liabilities

The Group has not defaulted on any loans payable, and there has been no breach of any loan covenants. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

**45.2 Categories of financial instruments**

The following table provides categorisation of all financial instruments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
Investments measured at fair value through other comprehensive income (FVTOCI)	4,950.55	4,443.31
	<b>4,950.55</b>	<b>4,443.31</b>
Investments measured at fair value through profit and loss (FVTPL)	11,994.92	13,169.17
	<b>11,994.92</b>	<b>13,169.17</b>
<b>Measured at amortised cost</b>		
(a) Trade receivable	61,058.34	46,230.31
(b) Cash and cash equivalent	3,217.80	3,061.67
(c) Bank balances other than (b) above	3,288.49	1,931.60
(e) Loans	923.56	880.52
(f) Other financial assets	1,807.20	2,635.00
<b>Total financial assets</b>	<b>70,295.39</b>	<b>54,739.10</b>
<b>Total</b>	<b>87,240.86</b>	<b>72,351.58</b>
<b>Financial liabilities</b>		
Investments measured at fair value through profit and loss (FVTPL)		
(a) 0.0001% compulsorily convertible preference shares	-	48,310.00
	<b>-</b>	<b>48,310.00</b>



Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at amortised cost</b>		
(a) Borrowings	36,274.26	32,606.58
(b) Lease liabilities	796.95	904.11
(b) Trade payables	14,418.56	13,416.72
(c) Other financial liabilities	4,228.28	1,669.21
<b>Total financial liabilities</b>	<b>55,718.05</b>	<b>48,596.62</b>
<b>Total</b>	<b>55,718.05</b>	<b>96,906.62</b>

#### 45.3 Financial risk management objectives

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise cash and bank balances, trade and other receivables that are derived directly from its operations.

The Group is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Group's senior management team oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

##### 45.3.1 Market risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

##### 45.3.1.1 Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term debt obligations with floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group manages its interest rate risk by having fixed and variable rate loans and borrowings.

Borrowings carrying variable rate of interest as on March 31, 2024 is ₹ 4,223.76 lacs (March 31, 2023: ₹ 2,416.16 lacs) (refer note 23)



**Interest Rate Sensitivity Analysis**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Interest rate sensitivity analysis	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Impact on Profit/(Loss) before tax for the year</b>		
0.50% increase in Basis Point (%)	(0.06)	(3.23)
0.50% decrease in Basis Point (%)	0.06	3.23

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

**45.3.1.2 Foreign currency risk:**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The year end unhedged foreign currency exposures are given below:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(a). Trade receivables:</b>		
In USD	48.68	65.35
Equivalent in ₹ Lakhs	4,058.02	5,372.66
<b>(b). Advances (from customer):</b>		
In USD	0.80	2.42
Equivalent in ₹ Lakhs	66.13	196.08
<b>(c). Advances (to supplier):</b>		
In USD	17.18	7.58
In EURO	14.19	10.56
In CNY	0.15	-
Equivalent in ₹ Lakhs	2,703.91	1,495.89
<b>(d). Trade payables:</b>		
In USD	1.73	1.43
In EURO	13.66	0.01
Equivalent in ₹ Lakhs	190.64	118.54
<b>(e). Borrowing:</b>		
In EURO	30.89	9.89
Equivalent in ₹ Lakhs	2,786.83	883.25



**Foreign currency sensitivity**

The following table demonstrate the sensitivity to a reasonable possible change in exchange rate, with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair value of monetary assets and liabilities is as follows:

**Impact on Profit/(Loss) before tax for the year**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(a). Trade receivables:</b>		
<b>USD currency:</b>		
0.50% increase (%)	20.30	26.93
0.50% decrease (%)	(20.30)	(26.93)
<b>(b). Advances (from customer):</b>		
<b>USD currency:</b>		
0.50% increase (%)	(0.33)	(0.98)
0.50% decrease (%)	0.33	0.98
<b>(c). Advances (to supplier):</b>		
<b>USD currency:</b>		
0.50% increase (%)	6.55	11.93
0.50% decrease (%)	(6.55)	(11.93)
<b>EURO currency:</b>		
0.50% increase (%)	6.97	4.36
0.50% decrease (%)	(6.97)	(4.36)
<b>CNY currency:</b>		
0.50% increase (%)	0.01	-
0.50% decrease (%)	(0.01)	-
<b>(d). Trade payables:</b>		
<b>USD currency:</b>		
0.50% increase (%)	(0.73)	(0.59)
0.50% decrease (%)	0.73	0.59
<b>EURO currency:</b>		
0.50% increase (%)	(0.30)	-
0.50% decrease (%)	0.30	-
<b>(e). Borrowing:</b>		
<b>EURO currency:</b>		
0.50% increase (%)	(13.93)	(4.43)
0.50% decrease (%)	13.93	4.43





**c. Product price risk**

In a potentially inflationary economy, the Group expects periodical price increases across its product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/ sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the customers. This helps the Group to protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sectors, although overall volumes would get affected.

**45.4 Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

**a. Trade receivables**

The Group has adopted a policy of only dealing with counterparties that have sufficient credit rating. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group has applied a simplified approach under Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables.

**b. Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Parent's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

**c. Financial guarantees**

Financial guarantees have been provided as corporate guarantees to financial institutions and banks that have extended credit facilities to the Group's related party/subsidiary. In this regard, the Group does not foresee any significant credit risk exposure.

**45.5 Liquidity risk management**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs.

**Liquidity risk table**

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Upto 1 year	1-5 years	More than 5 years	Total
<b>March 31, 2024</b>				
Lease liabilities	298.34	604.34	64.85	967.53
Borrowings	33,500.50	2,773.76	-	36,274.26
Trade payables	14,418.56	-	-	14,418.56
Other financial liabilities	4,228.25	0.03	-	4,228.28
<b>Total</b>	<b>52,445.65</b>	<b>3,378.13</b>	<b>64.85</b>	<b>55,888.63</b>
<b>March 31, 2023</b>				
Lease liabilities	265.13	807.03	65.86	1,138.02
Borrowings	31,740.42	866.16	-	32,606.58
Trade payables	13,416.72	-	-	13,416.72
Other financial liabilities	1,669.18	48,310.03	-	49,979.21
<b>Total</b>	<b>47,091.45</b>	<b>49,983.22</b>	<b>65.86</b>	<b>97,140.53</b>

The above table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.



#### 46 Fair Value Measurement

##### 46.1 Fair value of the financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2024	March 31, 2023		
<b>A) Financial assets</b>				
i) Investments in mutual funds (quoted)	7,819.28	11,206.66	Level 1	The mutual funds are valued using the closing NAV.
ii) Investments in bonds (quoted)	4,950.55	4,981.14	Level 1	The bonds are valued using the closing NAV.
iii) Investments in equity shares (quoted)	1,463.57	1,424.68	Level 1	The equity shares are valued using the closing market prices at listed stock exchange.
iv) Investments in debentures (quoted)	2,712.07	-	Level 1	The debentures are valued using the closing NAV.
<b>B) Financial liabilities</b>				
i) 0.0001% Compulsorily Convertible Preference Shares (unquoted)	-	48,310.00	Level 3	(a) Present value of estimated dividends till expected conversion date (b) Fair value of equivalent eligible equity shares considering probability weighted expected conversion price

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances are approximates to their fair values, due to their short term nature.

##### 46.2 Reconciliation of Level III fair value measurement:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2023
Opening balance	48,310.00	-
Additional investment/obligation	-	47,500.00
Reclassification of allowance for loss	-	-
Loss recognised in the statement of profit and loss	-	810.00
Disposals/settlements/conversion to equity	(48,310.00)	-
<b>Closing balance</b>	<b>-</b>	<b>48,310.00</b>

##### 46.3 Fair value of financial assets and financial liabilities that are measured at amortised

The management believes the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate to their fair values.

#### 47 Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and Its Powers) Rules, 2014 are as follows:

- Details of Investments made by the Group in an associate are given in Note 9 in the consolidated financial statements.
- Details of Loans given by the Group to an associate are given in Note 10 in the consolidated financial statements.





**48 Additional regulatory information as required by Schedule III to the Companies Act, 2013**

- 48.1 The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- 48.2 The Group has not traded or invested in Crypto currency or Virtual Currency during each reporting year.
- 48.3 There were no Scheme of Arrangements entered by the Group during each reporting year, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- 48.4 The Group had no transactions with Companies struck off under Companies Act, 2013 or Companies Act, 1956.
- 48.5 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 48.6 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- 48.7 None of the entity of the Group has been declared willful defaulter by any bank or financial institution or government or any government authority.
- 48.8 The Group has complied with the number of layers prescribed under the Companies Act , 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.
- 48.9 The Group does not have any Loans or advances to promoters, directors, KMPs and related parties , either severally or jointly with any other person, that are
- (a) repayable on demand or
  - (b) without specifying any terms or period of repayment

**48A Audit Trail**

The Parent and its subsidiaries have maintained its books of account in Accounting Software(s) which have feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021. However, the audit trail feature is not enabled for direct changes to data in the underlying database in respect of an Accounting Software(s) used by the Parent and its subsidiary Companies.



**49 Ratio Analysis and its elements**

The components of ratios are extracted from consolidated statement of profit and loss and from the Balance sheet, the ratios are provided for the year ended March 31, 2024 and March 31, 2023. The comparative figures alongwith the reason for deviation more than 25% is provided below.

**a) Current Ratio = Current assets divided by Current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Current assets	1,32,317.64	1,12,443.82
Current liabilities	55,346.40	50,550.08
Ratio (In times)	2.39	2.22
% Change from previous year	7.66%	

**b) Return on Equity Ratio = Profit for the year divided by average equity**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year	35,618.36	28,506.22
Average equity*	74,283.35	21,204.78
Ratio (In %)	47.95%	134.43%
% Change from previous year	-64.33%	

\*Average equity represents the average of opening and closing total equity.

**Reason for change more than 25%:**

During the financial year ended March 31, 2024, the average equity of the Group has increased significantly due to issue of equity shares to CCPS shareholders, thereby declining the return on equity ratio.

**c) Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of goods sold*	94,842.37	89,551.25
Average Inventory	44,595.67	40,315.18
Ratio (In times)	2.13	2.22
% Change from previous year	-4.26%	

\* Average inventory represents the average of opening and closing inventory.

\* Cost of goods sold comprises Cost of Materials Consumed, Purchases of Stock in Trade and Changes in inventories of finished goods, semi finished goods and Stock in trade

**d) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Credit Sales*	1,99,324.82	1,79,126.47
Average Trade Receivables #	53,644.32	43,451.25
Ratio (In times)	3.72	4.12
% Change from previous year	-9.87%	

\* Credit sales includes sale of products, services and scrap sales.

# Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing trade receivables.



e) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Credit Purchases*	98,151.13	94,872.66
Average Trade Payables#	13,917.64	11,914.98
Ratio (In times)	7.05	7.96
% Change from previous year	-12.91%	

\*Credit purchases includes purchase of stock-in-trade, raw materials and packing materials

# Average trade payables represents the average of opening and closing trade payable.

f) Net Capital Turnover Ratio = Credit sales divided by Net Working capital

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Credit Sales (A)	2,00,026.41	1,79,669.50
Current Assets (B)	1,32,317.64	1,12,443.82
Current Liabilities (C)	55,346.40	50,550.08
Net Working Capital (D = B - C)	76,971.24	61,893.75
Ratio (In times) (E = A / D)	2.60	2.90
% Change from previous year	10.48%	

g) Net profit ratio = Profit for the year divided by Credit sales

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year	35,618.36	28,506.22
Credit Sales	2,00,026.41	1,79,669.50
Ratio (In %)	17.81%	15.87%
% Change from previous year	12.23%	

h) Return on Capital employed (pre -tax) = Earnings before interest and taxes (EBIT) divided by Capital Employed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax (A)	47,500.21	38,519.63
Finance Cost (B)	255.33	175.60
EBIT (C) = (A+B)	47,755.54	38,695.23
Tangible net worth* (D)	1,36,535.65	52,648.48
Total Borrowings ** (E)	37,071.21	33,510.69
Deferred tax liability (F)	1,259.05	840.57
Capital Employed (G)=(D+E+F)	1,74,865.91	86,999.74
Ratio (In %)	27.31%	44.48%
% Change from previous year	-38.60%	

\* Tangible net worth = Net worth (total equity)- Intangible assets- Deferred Tax Assets

\*\* Total Borrowings includes Current and Non Current Borrowings and Lease Liabilities

Reason for change more than 25%:

During the financial year ended March 31, 2024, the current assets have increased and the current liabilities have decreased due to improvement in operations of the Group thereby increasing the capital employed and resulting in decline in the return of capital employed





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i) Debt Equity ratio = Total debts divided by Total Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Total Debts*	37,071.21	33,510.69
Total Equity	1,36,986.11	53,638.91
Ratio (In %)	27.06%	62.47%
% Change from previous year	-56.68%	

\* Total Debts includes Current and Non Current Borrowings and Lease Liabilities

Reason for change more than 25%:

For the year ended March 31, 2024 and March 31, 2023, the Group's profitability has improved with 30% and 35% growth at year-on-year basis and as a result the Group has also repaid its loan.

j) Debt service coverage ratio= Earnings available for debt services divided by total interest and principal repayments.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year (A)	35,618.36	28,506.22
<b>Add: Non cash operating expenses and finance cost</b>		
- Depreciation and amortisation (B)	5,674.60	5,032.54
- Finance cost (C)	255.33	175.60
	<b>5,929.93</b>	<b>5,208.14</b>
Total Non-cash operating expenses and finance cost (Pre-tax) (D= B+C)		
Total Non-cash operating expenses and finance cost (Post-tax) (E = D (1- Tax rate))	4,437.49	3,897.36
<b>Earnings available for debt services (F = A+E)</b>	<b>40,055.84</b>	<b>32,403.58</b>
<b>Debt service</b>		
Lease Repayments (H)	796.95	1,138.02
Principal Repayments & Interest thereon (I)	36,274.26	32,606.58
Total Interest and principal repayments (J = G + H + I)	<b>37,071.21</b>	<b>33,744.60</b>
Ratio (In times) (J = F/ I)	1.08	0.96
% Change from previous year	12.52%	

i) Return on investment = Profit divided by cost of investment: NA

This ratio is not applicable since the Group does not have any projects/investment other than current operations.



**50 Business combination under common control**

During the financial years ended March 31, 2023, the Company, directly or through its subsidiaries, acquired businesses from entities which were ultimately controlled by the same parties who control it, both before and after the business combination. These transactions were in the nature of acquisition of the assets and liabilities under a slump sale arrangement or acquisition of the equity stake from the existing shareholders or by conversion of partnership firms into private limited companies.

Pursuant to the requirements of Appendix C of the Ind AS 103, these business combinations under common control are accounted for using the pooling of interest method. Consequently, the financial information of the Group, includes the financial information of the businesses transferred by the transferor to the transferee and has been restated from the earliest period presented in the consolidated financial statements of the Group.

The details of the business combinations, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given below.

Nature of business combination	Note	Transferee	Transferor	Date
Slump sale	a	Unomax Stationery Private Limited	Unomax Pens & Stationery Private Limited	01-Nov-22
Acquisition of subsidiary through inter-se transfer from promoter group	d	Cello World Limited	Wimplast Limited	10-Nov-22

**Identifiable assets acquired and liabilities assumed and capital reserve arising on business combination under common control**

Particulars	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
<b>As at April 01, 2021</b>		
<b>Assets</b>		
<b>Non-current assets</b>		
a) Property, plant and equipment	2,111.39	11,286.42
b) Capital work-in-progress	171.99	13.82
c) Right of use assets	1,063.15	385.21
d) Intangible assets	7.68	-
e) Investments	100.00	4,500.00
f) Loans	6.30	45.39
g) Other financial assets	6.10	170.92
h) Deferred tax assets (net)	-	-
i) Income tax assets (net)	-	40.38
j) Other non-current assets	17.45	59.69
<b>Total non-current assets</b>	<b>3,484.06</b>	<b>16,501.83</b>
<b>Current assets</b>		
a) Inventories	2,007.69	10,318.83
b) Investments	-	7,472.96
c) Trade receivables	2,950.67	6,725.13
d) Cash and cash equivalents	65.88	460.52
e) Bank balances other than (ii) above	-	227.06
f) Loans	148.35	22.03
g) Other financial assets	-	385.21
h) Other current assets	953.31	363.07
<b>Total Current Assets</b>	<b>6,125.90</b>	<b>25,974.81</b>
<b>Total Assets</b>	<b>9,609.96</b>	<b>42,476.64</b>



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Particulars	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
<b>Equity</b>		
Other Equity	-	37,057.48
Non Controlling Interest	-	(26.60)
<b>Total</b>	-	<b>37,030.88</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
a) Lease Liabilities	924.43	107.32
b) Provision	10.74	75.23
c) Deferred tax liabilities (net)	56.13	770.47
<b>Total non-current liabilities</b>	<b>991.30</b>	<b>953.02</b>
<b>Current liabilities</b>		
a) Lease liabilities	138.72	19.38
b) Borrowings	4,304.17	-
c) Trade payables	1,341.41	1,647.97
d) Other financial liabilities	-	161.28
e) Provisions	0.08	110.31
f) Other current liabilities	46.42	-
g) Current tax liabilities (net)	170.98	1,353.41
<b>Total current liabilities</b>	<b>6,001.78</b>	<b>3,292.35</b>
<b>Total liabilities</b>	<b>6,993.08</b>	<b>4,245.37</b>

Particulars	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
<b>Net assets and reserves transferred</b>	<b>2,616.88</b>	<b>1,200.39</b>
Purchase consideration payable in Cash	(8,113.23)	(33,113.78)
Non-controlling interest	-	(540.71)
<b>Capital Reserve as on April 1, 2021</b>	<b>(5,496.35)</b>	<b>(32,454.10)</b>
not transferred including cash generated from operations (net of deferred tax)	2,693.60	-
<b>Capital Reserve as on March 31, 2022</b>	<b>(2,802.75)</b>	<b>(32,454.10)</b>
not transferred including cash generated from operations (net of deferred tax)	2,712.19	-
<b>Capital Reserve as on March 31, 2023</b>	<b>(90.56)</b>	<b>(32,454.10)</b>



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Details of purchase consideration payable at the end of each reporting year:

Particulars	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
Purchase consideration payable as at April 01, 2021	8,113.23	33,113.78
Paid during the year	-	-
Purchase consideration payable as at March 31, 2022	8,113.23	33,113.78
Paid during the year	(8,113.23)	(33,113.78)
Purchase consideration payable as at March 31, 2023	-	-

- a. Pursuant to a business transfer agreement dated November 01, 2022, entered into between Unomax Stationery private Limited and one of its related parties, Unomax Pens & Stationery Private Limited (UPSPL), UPSPL has transferred to Unomax Stationery Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, (including two wholly-owned subsidiaries - Unomax Writing Instruments Private Limited and Unomax Sales & Marketing Private Limited) for a cash consideration of ₹ 8113.23 lakhs. The assets and liabilities have been transferred at their book values as on November 01, 2022.
- b. Cello World Limited (Formerly known as Cello World Private Limited) acquired 54.92% equity stake in Wimplast Limited, a listed entity on November 10, 2022 through an inter-se transfer between promoters / promoters group for a cash consideration of ₹ 33113.78 lakhs.





Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209OD2018PLC000865

Notes to the Consolidated Financial Statements as at March 31, 2024

All amounts are ₹ in Lakhs unless otherwise stated

51 Additional Information

Information as at and for the year ended March 31, 2024

Name of the entity in Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent</b>								
Cello World Limited	52.05	71,296.25	18.75	6,207.69	6.38	4.11	18.73	6,211.80
<b>Subsidiary</b>								
Cello Industries Private Limited	10.95	14,996.77	23.31	7,716.44	2.54	1.64	23.27	7,718.08
Cello Consumerware Private Limited	(0.05)	(63.54)	(0.14)	(45.35)	-	-	(0.14)	(45.35)
Cello Household Private Limited	13.20	18,077.29	20.73	6,864.24	12.80	8.25	20.72	6,872.49
Cello Houseware Private Limited	6.51	8,916.94	10.62	3,515.44	31.84	20.52	10.66	3,535.96
Unomax Stationary Private Limited	6.30	8,636.11	19.41	6,426.13	12.03	7.75	19.40	6,433.88
Wim Plast Limited	35.73	48,948.23	16.83	5,572.92	62.66	40.38	16.92	5,613.30
	72.65	99,511.80	90.78	30,049.82	121.87	78.54	90.83	30,128.36
<b>Non controlling interest</b>								
in Wim Plast Limited	16.11	22,064.35	(7.59)	(2,512.10)	(28.24)	(18.20)	(7.63)	(2,530.30)
<b>Associate Concern</b>								
Pecasa Tableware Private Limited	-	-	(0.14)	(47.15)	-	-	(0.14)	(47.15)
<b>InterCompany elimination and consolidation adjustments</b>								
	(40.81)	(55,886.27)	(1.80)	(592.82)	-	-	(1.79)	(592.82)
<b>Total</b>	<b>100.00</b>	<b>1,36,986.11</b>	<b>100.00</b>	<b>33,106.26</b>	<b>100.00</b>	<b>64.45</b>	<b>100.00</b>	<b>33,170.71</b>



Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Notes to the Consolidated Financial Statements as at March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Name of the entity in Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent</b>								
Cello World Limited	31.65	16,978.33	14.30	3,805.50	60.66	(35.57)	14.20	3,769.93
<b>Subsidiary</b>								
Cello Industries Private Limited	13.57	7,278.68	21.75	5,788.22	(30.73)	18.02	21.87	5,806.23
Cello Consumerware Private Limited	(0.03)	(18.19)	(0.09)	(23.76)	-	-	(0.09)	(23.76)
Cello Household Private Limited	20.89	11,204.80	25.60	6,812.48	2.22	(1.90)	25.65	6,811.18
Cello Houseware Private Limited	10.03	5,380.98	13.46	3,582.26	(5.68)	3.33	13.50	3,585.59
Unomax Stationary Private Limited	4.11	2,202.23	17.56	4,672.90	39.72	(23.29)	17.51	4,649.61
Wim Plast Limited	82.69	44,355.22	15.67	4,168.92	61.56	(36.10)	15.56	4,132.82
	<b>131.26</b>	<b>70,403.72</b>	<b>93.95</b>	<b>25,001.02</b>	<b>67.09</b>	<b>(39.34)</b>	<b>94.00</b>	<b>24,961.67</b>
<b>Non controlling interest</b>								
In Wim Plast Limited	37.28	19,993.96	(7.11)	(1,892.35)	(27.75)	16.27	(7.08)	(1,876.08)
<b>Associate Concern</b>								
Pecasa Tableware Private Limited	-	-	(0.00)	(1.14)	-	-	(0.00)	(1.14)
<b>InterCompany elimination and consolidation adjustments</b>								
	-100.18	(53,736.29)	(1.12)	(299.18)	-	-	(1.13)	(299.18)
<b>Total</b>	<b>100.00</b>	<b>53,638.91</b>	<b>100.00</b>	<b>26,612.73</b>	<b>100.00</b>	<b>(58.64)</b>	<b>100.00</b>	<b>26,554.09</b>



Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Notes to the Consolidated Financial Statements as at March 31, 2024

All amounts are ₹ in Lakhs unless otherwise stated

**52 Significant events after the reporting period**

The Board of Directors has recommended distribution of Dividend at rate of 30 % i.e. Rs. 1.50 per equity share of the face value of Rs. 5 for the financial year 2023-24, Subject to shareholders approval in ensuing Annual General Meeting (AGM).


**53 The Consolidated Financial Statement of the Group have been approved for issuance in accordance with the resolution of the board of directors on May 23, 2024**

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

  
Pradeep B Rathod  
Chairman & Managing Director  
DIN: 00027527

  
Atul Parolia  
Chief Financial Officer

Place: Mumbai  
Date: 23rd May, 2024

  
Ramesh G Rathod  
Joint Managing Director  
DIN: 00027572

  
Hemañgi Trivedi  
Company Secretary  
M No.: A27603



**Cello World Limited**  
***Consolidated Financial Information***  
Financial Year 2023

## INDEPENDENT AUDITOR'S REPORT

**To The Members of Cello World Limited**  
(Formerly known as Cello World Private Limited)  
**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statements of Cello World Limited (Formerly known as Cello World Private Limited) ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and an associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and an associate, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and an associate, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matters**

- (a) We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets of Rs.1,28,441.67 lakhs as at March 31, 2023, total revenues of Rs. 1,44,135.65 lakhs and net cash inflows amounting to Rs.776.26 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.1.14 lakhs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (b) The comparative financial information of the Group for the year ended March 31, 2022 and the related transition date opening balance sheet as at April 1, 2021 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information and the said opening balance sheet, dated August 05, 2023, expressed an unmodified opinion

Our opinion on the consolidated financial statements is not modified in respect of the above matter on the comparative financial information.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and an associate referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

*Handwritten initials/signature*

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and an associate company, incorporated in India, none of the directors of the Group companies and its associate company, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and an associate company, incorporated in India, to which internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and an associate company, incorporated in India, the remuneration paid by the Parent, such subsidiary companies and an associate company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 41 to the consolidated financial statements;
  - ii) the Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, its subsidiary companies and an associate company, incorporated in India.
  - iv) (a) The respective Managements of the Parent, its subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and an associate respectively that, to the best of their knowledge and belief, as disclosed in note 48.5 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and an associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and an associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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- (b) The respective Managements of the Parent, its subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and an associate respectively that, to the best of their knowledge and belief, as disclosed in note 48.6 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and an associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and an associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent, its subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 20.8 to the consolidated financial statements, the Board of Directors of the Parent, its subsidiaries and an associate, which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent, such subsidiaries and an associate at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent, its subsidiaries and an associate, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Mehul Parekh  
(Partner)  
(Membership No. 121513)  
(UDIN: 23121513BGYAEN4752)

Place: Mumbai  
Date: August 05, 2023

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements'  
section of our report of even date)**

**Report on the Internal Financial Controls with reference to consolidated financial statements  
under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Cello World Limited (Formerly known as Cello World Private Limited) (hereinafter referred to as "the Parent"), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary companies and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and an associate, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate, which are companies incorporated in India.



**Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 6 subsidiary companies and an associate, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Reporting on internal financial controls with reference to financial statements is not applicable, insofar as it relates to 3 subsidiary companies, which are companies incorporated in India, as per the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Mehul Parekh  
(Partner)  
(Membership No. 121513)  
(UDIN: 23121513BGYAEN4752)

Place: Mumbai  
Date: August 05, 2023

Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Consolidated Balance sheet as at March 31, 2023  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>ASSETS</b>				
<b>1) Non-current assets</b>				23,967.05
a) Property, plant and equipment	4	25,373.56	23,873.60	427.07
b) Capital work-in-progress	5	2,086.67	1,178.46	2,142.78
c) Right-of-use assets	8	1,756.47	1,931.16	43.35
d) Intangible assets	6	40.39	52.92	
e) Intangible assets under development	7	478.15	276.49	
f) Financial assets		78.86		
i) Investment in an associate	9	4,981.14	3,500.00	4,500.00
ii) Other investments	9	763.68	123.13	192.12
iii) Loans	10	893.69	986.38	871.84
iv) Other financial assets	11	471.90	280.18	155.99
g) Deferred tax assets (net)	26	234.31	230.69	63.77
h) Income tax assets (net)	12	4,022.35	1,423.04	409.81
i) Other non-current assets	13			
<b>Total non-current assets</b>		<b>41,181.17</b>	<b>33,856.05</b>	<b>32,773.78</b>
<b>2) Current assets</b>				30,693.11
a) Inventories	14	42,975.99	37,654.37	7,474.19
b) Financial assets				
i) Investments	9	12,631.34	11,495.18	37,142.65
ii) Trade receivable	15	46,230.31	40,672.19	1,670.88
iii) Cash and cash equivalents	16	3,061.67	3,626.91	1,576.08
iv) Bank balances other than (iii) above	17	1,931.60	1,840.97	137.24
v) Loans	10	116.84	201.70	483.32
vi) Other financial assets	11	1,741.31	342.09	2,876.52
d) Other current assets	13	3,754.76	3,676.81	82,053.99
<b>Total current assets</b>		<b>1,12,443.82</b>	<b>99,510.22</b>	
<b>Assets classified as held for sale</b>				
	18	1,544.40		
<b>Total assets</b>		<b>1,55,169.39</b>	<b>1,33,366.27</b>	<b>1,14,827.77</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				1.00
a) Equity share capital	19	9,750.00	1.00	(10,505.67)
b) Other equity	20	23,894.95	8,763.61	(10,504.67)
<b>Total equity attributable to owners of the Group</b>		<b>33,644.95</b>	<b>8,764.61</b>	
<b>Non Controlling Interest</b>				17,218.84
	21	19,993.96	18,513.50	6,714.17
<b>Total Equity</b>		<b>53,638.91</b>	<b>27,278.11</b>	
<b>Liabilities</b>				
<b>1) Non-current liabilities</b>				
a) Financial liabilities				
i) Borrowings	23	866.16		1,043.14
ii) Lease liabilities	8.1	713.51	869.71	0.03
iii) Other financial liabilities	24	48,310.03	0.03	362.63
b) Provisions	25	250.13	450.17	826.62
c) Deferred tax liabilities (net)	26	840.57	838.52	2,232.42
<b>Total non-current liabilities</b>		<b>50,980.40</b>	<b>2,158.43</b>	



**Cello World Limited**  
 (Formerly known as Cello World Private Limited)  
 CIN: U25209DD2018PLC009865  
 Consolidated Balance sheet as at March 31, 2023  
 All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>2) Current liabilities</b>				
a) Financial liabilities				
i) Borrowings	23	31,740.42	45,247.68	32,206.04
ii) Lease liabilities	8.1	190.60	173.43	158.10
iii) Trade payables	27			
(a) Total outstanding dues of micro and small enterprises		4,262.44	2,944.86	1,767.36
(b) Total outstanding dues of other than micro and small enterprises		9,154.28	9,610.09	8,072.28
iv) Other financial liabilities	24	1,669.18	43,453.22	61,006.68
b) Other current liabilities	29	3,037.63	2,018.84	2,001.09
c) Provisions	25	140.37	145.57	167.77
d) Current tax liability (net)	28	355.16	336.04	501.86
<b>Total current liabilities</b>		<b>50,550.08</b>	<b>1,03,929.73</b>	<b>1,05,881.18</b>
<b>Total equity and liabilities</b>		<b>1,55,169.39</b>	<b>1,33,366.27</b>	<b>1,14,827.77</b>
The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements.	1-54			

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP  
 Chartered Accountants


  
 Mehul Parekh  
 Partner



Place: Mumbai  
 Date: August 05, 2023

For and on behalf of Board of Directors of  
 Cello World Limited  
 (Formerly known as Cello World Private Limited)

  
 Pradeep G Rathod  
 Chairman & Managing Director  
 DIN: 00027527

  
 Anil Parolia  
 Chief Financial Officer

Place: Mumbai  
 Date: August 05, 2023

  
 Pankaj G Rathod  
 Joint Managing Director  
 DIN: 00027572

  
 Hamangi Trivedi  
 Company Secretary  
 M No.: A27603





Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

All amounts are ₹ in Lakhs unless otherwise stated

Particulars		Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>				
I.	Revenue from operations	30	1,79,669.50	1,35,917.44
II.	Other income	31	1,673.98	1,593.28
III.	<b>Total income (III-I)</b>		<b>1,81,343.48</b>	<b>1,37,510.72</b>
<b>IV. Expenses</b>				
	(a) Cost of materials consumed	32	64,779.18	53,224.39
	(b) Purchases of stock-in-trade	33	31,102.26	20,030.90
	(c) Changes in inventories of finished goods, semi finished goods and stock-in-trade	34	(6,330.19)	(5,400.04)
	(d) Employee benefit expenses	35	15,757.58	13,192.15
	(e) Finance costs	36	175.60	285.16
	(f) Depreciation and amortisation expenses	37	5,032.54	4,755.45
	(g) Other expenses	38	32,306.88	21,513.52
	<b>Total expenses</b>		<b>1,42,823.85</b>	<b>1,07,601.53</b>
V.	<b>Profit before tax (III-IV)</b>		<b>38,519.63</b>	<b>29,909.19</b>
<b>VI. Tax expenses</b>				
	(a) Current tax	39.1	10,162.63	8,072.75
	(b) Short/(excess) provision of tax relating to earlier years		(43.48)	19.67
	(c) Deferred tax charges/(credit)		(105.74)	(134.99)
	<b>Total tax expense</b>		<b>10,013.41</b>	<b>7,957.44</b>
VII.	<b>Profit after tax (V-VI)</b>		<b>28,506.22</b>	<b>21,951.75</b>
VIII.	<b>Less: Share of loss from an Associate</b>	22	(1.14)	
IX.	<b>Profit for the year (VII-VIII)</b>		<b>28,505.08</b>	<b>21,951.75</b>
<b>Attributable to</b>				
	- Owners of the group		26,612.73	20,399.51
	- Non Controlling Interest		1,892.35	1,552.24
<b>X. Other comprehensive income</b>				
	(A) Items that will not be reclassified subsequently to profit or loss:			
	i) Remeasurement of net defined benefit liability		(58.71)	3.39
	ii) Income tax relating to above	39.2	15.33	(0.86)
	(B) Items that may be reclassified subsequently to profit or loss:			
	(i) Net change in fair values of investments other than equity shares carried at fair value through OCI		(42.13)	10.13
	ii) Income tax relating to above	39.2	10.60	(2.55)
XI.	<b>Other comprehensive income for the year, net of tax</b>		<b>(74.91)</b>	<b>10.11</b>



Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Attributable to			
- Owners of the group		(58.64)	(2.85)
- Non Controlling Interest		(16.27)	12.96
<b>XII. Total comprehensive income for the year (IX+X)</b>		<b>28,430.17</b>	<b>21,961.86</b>
Attributable to			
- Owners of the group		26,554.09	20,396.66
- Non Controlling Interest		1,876.08	1,565.20
<b>XIII. Earning per share of face value of ₹ 5/- each</b>	<b>40</b>		
Basic ( in ₹)		13.65	10.46
Diluted ( in ₹)		13.17	10.46
The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements.	1-54		

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Mehul Parekh  
Partner

Place: Mumbai  
Date: August 05, 2023



For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

Atul Parolia  
Chief Financial Officer

Place: Mumbai  
Date: August 05, 2023

Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

Hemangi Trivedi  
Company Secretary  
M No.: A27603

Cello World Limited  
 (Formerly known as Cello World Private Limited)  
 CIN: U25209DD2018PLC009865  
 Consolidated Statement of Cashflow for the year ended March 31, 2023  
 All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flows from operating activities</b>	<b>38,519.63</b>	<b>29,909.19</b>
Profit before tax		4,755.45
Adjustments for:	5,032.54	(27.67)
Depreciation and amortisation expenses	(31.92)	191.85
Sundry credit balances written back	704.31	187.51
Sundry balances written off	67.80	(136.71)
Allowance for doubtful debts	(250.06)	264.15
Interest income	144.76	(7.77)
Finance costs	(16.01)	(66.68)
Profit on sale of Property, plant and equipment	(61.40)	(660.36)
Dividend on mutual funds	(537.00)	-
Net gain on investments	(33.64)	-
Net (loss) on loss of control of subsidiary	810.00	-
Net loss on CCPS measured at fair value through profit or loss	(13.08)	-
Gain on lease termination	44,335.94	34,428.96
<b>Operating profit before change in working capital</b>	<b>(11,497.31)</b>	<b>(7,277.42)</b>
<b>Movements in working capital:</b>	<b>(6,355.10)</b>	<b>(4,202.58)</b>
(Increase) in trade and other receivables	57.95	(739.62)
Decrease/(increase) in financial and other assets	(5,321.61)	(7,161.93)
(Increase) in inventories	893.69	3,614.92
Increase in trade and other payables	(263.96)	56.85
(Decrease)/increase in provisions	(508.28)	1,154.94
(Decrease)/increase in financial and other liabilities	32,838.63	27,151.55
<b>Cash generated from operations</b>	<b>(10,103.64)</b>	<b>(8,425.16)</b>
Income taxes paid	22,734.97	18,726.39
<b>Net cash generated by operating activities (A)</b>	<b>(11,209.85)</b>	<b>(4,914.30)</b>
<b>Cash flows from investing activities</b>	<b>(11,209.85)</b>	<b>(4,914.30)</b>
Purchase of property, plant and equipment including capital advances	(215.51)	(307.41)
Purchase of intangibles	1,103.33	57.64
Sale of property, plant and equipment	(78.86)	-
Investment in associate company	15.00	(76.85)
Sale / Derecognition of subsidiary	111.59	(4,223.43)
Proceeds from / (Investment in) bank deposits (net)	(3,959.43)	-
Investment in units of mutual funds / bonds / shares / commodities	519.68	1,872.01
Sale of investments	61.40	66.68
Dividend received on mutual funds	(650.00)	-
Loan given to related parties	(8,265.78)	(18,655.32)
Payment made on slump sale	(33,113.79)	-
Payment made on acquisition of subsidiary	(55,682.22)	(26,180.98)
<b>Net cash (used in)/generated by investing activities (B)</b>	<b>(55,682.22)</b>	<b>(26,180.98)</b>



Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Consolidated Statement of Cashflow for the year ended March 31, 2023

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flows from financing activities</b>		
Buyback of equity shares	(1,511.89)	
Issue of Preference shares	47,500.00	
Loans repaid to banks	(103.41)	(14,915.88)
Loans taken from related parties	15,370.00	39,137.15
Loans repaid to related parties	(27,954.30)	(11,841.40)
Payment to erstwhile partners (on account of business combinations - Refer note 50)	320.81	(2,103.49)
Repayment of lease liabilities	(278.14)	(261.41)
Payment of dividend	(961.07)	(604.34)
<b>Net cash generated in financing activities (C)</b>	<b>32,382.00</b>	<b>9,410.63</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(565.24)</b>	<b>1,956.03</b>
Cash and cash equivalents at the beginning of the year	3,626.91	1,670.88
<b>Cash and cash equivalents at the end of the year (refer note 16)</b>	<b>3,061.67</b>	<b>3,626.91</b>

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements.

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Note:

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind As - 7) "Statement of Cash Flow".

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Mehul Parekh  
Partner

Place: Mumbai  
Date: August 05, 2023



For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

Atul Parolia  
Chief Financial Officer

Place: Mumbai  
Date: August 05, 2023

Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

Hemangi Trivedi  
Company Secretary  
M No.: A27603



Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

All amounts are ₹ in Lakhs unless otherwise stated

A) Equity share capital

For the period ended March 31, 2023				
Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance at April 1, 2022	Changes in equity share capital during the period	Balance as at March 31, 2023
1.00	-	1.00	9,749.00	9,750.00

For the period ended March 31, 2022				
Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Balance as at April 1, 2021	Changes in equity share capital during the period	Balance as at March 31, 2022
1.00	-	1.00	-	1.00





Cello World Limited  
 (Formerly known as Cello World Private Limited)  
 CIN: U25209DD2018PLC009865  
 Consolidated Statement of Changes in Equity for the year ended March 31, 2023  
 All amounts are ₹ in Lakhs unless otherwise stated

8) Other equity

Particulars	Reserves & surplus					Items of OCI			Total	
	Retained earnings	Capital redemption reserves	Capital reserve on business combination under common control	General reserve	Securities premium	Reinvestment of Investment PVTCC	Reassessment of defined benefit plan	Total other equity attributable to owners of the group		Non-controlling interests
Balance as at April 01, 2021	27,218.36	-	(39,633.90)	1,371.68	0.13	(21.08)	49.14	(10,585.67)	17,218.84	6,713.17
Profit for the year	20,599.51	-	-	-	-	-	-	20,599.51	1,552.24	21,951.75
Reassessment of net defined benefit liability (net of tax)	-	-	-	-	-	-	(7.01)	(7.01)	9.54	2.53
Reassessment of investment at fair value through OCI (net of tax)	-	-	-	-	-	4.16	-	4.16	3.42	7.58
Total Comprehensive Income for the year	48,127.87	-	(39,633.90)	1,371.68	0.13	(16.92)	42.13	9,830.99	18,786.04	28,675.03
Dividends	(329.63)	-	-	-	-	-	-	(349.63)	(270.54)	(600.17)
Profit distributed to partners / erstwhile owners (Refer note 51)	(4,804.29)	-	-	-	-	-	12.21	(4,792.08)	-	(4,792.08)
Assumed on account of business combination (Refer note 50)	-	-	3,994.33	-	-	-	-	3,994.33	-	3,994.33
Balance as at March 31, 2022	42,993.95	-	(35,638.57)	1,371.68	0.13	(16.92)	54.34	8,763.61	18,513.50	27,277.11
Balance at April 1, 2022	42,993.95	-	(35,638.57)	1,371.68	0.13	(16.92)	54.34	8,763.61	18,513.50	27,277.11
Profit for the year	26,612.73	-	-	-	-	-	-	26,612.73	1,892.35	28,505.08
Reassessment of net defined benefit liability (net of tax)	-	-	-	-	-	-	(41.33)	(41.33)	(2.06)	(43.39)
Reassessment of investment at fair value through OCI (net of tax)	-	-	-	-	-	(17.32)	-	(17.32)	(14.21)	(31.53)
Total Comprehensive Income for the year	69,606.68	-	(35,638.57)	1,371.68	0.13	(34.24)	13.01	35,317.69	20,389.58	55,707.27



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Cello World Limited  
 (Formerly known as Cello World Private Limited)  
 CIN: U32000GD2018PLC008865  
 Consolidated Statement of Changes in Equity for the year ended March 31, 2023  
 All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Reserves & Surplus					Items of OCI			Non-controlling interests	Total
	Retained earnings	Capital redemption reserves	Capital reserve on business combination under common control	General reserve	Securities premium	Remeasurement of investment FVTOCI	Remeasurement of defined benefit plan	Total other equity attributable to owners of the group		
Dividends	(327.41)	-	-	-	-	-	-	(527.43)	(432.86)	(960.27)
Profits distributed to partners / attributable owners (Refer note 51)	(2,385.66)	-	-	-	-	42.03	-	(2,343.63)	-	(2,343.63)
Buy-back of shares (Refer note 20.3 (a) and 20.3 (b))	(1,511.89)	-	-	-	-	-	-	(1,511.89)	-	(1,511.89)
Creation of capital redemption reserve on account of buy back of shares	(34.90)	14.90	-	-	-	-	-	(19,749.60)	-	(19,749.60)
Issue of bonus shares (Refer note 19.1 (d))	(5,749.00)	-	2,712.19	-	-	-	-	2,712.19	-	2,712.19
Assumed on account of business combination (Refer note 56)	-	-	-	-	-	-	-	-	-	-
Reversal on account of loss of control on sale of subsidiary (Refer note 9.2)	-	-	-	-	-	-	-	-	37.24	37.24
Balance as at March 31, 2023	55,434.82	14.90	(32,927.39)	3,371.68	0.13	(34.20)	55.04	21,894.95	19,993.36	41,888.31

The accompanying significant accounting policies and notes form an integral part of the Restated Consolidated Financial Information

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In terms of our report attached of even date

For Deloitte Maskins & Sells LLP  
 Chartered Accountants

*Deloitte Maskins & Sells LLP*  
 CHARTERED ACCOUNTANTS  
 DELHI

Mehraj Parekh  
 Partner

Place: Mumbai  
 Date: August 05, 2023

For and on behalf of Board of Directors of  
 Cello World Limited  
 (Formerly known as Cello World Private Limited)

Pradeep G Rathod  
 Chairman & Managing Director  
 DIN: 00027527

*Pradeep G Rathod*  
 Pradeep G Rathod  
 Chairman & Managing Director  
 DIN: 00027527

Place: Mumbai  
 Date: August 05, 2023



Joint Managing Director  
 DIN: 00027572

*Pradeep G Rathod*  
 Pradeep G Rathod  
 Joint Managing Director  
 DIN: 00027572

Company Secretary  
 M No.: A27603



**Cello World Limited (formerly known as Cello World Private Limited)**  
**CIN: U25209DD2018PLC009865**  
**Notes to the Consolidated Financial Statements as at March 31, 2023**  
**All amounts are ₹ in lakhs unless otherwise stated**

## 1. Corporate Information

Cello World Limited (formerly known as Cello World Private Limited) ('The Company') was incorporated on July 25, 2018, with Company Identification No: U25209DD2018PLC009865 . The registered office of the Company is located at 597/2A, Somnath Road, Dabhel, Nani Daman, Daman & Diu – 396 210 and Corporate Office at Mumbai is located at Cello House, Corporate Avenue, B-Wing, Sonawala Rd, Goregaon (E), Mumbai - 400063.. The Company is engaged in the business of trading of "Consumer products" namely plastic and rubber products such as water bottles, storage container and jars, tiffin's and lunch carriers, glassware, steel flasks and jars.

The status of the Company has changed from private limited to public limited. Pursuant to the provisions of Section 18 of the Companies Act, 2013, read with Rule 33 of the Companies (Incorporation) Rules, 2014, as amended from time to time, and vide Shareholders' approval dated June 12, 2023, the name of the Company has changed from "Cello World Private Limited" to "Cello World Limited" with effect from July 18, 2023, on which date the Registrar of Companies, Goa gave its approval for the said conversion.

The Consolidated Financial Statements are prepared for the Company and its subsidiaries together referred to as the "Group".

Name of subsidiary	% of holding as at			Country <sup>A</sup>
	March 31, 2023	March 31, 2022	April 01, 2021	
Cello Household Products Private Limited <sup>B</sup>	100.00%	93.00%	93.00%	India
Cello Houseware Private Limited <sup>C</sup>	100.00%	92.10%	-	India
Cello Industries Private Limited	100.00%	100.00%	100.00%	India
Unomax Stationery Private Limited ("USPL") <sup>D</sup>	100.00%	-	-	India
Unomax Writing Instruments Private Limited <sup>E</sup>	100.00% by USPL	-	-	India
Unomax Sales & Marketing Private Limited <sup>E</sup>	100.00% by USPL	-	-	India
Cello Consumerware Private Limited <sup>F</sup>	100.00%	100.00%	-	India
Wimplast Limited ("WPL")	54.92%	-	-	India
Wim Plast Moulding Private Limited	100% by WPL	100% by WPL	-	India
Wim Plast Moldetipo Private Limited	-	60% by WPL	60% by WPL	India

<sup>A</sup> Principal place of business / country of incorporation

<sup>B</sup> Converted from Cello Household Products (partnership firm) with effect from February 12, 2021

<sup>C</sup> Converted from Cello Industries (partnership firm) with effect from June 02, 2021

<sup>D</sup> Incorporated on October 14, 2022

<sup>E</sup> Wholly-owned subsidiaries of Unomax Pens & Stationery Private Limited transferred to USPL

<sup>F</sup> Incorporated on December 10, 2021

Name of associate	% of holding as at	Country <sup>A</sup>	Principal activity
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**Cello World Limited (formerly known as Cello World Private Limited)**  
**CIN: U25209DD2018PLC009865**  
**Notes to the Consolidated Financial Statements as at March 31, 2023**  
**All amounts are ₹ in lakhs unless otherwise stated**

	March 31, 2023	March 31, 2022	April 01, 2021		
Pecasa Tableware Private Limited	40.00%			India	The Company is engaged in the business of manufacturing and dealing in "Consumer Products" mainly Opal ware, Glassware Products and all the activities incidental thereto.

**2. Basis of preparation, measurement and significant accounting policies**

**2.1. Basis of preparation**

**a) Statement of compliance**

These Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

In accordance with the notification dated February 16, 2015, Issued by Ministry of Corporate Affairs, the Company has mandatorily (on acquisition of Listed subsidiary in Financial Year 22-23) adopted Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") with effect from April 01, 2022. Accordingly, the transition date for adoption of Ind AS is April 01, 2021 for reporting under requirements of the Act.

Upto the year ended March 31, 2022, the Group prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

**b) Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries) up to 31 March each year. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of



**Cello World Limited (formerly known as Cello World Private Limited)**  
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during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

#### **Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other expenses.





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Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' ("Ind AS 12") and Ind AS 19 'Employee Benefits' ("Ind AS 19") respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Group determines where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Transaction costs that the Group incurs in connection with a business combination such as, finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in Consolidated Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Consolidated Statement of Profit and Loss where such treatment would be appropriate if that interest were disposed-off.

#### **Business combinations under common control**

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, are considered as common control business combinations. Such business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The assets and liabilities of the combining entities or businesses are reflected at their carrying amounts, barring certain assets and liabilities not taken over in terms of business transfer agreements. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies. The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred



from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves appearing in the financial statements of the transferor is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor, for case of acquisition of stake in equity.

The differences, if any, between the amount of consideration paid or payable in cash or and the amount of share capital / partners' capital of the transferor and further adjusted for harmonization of the accounting policies, has been transferred to 'Capital reserve on business combination under common control' and presented separately from other capital reserves.

During the financial years ended March 31, 2023 and 2022, Cello World Limited, directly or through its subsidiaries, acquired businesses from entities which were ultimately controlled by the same parties both before and after the business combination. These transactions were in the nature of acquisition of the assets and liabilities under a slump sale arrangement or acquisition of the equity stake from the existing shareholders.

Pursuant to the requirements of Appendix C of the Ind AS 103, these business combinations under common control are accounted for using the pooling of interest method as explained above. The details of the business combinations, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given in note 50.

#### Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in capital reserve in the period in which the investment is acquired.

#### c) Current versus non-current classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification.

##### An asset is treated as current when it is:

- I. Expected to be realized or intended to be sold or consumed in normal operating cycle.
- II. Held primarily for the purpose of trading.
- III. Expected to be realized within twelve months after the reporting period, or
- IV. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.



A liability is current when:

- I. It is expected to be settled in normal operating cycle.
- II. It is held primarily for the purpose of trading
- III. It is due to be settled within twelve months after the reporting period, or
- IV. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

**d) Operating cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

**2.2. Basis of measurement**

**a) Basis of accounting**

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS. Fair value measurements are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- I. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- II. Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- III. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Financial instruments

**b) Use of estimates and judgements**

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets,





liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the Consolidated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

- i. Determination of useful lives of property, plant and equipment and intangibles
- ii. Impairment test of non-financial assets
- iii. Recognition of deferred tax assets
- iv. Recognition and measurement of provisions and contingencies
- v. Fair value of financial instruments
- vi. Impairment of financial assets
- vii. Measurement of defined benefit obligations
- viii. Revenue recognition
- ix. Determination of incremental borrowing rate for leases
- x. Provision for expected credit losses of trade receivables

### 2.3. Significant accounting policies

#### a) Property, Plant and Equipment:

##### Recognition and measurement:

Items of property, plant and equipment other than freehold land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in Consolidated Statement of Profit and Loss when the item is derecognised.

##### Subsequent expenditure:

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow





to the Group and that the cost of the item can be reliably measured.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting year in which they are incurred.

Transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date, except for one of its Listed subsidiary Wimplast Limited which has been preparing its financials under Ind AS before the said date.

Depreciation:

Depreciation on property, plant and equipment, is provided under the written down value method in the manner prescribed under Schedule II of the Companies Act, 2013. In case of Unomax Stationery Private Limited and its subsidiaries, depreciation on property, plant and equipment is provided on a straight line basis.

For certain items of Property, Plant and Equipment, the Group depreciates over estimated useful life which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 which is based upon technical assessment made by the technical expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis

Type of Asset	Estimated useful life of property, plant and equipment (Years)
Buildings	30 years
Plant and Machinery	5- 20 years
Leasehold improvements	Over the Life of lease contract
Moulds	6- 8 years
Electrical installation	5- 10 years
Furniture & fixtures	10 years
Computers	3 years
Office equipment	5 years
Vehicles	8- 10 years



Depreciation on property, plant and equipment which are added / disposed of during the year, is provided on pro-rata basis with reference to the date of addition / deletion.

Leasehold improvements are depreciated over the tenure of lease term. Leasehold land is amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

- b) **Capital work in progress and Capital advances :**  
 Cost of assets not ready for intended use, as on the end of the reporting period, is shown as capital work in progress.  
 Advances given towards acquisition of property, plant and equipment outstanding at end of each reporting period are disclosed as other non-current assets.

c) **Intangible Assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the profit and loss in the period in which the expenditure is incurred.

Transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date, except for one of its Listed subsidiary Wimplast Limited which has been preparing its financials under Ind AS before the said date.

Amortization:

Amortisation is recognised on a written-down value basis over their estimated useful lives. In case of Unomax Stationery Private Limited and its subsidiaries, amortisation of intangible assets is recognised on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives as mentioned below :

Type of the asset	Estimated Useful Life (Years)
Software	3 – 5 years
Designs and Patents	5 – 10 years



Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

**d) Intangible Assets under Development**

Expenditure on intangible assets eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

**e) Impairment of non-financial assets:**

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

**f) Leases:**

**As a Lessee:**

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a





period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these short term or low value asset leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- i. fixed lease payments (including in-substance fixed payments), less any lease incentives;
- ii. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- iii. the amount expected to be payable by the lessee under residual value guarantees;
- iv. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- v. payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Consolidated Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- i. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ii. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate



- (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- iii. a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Consolidated Balance Sheet. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

#### As a lessor:

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group applied Ind AS 116 "Leases" to all lease contracts, except those which are exempted under this standard, using the modified retrospective approach, on the date of initial application. Following is the summary of practical expedients elected on initial application (on a lease-by-lease basis):

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.



g) **Inventories:**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost First In First Out method. Net realizable value represents the estimated selling price all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

h) **Cash and cash equivalents:**

Cash and cash equivalent in the Consolidated Balance Sheet and Consolidated Statement of Cash Flows comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

i) **Asset classified as held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Balance Sheet.

j) **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts.

**Financial assets**

**Initial recognition and measurement**

Financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in following categories:

- Amortised cost,
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)





on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Amortised cost:**

A financial instrument is measured at the Amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at Amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed. In respect of other financial assets, the loss allowance is measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

**Financial liabilities**

**Initial recognition and measurement:**

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

**Subsequent measurement:**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.





**Financial Liabilities at Fair Value through Profit or Loss (FVTPL):**

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in the Consolidated Statement of Profit and Loss.

**Financial Liabilities at Amortised cost:**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at Amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The Amortisation done using the EIR method is included as finance costs in the Consolidated Statement of Profit and Loss.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognized less cumulative amortization.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**k) Provisions, Contingent Liabilities, Contingent Assets and Commitments**

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.



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If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain.

#### Warranty

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

#### 1) Revenue recognition

##### Sale of goods and Services

The Group derives revenues primarily from sale of products comprising of Consumer products.

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product.

The Group considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group recognises revenue for such services when the performance obligation is completed.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal



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in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Revenue from rendering of services is recognized over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Incentives on exports and other Government incentives

Incentives on exports and other Government incentives related to operations are recognized in the Consolidated Statement of Profit and Loss where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

**Contract balances**

Trade receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract.

**m) Other Income**

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividends are recognised in the Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

**n) Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended





use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to Consolidated Statement of Profit and Loss.

**o) Foreign currency**

**Foreign currency transactions:**

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss in the year in which they arise.

**p) Employee Benefits**

**Short-term Employee benefits**

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognised as an expense in the Consolidated Statement of Profit and Loss as the related service is provided.

Certain employees of the Group are entitled to compensated absences as per applicable statutory provisions. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Post-Employment Benefits**

**Defined Contribution Plans:**

A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

**Defined Benefit Plans:**

The Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the Consolidated Balance Sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined



benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

q) **Taxation**

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Group has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.



Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

r) **Dividend**

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting year, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting year.

s) **Earnings per share:**

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t) **Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value





measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**u) Government Grant:**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Government grant related to assets are presented by deducting the grant from the carrying amount of the asset.

**v) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows for the year are classified by operating, investing and financing activities.

**w) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

**x) Recent Accounting Pronouncements**

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below:

**I. Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements

**II. Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.



iii. **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Group is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

**3. Transition to Ind AS**

The Group has prepared the opening Consolidated Balance Sheet as per Ind AS as at April 1, 2021 (the transition date) by recognizing, derecognizing or reclassifying items of assets and liabilities from previous GAAP (Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016) to Ind AS as per the requirements set out by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below, except for one of its Listed subsidiary Wimplast Limited which has been preparing its financials under Ind AS before the said date.

i. **Deemed cost for property, plant and equipment, and intangible assets**

The Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of the transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

ii. **Derecognition of financial assets and financial liabilities**

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

iii. **Classification of debt instruments**

The Group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

iv. **Impairment of financial assets**

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to



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Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

**v. Past business combinations**

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date.

**vi. Leases**

The Group has applied paragraphs 9-11 of Ind AS 116 to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Following is the summary of practical expedients elected on initial application (on a lease-by-lease basis):

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.



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4 Property, plant and equipment

Particulars	Land	Leasehold improvements	Buildings	Plant and machinery	Moulds	Electrical installation	Furniture & fixtures	Computers	Office equipment	Vehicles	Total
<b>I. Cost/deemed cost</b>											
Balance as at April 1, 2021	453.80	-	6,342.96	14,678.81	7,838.04	801.11	755.30	161.31	83.66	405.29	31,520.28
Additions	-	137.96	63.90	2,821.74	811.23	321.40	134.69	44.04	52.02	93.96	4,480.94
Disposals, transfers and adjustments	-	-	-	(0.20)	(36.71)	-	-	-	-	(20.80)	(57.71)
Balance as at March 31, 2022	453.80	137.96	6,406.86	17,500.35	8,612.56	1,122.51	889.99	203.35	135.68	478.45	35,943.51
Additions	759.66	448.49	397.19	3,074.07	2,375.75	198.56	111.09	56.39	20.73	464.25	7,906.18
Reclassified as held for sale	-	-	(1,773.09)	(96.56)	(84.35)	-	(7.91)	-	(7.91)	-	(1,961.91)
Disposals, transfers and adjustments	-	-	-	(44.09)	(51.67)	-	(5.62)	(17.04)	(1.86)	(33.40)	(153.68)
Balance as at March 31, 2023	1,213.46	586.45	5,030.96	20,433.77	10,836.64	1,321.07	911.11	244.70	146.64	909.30	41,734.10
<b>II. Accumulated depreciation</b>											
Balance as at April 1, 2021	-	-	713.93	3,179.10	3,354.72	-	152.28	82.89	32.22	38.09	7,553.23
Depreciation expense for the year	-	19.69	300.56	2,263.03	1,295.41	274.73	159.68	41.91	33.14	136.37	4,524.52
Disposals, transfers and adjustments	-	-	-	(0.01)	(7.83)	-	-	-	-	-	(7.84)
Balance as at March 31, 2022	-	19.69	1,014.49	5,442.12	4,642.30	274.73	311.96	124.80	65.36	174.46	12,063.91
Depreciation expense for the year	-	88.91	276.29	2,452.79	1,331.40	252.55	140.48	50.32	29.32	152.44	4,774.50
Less: on reclassification as held for sale	-	-	(318.03)	(53.78)	(39.10)	-	(39.10)	-	(6.60)	-	(417.51)
Disposals, transfers and adjustments	-	-	-	(16.38)	(14.47)	-	(1.39)	(10.70)	(0.76)	(22.66)	(66.36)
Balance as at March 31, 2023	-	108.60	972.75	7,824.75	5,959.23	527.28	411.95	164.42	87.32	304.24	16,360.54
<b>III. Net carrying amount (I-II)</b>											
Balance as at March 31, 2023	1,213.46	477.85	4,058.21	12,609.02	4,977.41	793.79	499.16	80.28	59.32	605.06	25,373.56
Balance as at March 31, 2022	453.80	118.27	5,392.37	12,058.23	3,970.26	847.78	578.03	80.55	70.32	303.99	23,873.60
Balance as at April 1, 2021	453.80	-	5,629.03	11,499.71	4,483.32	801.11	603.02	78.42	51.44	367.20	23,967.05



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- 4.1 There are no impairment losses recognised during each reporting year.
- 4.2 Land includes leasehold land for which an amount of ₹ 1.74 lakhs was paid by the Group as upfront premium along with relevant initial direct costs as at the lease commencement date, in order to acquire leasehold rights from October 20, 2022. This lease, being perpetual in nature, has been treated as part of property, plant and equipment in accordance with Ind AS 16.
- 4.3 **Assets pledged as security for borrowings**  
Movable Property, plant and equipment with carrying value of Rs.7434.07 lakhs (for the year ended March 31, 2022: Rs. 9841.25 lakhs) are hypothecated against cash credit facilities availed by the Group amounting to Rs. 1500.00 lakhs.  
Movable Property, plant and equipment with carrying value of Rs.1142.00 lakhs (for the year ended March 31, 2022: NIL and for April 01, 2021: NIL) are hypothecated against term loan facilities availed by the Group amounting to Rs. 795.15 lakhs. Refer Note 23 on Borrowings.
- 4.4 Effective April 1, 2022, the Group has revised the estimated useful lives of some of its plant and machinery to 20 years and some of its plant and machinery from 12years to 6 years. These have the net impact of decreasing depreciation charge for the year by Rs. 233.05 lakhs.
- 4.5 The Group has not revalued its property, plant and equipment as on each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.
- 4.6 The title deeds of immovable properties (other than properties where the Group is a lessee and the lease arrangement are duly executed in the favour of the lessee) are held in the name of the Group.
- 4.7 Refer note 2.3 (a) for first time adoption options availed by the Group on the transition to Ind AS.





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5 Capital work-in-progress Particulars	Leasehold improvements	Buildings	Plant and machinery	Moulds	Electrical installation	Furniture and fixtures	Total
Balance as at April 1, 2021	123.62	49.25	68.94	129.74	41.48	14.04	427.07
Additions	191.94	25.01	183.11	586.18	46.92	9.62	1,042.78
Transfers to PPE	(118.34)	(74.26)	(31.84)	(45.13)	(7.78)	(14.04)	(291.39)
Balance as at March 31, 2022	197.22	-	220.21	670.79	80.62	9.62	1,178.46
Additions	-	6.37	2,031.81	133.28	-	-	2,171.46
Transfers to PPE	(197.22)	-	(304.97)	(670.83)	(80.61)	(9.62)	(1,263.25)
Balance as at March 31, 2023	-	6.37	1,947.05	133.24	0.01	-	2,086.67

CWIP ageing schedule is as below:

As at March 31, 2023

Particulars	Amount in Capital-work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
- Leasehold improvements	6.37	-	-	-	6.37
- Buildings	1,780.82	166.23	-	-	1,947.05
- Plant and machinery	133.25	-	-	-	133.25
- Moulds	-	-	-	-	-
- Electrical installation	-	-	-	-	-
- Furniture and fixtures	-	-	-	-	-



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Particulars	Amount in Capital-work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	191.94	5.28	-	-	197.22
- Leasehold improvements	-	-	-	-	-
- Buildings	183.11	37.10	-	-	220.21
- Plant and machinery	586.18	84.61	-	-	670.79
- Moulds	46.92	33.70	-	-	80.62
- Electrical installation	-	-	-	-	-
- Furniture and Fixtures	9.62	-	-	-	9.62

Particulars	Amount in Capital-work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	123.62	-	-	-	123.62
- Leasehold improvements	49.25	-	-	-	49.25
- Buildings	68.94	-	-	-	68.94
- Plant and machinery	129.74	-	-	-	129.74
- Moulds	41.47	-	-	-	41.47
- Electrical installation	-	-	-	-	-
- Furniture and Fixtures	14.04	-	-	-	14.04

5.1 There are no projects as on each reporting year where activity had been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.

5.2 Details of borrowing cost capitalized to CWIP  
Borrowing cost of ₹ 107.64 lakhs (March 31, 2022: Nil) pertaining to plant and machinery has been capitalized in capital work-in-progress. Borrowing cost includes interest and other costs on borrowings made specifically in relation to the qualifying asset, along with exchange differences which are regarded as an adjustment to interest costs. Refer note 23.1 (a) for summary of borrowing arrangements.



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**6 Intangible assets**

Particulars	Software	Designs and Patents	Total
<b>I. Cost/deemed cost</b>			
Balance as at April 1, 2021	29.12	14.23	43.35
Additions	16.94	11.94	28.88
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2022	46.06	26.17	72.23
Additions	13.85	-	13.85
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2023	59.91	26.17	86.08
<b>II. Accumulated amortisation</b>			
Balance as at April 1, 2021	-	-	-
Amortisation expense for the year	14.69	4.62	19.31
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2022	14.69	4.62	19.31
Amortisation expense for the year	21.30	5.08	26.38
Disposals, transfers and adjustments	-	-	-
Balance as at March 31, 2023	35.99	9.70	45.69
<b>III. Net carrying amount (I-II)</b>			
Balance as at March 31, 2023	23.92	16.47	40.39
Balance as at March 31, 2022	31.37	21.55	52.92
Balance as at April 1, 2021	29.12	14.23	43.35

6.1 The Group has not revalued its intangible assets as on each reporting year and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

6.2 Refer note 2.3 (c) and 51 for first time adoption options availed by the Group on the transition to Ind AS.



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7 Intangible assets under development

Particulars	Softwares
Balance as at April 1, 2021	-
Additions	276.49
Transfer to PPE	-
Balance as at March 31, 2022	276.49
Additions	201.66
Transfer to PPE	-
Balance as at March 31, 2022	478.15

7.1 Intangible assets under development ageing schedule is as below:

As at March 31, 2023

Particulars	Amount in intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress				
Software development and implementation	201.66	276.49	-	478.15

As at March 31, 2022

Particulars	Amount in intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress				
Software development and implementation	276.49	-	-	276.49

There are no intangible assets under development as at April 1, 2021, hence no ageing is provided

7.2 There are no projects as on each reporting year where activity had been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.



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8 Right-of-use assets			
Particulars	Premises	Leasehold land	Total
<b>I. Cost</b>			
Balance as at April 1, 2021	1,507.43	694.42	2,201.85
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2022	1,507.43	694.42	2,201.85
Additions	137.29	-	137.29
Disposals	(160.62)	-	(160.62)
Balance as at March 31, 2023	1,484.10	694.42	2,178.52
<b>II. Accumulated depreciation</b>			
Balance as at April 1, 2021	59.07	-	59.07
Amortisation expense for the year	202.08	9.54	211.62
Eliminated on disposal	-	-	-
Balance as at March 31, 2022	261.15	9.54	270.69
Amortisation expense for the year	222.12	9.54	231.66
Eliminated on disposal	(80.30)	-	(80.30)
Balance as at March 31, 2023	402.97	19.08	422.05
<b>III. Net block balance (I-II)</b>			
As on March 31, 2023	1,081.13	675.34	1,756.47
As on March 31, 2022	1,246.28	684.88	1,931.16
As on April 01, 2021	1,448.36	694.42	2,142.78

8.1 Details of lease liabilities		Amount
Particulars		1,201.24
Balance as at April 1, 2021		
Recognised during the year		103.31
Finance cost accrued during the year		
Derecognised during the year		(261.41)
Payment of lease liabilities		1,043.14
As at March 31, 2022		137.27
Recognised during the year		95.15
Finance cost accrued during the year		(93.40)
Derecognised during the year		(278.14)
Payment of lease liabilities		904.02
As at March 31, 2023		

8.2 Classification of lease liabilities			
Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current	713.51	869.71	1,043.14
Current	190.60	173.43	158.10
<b>Total</b>	<b>904.02</b>	<b>1,043.14</b>	<b>1,201.24</b>



8.3 The Group has taken premises on lease for an average lease term of 4.67 years (as at March 31, 2022: 6 years; as at April 01, 2021: 6 years). Gross carrying value of leasehold land includes amounts which were paid upfront, at the commencement date of the lease along with relevant initial direct costs to acquire leasehold rights for remaining tenure of 82 years from August 2012. Along with that the Group has also entered into long term leases of around 75 to 99 years for land leases.

8.4 Amount recognised in consolidated statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Amortisation expenses on right-of-use assets	231.66	211.62
- Interest expenses on lease liability	95.15	103.31
- Expenses related to short term leases (refer note 38)	2,114.25	1,702.70
- Expense relating to variable lease payments not included in the measurement of the lease liability (refer note 38)	1.37	1.43
- Income from sub-leasing right-of-use assets (refer note 31)	(3.63)	(2.26)
- Gain on early termination of lease (refer note 31)	13.08	-

8.5 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Less than one year	265.13	261.41	260.40
One to five years	807.03	1,026.67	1,282.00
More than five years	65.86	66.87	-

8.6 The total cash outflows for leases amounts to ₹ 2390.13 lakhs (March 31, 2022: ₹ 1963.28 lakhs) (includes cash outflow for short term and long term leases).

8.7 The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

8.8 As a lessor:

The Group has entered into operating leases on its leasehold land. These leases have terms of between 8 and 20 years. Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Less than one year	3.68	2.43	2.26
One to five years	11.23	12.30	12.82
More than five years	10.56	11.96	13.87

Rental income recognised by the Group during the year ended 31 March 2023 was ₹ 3.63 lakhs (March 31, 2022: ₹ 2.26 lakhs).





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9 Investments

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Non-current</b>						
<b>Unquoted investments</b>						
Investments in equity instruments of associates under equity method						
Investment in Pecasa Tableware Private Limited (Face Value of Rs. 10/- each)	8,00,000.00	78.86				
<b>Total (A)</b>		<b>78.86</b>				
<b>Quoted investments</b>						
Investments measured at fair value through other comprehensive income (FVTOCI)						
<b>Bonds</b>						
SBI Perpetual Bond - 8.75%	350.00	3,469.22	350.00	3,500.00	350.00	3,500.00
SBI Perpetual Bond - 9.00%	10.00	974.09			10.00	1,000.00
<b>Investments measured at fair value through profit or loss (FVTPL)</b>						
<b>Mutual fund units (Quoted fully paid up)</b>						
Bharat Bond ETF FOF April-2032	51,41,765.58	537.83				
<b>Total (B)</b>		<b>4,981.14</b>		<b>3,500.00</b>		<b>4,500.00</b>
<b>Total (A+B)</b>		<b>5,060.00</b>		<b>3,500.00</b>		<b>4,500.00</b>





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Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Current						
Quoted investments						
Investments measured at fair value through profit or loss (FVTPL)						
Investments in mutual funds						
HDFC Liquid Fund - Daily Dividend	58,330.75	2,055.17		1,738.42	120.29	1.23
SBI Liquid Fund - Direct Growth	4,260.00	150.10	52,157.00	1,236.49	3,116.00	100.47
SBI Premier Liquid Fund	56,29,373.95	1,701.18	43,34,056.00	3,601.38	7,42,232.00	202.45
SBI Arbitrage Opp. Fund	1,34,983.00	3,745.77	1,34,983.00	1,031.05	1,34,983.00	3,447.73
SBI Banking/Psu Fund	99,950.00	1,082.55	99,950.00	2,361.81		2,255.40
Icici Prudential Long Short Fund -Series 1 E38	2,02,27,765.00	2,471.89	2,02,27,765.00			
Bharat Bond ETF FOF April-2023						
Equity share (Quoted fully paid up)						
Equity Shares of Mindspace Business Park REIT	3,50,000.00	1,144.85	3,50,000.00	1,212.89	3,50,000.00	1,032.05
Equity Shares of Brookfield REIT	1,00,000.00	279.83	1,00,000.00	313.14	1,00,000.00	223.21
Commodity						
Silver		12,631.34		11,495.18		7,474.19

9.1 Aggregate amount of investments and market value thereof:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Aggregate carrying value of unquoted investments	78.86		11,974.18
Aggregate carrying value of quoted investments	17,612.48	14,995.19	11,974.18
Aggregate amount of market value of quoted investments	17,612.48	14,995.19	11,974.18

9.2 Loss of control in subsidiary company

During the year ended March 31, 2023, the Group has disposed off its entire equity interest in Wim Plast Moldetipo Private Limited for a cash consideration of ₹ 15.00 lakhs, resulting in loss of control. An amount of ₹ 37.24 lakhs (being the proportionate share of the carrying amount of net assets in Wim Plast Moldetipo Private Limited) has been transferred to non-controlling interests (refer note 21). An amount of ₹ 70.88 lakhs (refer note 31).



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10 Loans Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>Non-current - unsecured, considered good unless otherwise stated</b>			
Loans to employees	70.25	123.13	162.12
Loan to an associate for business purpose (refer note 10.1)	693.43		30.00
Loans to others			
<b>Total</b>	<b>763.68</b>	<b>123.13</b>	<b>192.12</b>
<b>Current- unsecured, considered good unless otherwise stated</b>			
Loans to employees	116.84	171.70	137.24
Loans to others		30.00	
<b>Total</b>	<b>116.84</b>	<b>201.70</b>	<b>137.24</b>

10.1 The Group has provided loan to its associate concern which is repayable only after the associate repays the loan taken from bank in accordance with bank loan covenants, repayable in 7 years. This loan bears interest of 10% payable annually. The loan is held by the Group with a business model whose objective is to collect contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence, it is classified as financial asset measured at amortised cost.

10.2 Details of loans to related parties

Type of borrowers	Amount of loan outstanding	Percentage to the total Loans
<b>Related parties</b>		
- Loan to associate concern - Pecasa Tableware Private Limited*	693.43	78.75%
- As at March 2023		0.00%
- As at March 2022		0.00%
- As at March 2021		

\*including interest thereon

10.1 Details of fair value of the loans carried at amortised cost is disclosed in note 46.3.



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Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>11 Other financial assets</b>			
<b>Non-current - unsecured, considered good unless otherwise stated</b>			
Deposits with banks	343.84	350.80	385.02
- Long term deposits with banks with remaining maturity period more than 12 months (refer note 11.1 and 11.2)	549.85	635.58	486.82
Security deposits (refer note 11.3)	893.69	986.38	871.84
<b>Total</b>			
<b>Current - unsecured, considered good unless otherwise stated</b>			
Deposits with banks	72.02	65.70	59.65
- Short term deposits with banks with remaining maturity period more than 12 months (refer note 11.1 and 11.2)	126.48	81.62	62.09
Security deposits (refer note 11.3)	234.79	181.37	232.41
Interest accrued but not due on security deposits	1,300.00		
Advance for investment in mutual fund	8.02	13.40	106.34
Other receivables			22.83
Government subsidy receivable (refer note 31.1)	1,741.31	342.09	483.32
<b>Total</b>			

11.1 Deposits with banks includes balances held as margin money and security against guarantees and other commitments of Rs. 92.60 lakhs (March 31, 2022: Rs 87.80 lakhs, March 31, 2021: NIL)

**11.2 Details of Deposits with bank**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
-Fixed Deposit held for EPCG license.	121.10	157.50	148.70
-Fixed Deposit held as lien with electricity department.	11.10	11.10	11.10
-Fixed Deposit held as lien with Member Secretary, Planning and Development authority, Daman	0.50		

**11.3 Details of Security Deposit**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
-Fixed Deposit in the name of the Group Company held with Electricity Department.		244.70	127.40



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12 Income tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Advance tax (net of provisions as at March 31, 2023: ₹ 4,940.97 lakhs; as at March 31, 2022: ₹ 3,438.89 lakhs; as at April 01, 2021: ₹ 1163 lakhs ) (refer note 12.1)	234.31	230.69	63.77
<b>Total</b>	<b>234.31</b>	<b>230.69</b>	<b>63.77</b>

12.1 Advance tax (net of provisions) as at March 31, 2023 includes ₹ 3.47 lakhs being excess tax paid on buy-back of shares.

13 Other assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>Non-current - unsecured, considered good unless otherwise stated</b>			
Balances with government authorities (other than income taxes)	26.82	26.82	31.30
Export benefits receivable	-	2.43	4.25
Capital advances	3,979.81	1,375.17	369.95
Security Deposits	15.72	18.62	0.50
Prepaid expenses	4,022.35	1,423.04	3.81
<b>Current - unsecured, considered good unless otherwise stated</b>			
Advances to suppliers & employees	2,097.68	2,179.37	1,723.95
Export benefits receivable	188.00	264.95	90.19
Balances with government authorities (other than income taxes)	1,297.29	1,043.92	891.50
Prepaid expenses	171.79	188.57	170.88
<b>Total</b>	<b>3,754.76</b>	<b>3,676.81</b>	<b>2,876.52</b>





Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
At lower of cost or NRV			
Raw materials	10,803.80	11,880.36	10,678.24
Semi-finished goods	4,176.23	3,410.53	4,334.80
Finished goods	25,022.29	19,992.41	13,886.27
Stock-in-trade	1,071.51	536.90	318.73
Packing Material	1,883.52	1,808.08	1,452.30
Stores and spares	18.64	26.09	22.77
<b>Total</b>	<b>42,975.99</b>	<b>37,654.37</b>	<b>30,693.11</b>

14.1 The cost of inventories recognised as an expense during the year was ₹ 89551.25 lakhs (March 31, 2022: ₹ 67855.25 lakhs). The Group has no write-down of inventory to net realisable value as at March 31, 2023, March 31, 2022 and April 01, 2021.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Raw materials	395.07	127.53	
Finished goods	331.86	150.94	22.16
	<b>726.93</b>	<b>278.47</b>	<b>22.16</b>

14.2 Details of goods-in-transit included in inventories above

14.3 The mode of valuation of inventories has been stated in note (2.3(g)) of accounting policies.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade receivables			
Unsecured, considered good	46,230.31	40,672.19	37,142.65
Unsecured, credit impaired	625.23	557.43	369.92
	46,855.54	41,229.62	37,512.57
Less: Expected credit loss allowance (Refer note 15.3 below)	(625.23)	(557.43)	(369.92)
<b>Total</b>	<b>46,230.31</b>	<b>40,672.19</b>	<b>37,142.65</b>

15.1 The average credit period on sales of goods is 7-90 days.

15.2 The Group has used a practical expedient for computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	557.43	369.92
Movement in expected credit loss allowance	67.80	187.51
<b>Balance at end of the year</b>	<b>625.23</b>	<b>557.43</b>

15.3 Movement in the expected credit loss allowance

15.4 Trade receivables from related parties are disclosed separately under note 44.

15.5 Trade receivables with carrying value of Rs.7410.06 lakhs (for the year ended March 31, 2022: Rs. 7148.39 lakhs and to Rs. 1500.00 lakhs. for March 31, 2021: Rs.6725.13 lakhs) are hypothecated against cash credit facilities availed by the Group amounting



15.5 Ageing of receivables  
 As on March 31, 2023

Particulars	Outstanding for following periods from due date of invoice					Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	
Undisputed						
- considered good	35,663.93	8,424.01	1,249.33	770.99	61.65	46,230.31
- credit impaired	3.31	60.47	40.54	107.06	235.69	625.23
Disputed						
- considered good	-	-	1,289.87	878.05	297.34	46,855.54
- credit impaired	35,667.24	8,484.48	(40.54)	(107.06)	(235.69)	(625.23)
Less: Expected credit loss allowance	(3.31)	(60.47)				
Total	35,663.93	8,424.01	1,249.33	770.99	61.65	46,230.31

Particulars	Outstanding for following periods from due date of invoice				Total	
	Not due	Less than 6 months	6 months -1 year	1-2 Years		2-3 years
Undisputed						
- considered good	28,527.88	10,163.06	639.43	998.88	342.94	40,672.19
- credit impaired	3.35	59.68	73.79	172.39	208.39	557.43
Disputed						
- considered good	-	-	713.22	1,171.27	551.33	41,229.62
- credit impaired	28,531.23	10,222.74	(73.79)	(172.39)	(208.39)	(557.43)
Less: Expected credit loss allowance	(3.35)	(59.68)				
Total	28,527.88	10,163.06	639.43	998.88	342.94	40,672.19

Particulars	Outstanding for following periods from due date of invoice				Total	
	Not due	Less than 6 months	6 months -1 year	1-2 Years		2-3 years
Undisputed						
- considered good	27,689.80	7,651.02	372.64	1,220.49	64.45	37,142.65
- credit impaired	3.11	45.74	28.62	208.46	33.68	369.32
Disputed						
- considered good	-	-	401.26	1,428.95	98.13	37,512.57
- credit impaired	27,692.91	7,696.76	(28.62)	(208.46)	(33.68)	(369.32)
Less: Expected credit loss allowance	(3.11)	(45.74)				
Total	27,689.80	7,651.02	372.64	1,220.49	64.45	37,142.65

15.6 There are no unbilled trade receivables, hence the same are not disclosed in the ageing schedule





Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balances with banks	2,950.59	2,009.47	1,460.26
- In current accounts	104.49	210.79	203.83
- In Cash credit account		1,400.09	
- In bank deposits with original maturity of less than three months	6.59	6.56	6.79
Cash on hand	3,061.67	3,626.91	1,670.88
Total			

16.1 Cash credit account having a debit balance, hence presented under Cash and Cash Equivalent. Details of Cash credits are as follows:

Summary of cash credit arrangement Particulars	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022	Amount outstanding as at April 01, 2021
IDBI Bank	104.49	210.79	203.83
Rate of interest: MCLR (Y) + 60 bps per annum			
Security:			
1. Hypothecation of moveable fixed assets of Wim Plast Limited, present & future			
2. First and exclusive charge on current assets of Wim Plast Limited both present and future			
Terms of repayment: One year / 12 months line			

16.2 Details of non cash transaction from financing activities

- (a) During the financial year ended March 31, 2023, the Company has reduced the face value of equity shares of INR 10/- to INR 5/-. Accordingly, 6,50,00,000 (Six Crore Fifty Lakh) equity shares of INR 10/- (Indian Rupees Ten Only) each of the company were sub-divided into 13,00,00,000 (Thirteen Crores) equity shares of INR 5/- (Indian Rupees Five Only) each for NIL consideration.
- (b) During the financial year ended March 31, 2023, the Company had, via Shareholders' approval, utilised a sum of INR 97,49,00,000/- out of the Company's retained earnings and such amounts is transferred to the share capital account and is applied for issue and allotment of 9,74,90,000 equity shares of face value INR 10/- each ("Equity Shares") of the Company as bonus shares credited as fully paid-up, in the proportion of 6499:1, i.e. 6,499 (Six Thousand Four Hundred and Ninety Nine) new Equity Share for every 1 (One) Equity Shares held on September 22, 2022 and in the proportion of 1:2, i.e. 1 (One) new Equity Share for every 2 (Two) Equity Shares held on February 24, 2022 for NIL consideration.

17 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Bank deposits with original maturity of more than three months but less than twelve months	457.90	379.00	252.41
Earmarked deposits with bank	54.69	55.49	59.66
- Unclaimed dividends	5.11	5.61	3.90
- In gratuity account	1,413.90	1,400.87	1,260.11
- Others (refer note 17.1)	1,931.60	1,840.97	1,576.08
Total			

17.1 Details of Earmarked balances with banks - Others

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Fixed Deposit liened with	45.87	1.10	3.87
- EPCG License			15.12
- Electricity Department	1,346.87	1,286.40	1,241.12
- Canteen stores department	21.16	113.37	0
- Against letter of credit			
Total	1,413.90	1,400.87	1,260.11



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**18 Assets classified as held for sale**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Building	1,455.06	-	-
Plant and machinery	42.78	-	-
Furniture and fixtures	45.25	-	-
Office equipments	1.31	-	-
<b>Total</b>	<b>1,544.40</b>	<b>-</b>	<b>-</b>

18.1 Assets classified as held for sale during the year are measured at the lower of its carrying value and fair value less cost to sell at the time of reclassification. There is no impairment recognised in the financial statement as the WDV as at the date of reclassification approximates the fair value less cost to sell.

The fair value of the assets was determined based on the values negotiated with the prospective buyers.

During the year, advance is received from customer for these assets classified as held for sale. Refer note 29



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19 Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised capital						
Equity Shares of ₹ 5/- each (refer note 19.2 below)	20,00,00,000	10,000.00	10,000	1.00	10,000	1.00
Preference Shares of ₹ 20/- each (Rs. 10/- in March 2022 & 21)	75,00,00,000	1,500.00				
Issued, subscribed and fully paid up		11,500.00		1.00		1.00
Equity Shares of ₹ 5/- each (Rs. 10/- in March 2022 & 2021)	19,50,00,000	9,750.00	10,000	1.00	10,000	1.00
	19,50,00,000	9,750.00	10,000	1.00	10,000	1.00

19.1 Rights, preferences and restrictions attached to equity shares

(a) Voting rights

The Company has one class of equity shares having a par value of ₹ 5 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share.

(b) Dividend distribution rights:

The Company in its general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of section 123 of the Companies Act, 2013, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

(c) Sub-Division of face value of equity shares of the Company:

As on February 24, 2023, the face value of equity shares of INR 10/- was reduced to INR 5/- . Accordingly, 6,50,00,000 (Six Crore Fifty Lakh) equity shares of INR 10/- (Indian Rupees Ten Only) each of the company were sub-divided into 13,00,00,000 (Thirteen Crores) equity shares of INR 5/- (Indian Rupees Five Only) each.



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**(d) Issue of bonus shares to the equity shareholders of the Company**

i) On September 22, 2022, the Company had, via Shareholders' approval, utilised a sum of INR 64,99,00,000/- (Indian Rupees Sixty-Four Crore Ninety-Nine Lakh Only) out of the Company's retained earnings and such amounts is transferred to the share capital account and is applied for issue and allotment of 6,49,90,000 (Six Crore Forty Nine Lakh Ninety Thousand) equity shares of face value INR 10/- (Indian Rupees Ten Only) each ("Equity Shares") of the Company as bonus shares ("Bonus Equity Shares"), credited as fully paid-up, to the eligible shareholders of the Company, whose names appeared in the Register of Members as on September 05, 2022, in the proportion of 6499:1, i.e. 6,499 (Six Thousand Four Hundred and Ninety Nine) new Equity Share for every 1 (One) Equity Shares held and that the Equity Share so issued and allotted are treated for all purposes as an increase of the nominal amount of the equity share capital of the Company and not as an income in lieu of dividend credited.

ii) On February 24, 2023, the Company had, via Shareholders' approval, utilised a sum of INR 32,50,00,000/- (Indian Rupees Thirty Two Crore Fifty Lakh Only) out of the Company's retained earnings and such amounts is transferred to the share capital account and is applied for issue and allotment of 6,50,00,000 (Six Crore Fifty Lakh) equity shares of face value INR 5/- (Indian Rupees Five Only) each ("Equity Shares") of the Company as bonus shares ("Bonus Equity Shares") credited as fully paid-up, to the eligible shareholders of the Company, whose names appeared in the Register of Members as on February 21, 2023, in the proportion of 1:2, i.e. 1 (One) new Equity Share for every 2 (Two) Equity Shares held and that the Equity Share so issued and allotted are treated for all purposes as an increase of the nominal amount of the equity share capital of the Company and not as an income in lieu of dividend credited. Pursuant to the bonus issue, the existing issued, paid-up and subscribed share capital of the Company stands at INR 97,50,00,000 consisting of 19,50,00,000 equity shares of face value of INR 5/- (Indian Rupees Five Only) each.

**19.2 Authorised share capital**

(a) The Authorised Share Capital of the Company was increased to INR 75,00,00,000/- (Indian Rupees Seventy Five Crore only) divided into 6,50,00,000 (Six Crore Fifty Lakh) equity shares of INR 10/- (Indian Rupees Ten only) each and 1,00,00,000 (One Crore) Preference Shares of INR 10/- (Indian Rupees Ten Only) each in the extra ordinary general meeting of the members held on August 29, 2022.

(b) The Authorised Share Capital of the Company was increased to INR 1,00,00,00,000/- (Indian Rupees One Hundred Crore only) divided into 8,50,00,000 (Eight Crore Fifty Lakh) equity shares of INR 10/- (Indian Rupees Ten only) each and 75,00,000 (Seventy-Five Lakh) Preference Shares of INR 20/- (Indian Rupees Twenty Only) each in the extra ordinary general meeting of the members held on September 22, 2022.

(c) The Authorised Share Capital of the Company was further increased to INR 1,15,00,00,000/- (Indian Rupees One Hundred and Fifteen Crore only) divided into 20,00,00,000 (Twenty Crore) equity shares of INR 5/- (Indian Rupees Five only) each and 75,00,000 (Seventy-Five Lakh) Preference Shares of INR 20/- (Indian Rupees Twenty Only) each in the extra ordinary general meeting of the members held on February 24, 2023.





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Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the relevant year	10,000	1.00	10,000	1.00	10,000	1.00
Add: Bonus shared issued on September 22, 2022	6,49,90,000	6,499.00	-	-	-	-
Add: Bonus shared issued on September 24, 2023	6,50,00,000	-	-	-	-	-
Add: Impact of share split as on February 24, 2023	6,50,00,000	3,250.00	10,000	1.00	10,000	1.00
Add: Bonus shared issued on February 24, 2023	19,50,00,000	9,750.00	-	-	-	-
<b>At the end of the year</b>						

Name of shareholder	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mr. Pankaj Rathod	3,50,99,997.00	18.00%	3,200.00	32.00%	3,200.00	32.00%
Mrs. Babita P. Rathod	39,00,000.00	2.00%	1,200.00	12.00%	1,200.00	12.00%
Mr. Pradeep G Rathod	2,72,99,997.00	14.00%	1,600.00	16.00%	1,600.00	16.00%
Mrs. Sangesta P. Rathod	1,56,00,000.00	8.00%	800.00	8.00%	800.00	8.00%
Mr. Gaurav P Rathod	5,46,00,000.00	28.00%	2,800.00	28.00%	2,800.00	28.00%
Pankaj Rathod Family Trust	1,95,00,000.00	10.00%	-	0.00%	-	0.00%
Babita Rathod Family Trust	1,95,00,000.00	10.00%	-	0.00%	-	0.00%
<b>Total</b>	<b>17,54,99,994.00</b>	<b>90.00%</b>	<b>9,600.00</b>	<b>96.00%</b>	<b>9,600.00</b>	<b>96.00%</b>



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**19.5 Details of shareholding of the promoters**

Promoter name	As at March 31, 2023		% Change during the year	As at March 31, 2022		% Change during the year
	Number of shares held	% of total shares		Number of shares held	% of total shares	
Mr. Pankaj Rathod	3,50,99,997	18.00%	-14.00%	3,200.00	32.00%	0.00%
Mrs. Babita P. Rathod*	-	0.00%	0.00%	-	0.00%	-12.00%
Mr. Pradeep G Rathod	2,72,99,997	14.00%	-2.00%	1,600.00	16.00%	0.00%
Mrs. Sangeeta P. Rathod*	-	0.00%	0.00%	-	0.00%	-8.00%
Mr. Gaurav P Rathod	5,46,00,000	28.00%	0.00%	2,800.00	28.00%	0.00%
Mrs. Ruchi G Rathod*	-	0.00%	0.00%	-	0.00%	-4.00%

\* Cease to Promoter as per Annual Return of March 2022

Promoter name	As at April 1, 2021	
	Number of shares held	% of total shares
Mr. Pankaj Rathod	3,200.00	32.00%
Mrs. Babita P. Rathod	1,200.00	12.00%
Mr. Pradeep G Rathod	1,600.00	16.00%
Mrs. Sangeeta P. Rathod	800.00	8.00%
Mr. Gaurav P Rathod	2,800.00	28.00%
Mrs. Ruchi G Rathod	400.00	4.00%

19.6 During the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

- No class of shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- No class of shares were allotted as fully paid up by way of bonus shares for consideration other than cash and no class of shares were bought back by the Company.
- No class of shares were allotted as fully paid up by way of bonus shares for consideration other than cash and no class of shares were bought back by the Company.

19.7 There are no calls unpaid.

19.8 There are no forfeited shares.

19.9 Terms/ rights attached to compulsory convertible preference shares (including Series A CCPS) issued have been disclosed in note 24.1





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20 Other equity	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Particulars			
Retained earnings	55,414.82	42,993.95	27,728.36
Remeasurement of defined benefit plan	55.04	54.34	49.14
Capital redemption reserves	14.90	-	-
Capital reserve on business combination under common control (Refer note 50)	(32,927.38)	(35,639.57)	(39,633.90)
General reserve	1,371.68	1,371.68	1,371.68
Securities premium account	0.13	0.13	0.13
Remeasurement of investment FVTOCI	(34.24)	(16.92)	(21.08)
Total	23,894.95	8,763.61	(10,505.67)

20.1 Retained earnings	For the year ended March 31, 2023	For the year ended March 31, 2022
Particulars		
Balance at beginning of the year	42,993.95	27,728.36
Add: Profit for the year	26,612.73	20,399.51
Less: Issue of bonus shares as on September 22, 2022 (Refer note 19.1 (d) (i))	(6,499.00)	-
Less: Issue of bonus shares as on February 24, 2022 (Refer note 19.1 (d) (ii))	(3,250.00)	-
Less: Utilised towards buy-back of shares (net of tax) (Refer note 20.3 (a) and 20.3 (b))	(1,511.89)	-
Less: Utilised towards creation of capital redemption reserve on buy-back of shares (Refer note 20.3 (a) and 20.3 (b) below)	(14.90)	(329.63)
Less: Dividend paid on Equity shares	(527.41)	-
Less: Distributed to partners/erstwhile owners (refer note 50)	(2,388.66)	(4,804.29)
Balance at end of the year	55,414.82	42,993.95

Retained earnings are the profits that the Group has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Group.

20.2 Remeasurement of defined benefit plan	For the year ended March 31, 2023	For the year ended March 31, 2022
Particulars		
Balance at beginning of the year	54.34	49.14
Remeasurement of defined benefit obligation	(55.96)	(9.36)
Income tax on above	14.63	2.35
Less: Distributed to partners/erstwhile owners (refer note 50)	42.03	12.21
Balance at end of the year	55.04	54.34

includes re-measurement (loss)/gain on defined benefit plans, net of taxes that will not be reclassified to consolidated statement of profit and loss.



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20.3 Capital redemption reserve

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year		
Add: Created on account of buy-back of shares (Refer note (a) and (b) below)	14.90	
Balance at end of the year	14.90	

In accordance with Section 69 of The Companies Act, 2013, the Group has created a capital redemption reserve equal to the nominal value of shares brought back as an appropriation from retained earnings.

(a) Buyback of Equity Shares by Group Company - Cello Household Private Limited

The buyback was offered to all eligible equity shareholders of the Group Company - Cello Household Private Limited (including the Promoters, the Promoter Group and Persons in Control of the Company). The buyback of equity shares commenced on November 22, 2022 and was completed on November 29, 2022. During this buyback period, the Group Company - Cello Household Private Limited had purchased and extinguished a total of 70,000 equity shares at an average buyback price of ₹ 951.96 per equity share comprising 7% of the pre-buyback paid-up equity share capital of the Group Company - Cello Household Private Limited. The buyback resulted in a cash outflow of ₹ 819.98 lakhs. (including tax). The Group Company - Cello Household Private Limited funded the buyback from its free reserves.

(b) Buyback of Equity Shares by Group Company - Cello Houseware Private Limited

The buyback was offered to all eligible equity shareholders of the Group Company - Cello Houseware Private Limited (including the Promoters, the Promoter Group and Persons in Control of the Company). The date of opening of buyback of equity shares was November 26, 2022 whereas proposed date of completion and date of extinguishment of the certificates were November 28, 2022 & November 29, 2022 respectively. During this buyback period, the Group Company - Cello Houseware Private Limited had purchased and extinguished a total of 79,000 equity shares at an average buyback price of ₹ 727.54 per equity share comprising 7.90% of the pre-buyback paid-up equity share capital of the Group Company - Cello Houseware Private Limited. The buyback resulted in a cash outflow of ₹ 706.81 lakhs (including tax). The Group Company - Cello Houseware Private Limited funded the buyback from its free reserves.

20.4 Capital reserve on business combination under common control

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	(35,639.57)	(39,633.90)
Add: Adjustment for change in Net asstes and Reserve not transferred (net of Tax) (Refer note 50)	2,712.19	3,994.33
Balance at end of the year	(32,927.38)	(35,639.57)

Capital reserve represents difference between the net assets acquired in business combination under common control and the consideration paid / payable, in accordance with IND AS 103 Appendix C.



## 20.5 General reserve

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	1,371.68	1,371.68
Add: Change during the year	-	-
<b>Balance at end of the year</b>	<b>1,371.68</b>	<b>1,371.68</b>

The general reserve represent amount appropriated out of retained earnings based on the provisions of The Companies Act, 2013.

## 20.6 Securities premium account

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	0.13	0.13
Add: Change during the year	-	-
<b>Balance at end of the year</b>	<b>0.13</b>	<b>0.13</b>

Securities premium is used to record the premium on issue of shares, which is eligible for utilisation in accordance with The Companies Act, 2013.

## 20.7 Remeasurement of investment FVTOCI

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	(16.92)	(21.08)
Add: Change during the year (net of taxes)	(17.32)	4.16
<b>Balance at end of the year</b>	<b>(34.24)</b>	<b>(16.92)</b>

Changes in the fair value of financial instruments measured at fair value through OCI (net of tax) are recognised in investment revaluation reserve

## 20.8 Details of dividends paid / proposed:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Dividend declared and paid during the year:</b> Final dividend of Rs. 8/- per share for F.Y. 2021-22 (Rs. 5/- per share for F.Y. 2020-21)	960.27	600.17
<b>Proposed Dividends on equity shares:</b> Final Dividend recommended by the board of directors for the year ended March 31, 2023 Rs. 8.50 per share (March 31, 2022: Rs. 8 per share) subject to approval of shareholders in the ensuing annual general meeting	1,020.29	960.27



## 21 Non controlling interest

### 21.1 Subsidiaries that have non-controlling interests are listed below:

Particulars	Non-controlling interest share		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Wim Plast Limited	45.08%	45.08%	45.08%

### 21.2 Movement of Non-controlling interest

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	18,513.50	17,218.84
Add: Profit for the year	1,892.35	1,552.23
Add: Remeasurement benefit during the year (net of tax)	(2.06)	9.55
Add: Remeasurement of investment through OCI during the year	(14.21)	3.42
Less: Dividend Paid	(432.86)	(270.54)
Less: Reversal on account of sale of subsidiary (refer note 9.2)	37.24	-
<b>Balance at end of the year</b>	<b>19,993.96</b>	<b>18,513.50</b>

### 21.3 Summarised financial information of Non-controlling interests

The summarised financial information below represents amounts before intragroup eliminations.

### 21.4 Summarised statement of assets and liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Non-current assets	13,094.36	14,246.54	16,501.83
Current assets	35,544.63	30,359.64	25,974.80
Non-current liabilities	(870.58)	(946.20)	(953.02)
Current liabilities	(3,413.16)	(2,527.67)	(3,292.39)
Net assets	<b>44,355.25</b>	<b>41,132.31</b>	<b>38,231.22</b>
Share of Non-controlling interest	19,993.96	18,513.51	17,218.84





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#### 21.5 Summarised statement of profit and loss

Paticulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue	34,158.72	32,971.53
Expenses	(29,989.80)	(29,475.27)
Profit for the year	4,168.92	3,496.26
Profit attributable to parent	1,892.35	1,552.24
Profit attributable to the non-controlling interests	2,276.57	1,944.01
Other comprehensive income for the year	(36.10)	28.76
Other comprehensive income attributable to parent	(16.27)	12.96
Other comprehensive income attributable to non-controlling interests	(19.83)	15.80

#### 21.6 Summarised cash flow statement

Paticulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities	6,348.17	2,616.54
Cash flow from investing activities	(5,533.46)	(2,132.64)
Cash flow from financing activities	(980.27)	(630.17)
Total cash flow	(165.56)	(146.27)
Share of non-controlling interest	(74.63)	(65.94)

#### 22 Details of associates

Details of the Group's associate at the end of the reporting period is as follows:

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group
Pecasa Tableware Private Limited	Manufacturing of porcelain based tableware products	Tirupathi District, State of Andhra Pradesh India	40%

Above associate is accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 2.1(a).

Pursuant to a shareholder agreement, the Company has the right to cast 40 per cent of the votes at shareholder meetings of Pecasa Tableware Private Limited.

#### Summarised financial information of the Associate

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts in associates' financial statements prepared in accordance with Ind AS [adjusted by the Group for equity accounting purposes].



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Summarised statement of assets and liabilities		As at March 31, 2023
Particulars		1,962.17
Non-current assets		2,333.61
Current assets		(1,783.69)
Non-current liabilities		(2,314.94)
Current liabilities		197.15
Net assets		78.86
Proportion of Group's ownership interest in associate		78.86
Carrying amount of Group's ownership interest in associate (Refer note 9)		
Summarised statement of profit and loss		Year ended March 31, 2023
Particulars		14.36
Revenue		(17.22)
Expenses		(2.86)
(Loss) for the year		(1.14)
Group's share of loss of associate		
Other comprehensive income for the year		
Group's share of OCI of associate		





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23 Borrowings	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>Particulars</b>			
<b>Non-current borrowings</b>			
<b>Secured- Loans from banks: at amortised cost</b>			
Term loans	866.16		
- from banks (refer note below)			
<b>Total</b>	<b>866.16</b>		
<b>Current borrowings</b>			
<b>Secured - Loans from banks - at amortised cost</b>			14,743.96
Working capital loans (refer note below)	1,550.00	1,854.71	2,000.00
Packing credit (refer note below)			
<b>Unsecured: at amortised cost</b>			15,462.08
Loans from related parties (refer note below)	30,190.42	42,763.37	
Buyer's credit (refer note below)		629.60	
<b>Total</b>	<b>31,740.42</b>	<b>45,247.68</b>	<b>32,206.04</b>

### 23.1 Summary of borrowing arrangements

The terms of repayment of term loans and other loans are stated below:

#### (a) As at March 31, 2023

Particulars	Amount outstanding	Terms of repayment
<b>DBS Bank</b>	866.16	60 months from date of first drawdown.
<b>Rate of interest:</b> IBOR/EURIBOR + 200 bps per annum		
<b>Security:</b>		
1. Hypothecation of movable fixed assets of the Cello Consumerware Private Limited, present & future		
2. First and exclusive charge on current assets of Cello Consumerware Private Limited both present and future		
3. Corporate guarantee of M/s Cello World Private Limited being Parent Company		

#### (b) As at April 01, 2021

Particulars	Amount outstanding	Terms of repayment
<b>HDFC Bank Limited</b>	14,743.96	Payable on demand
<b>Rate of interest:</b> FDR rate + 100 bps per annum		
<b>Security:</b>		
1. Fixed deposits owned by shareholders of of Cello Household Private Limited and Cello Houseware Private Limited of Rs. 7000 Lakhs		



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- (c) Unsecured borrowings (Buyer's Credit) carry an interest of 1.9% p.a. and are payable after a period of Three months.
- (d) Unsecured borrowings (Packing credit) are carrying on interest of SOFR-3% p.a. subvention and are payable within a year.
- (e) Loans from related parties are interest free and repayable on demand except loan taken from Cello Pens and Stationary Private Limited which bears an interest rate of 8.5%. Borrowings from related parties are disclosed separately under note 44.



Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>24 Other financial liabilities</b>			
<b>Non-current</b>			
<b>Financial liabilities at FVTPL:</b>			
0.0001% Compulsorily Convertible Preference Shares (refer note 24.1)	48,310.00		
<b>Financial liabilities at amortised cost:</b>			
Security deposit payable	0.03	0.03	0.03
	<b>48,310.03</b>	<b>0.03</b>	<b>0.03</b>
<b>Current</b>			
<b>Financial liabilities at amortised cost:</b>			
Security deposits	1,051.46	1,578.53	586.98
Payable to related parties in their capacity as partners of Partnership firms acquired by the group (Refer Note 50)		14.90	19.94
Unclaimed dividend	54.69	55.49	59.66
Purchase consideration payable to related parties towards Business acquisitions (Refer Note 50)	197.45	41,577.02	60,212.02
Other payables	365.58	227.28	2.28
Creditors for capital supplies/services			125.80
<b>Total</b>	<b>1,669.18</b>	<b>43,453.22</b>	<b>61,006.68</b>

24.1 The Company had issued 54,48,190, 0.0001% Compulsorily Convertible Preference Shares of INR 20/- (Indian Rupees Twenty Only) each issued at premium of INR 640.77/- each in the extra ordinary general meeting held on October 22, 2022. Further, the Company had issued 17,40,393, 0.0001% Series A Compulsorily Convertible Preference Shares of INR 20/- each issued at premium of INR 640.77/- each to Tata Capital Growth Fund II in the extra ordinary general meeting held on November 23, 2022.

Name of entity ("Investors" / "holders of CCPS")	Number of CCPS	Issue price (INR)	Total Issue
CCPS	36,32,128	660.77	24,000.01
India Advantage Fund S5 I	14,07,448	660.77	9,299.99
India Advantage Fund S4 I	4,08,614	660.77	2,700.00
Dynamic India Fund S4 US I	54,48,190		36,000.00
CCPS Series A	17,40,393	660.77	11,500.00
Tata Capital Growth Fund II			47,500.00
<b>Total</b>	<b>71,88,583</b>		

**24.2 Terms/ rights attached to compulsory convertible preference shares (including Series A CCPS)**

The CCPS shall be participating, compulsorily convertible and non-cumulative preference shares of the Company. The holders of the CCPS shall have the right to receive dividend in preference and priority to any other shareholder of the Company at a rate of 0.0001% ("Preferential Dividend"), if declared by the Board of Directors. In addition to and after payment of the Preferential Dividend, each CCCPS would be entitled to participate pari passu in any cash or non-cash dividends paid to the holders of shares of all other classes (including Equity Shares) or series on a pro rata, as-if-converted basis.



A holder of CCPS may, issue a notice to the Company for conversion of the CCPS into Equity Shares, on the occurrence of the following:

- Prior to the last day permitted under and if required, under the Applicable Law in connection with an IPO; or
  - After 1 year from Closing (in terms of the agreement), at any time at the option of the holders of the CCPS; or
  - 1 day prior to the expiry of 20 years from date of issuance of the CCPS.
- Each CCPS shall be convertible into Equity Shares in the ratio of 1:1, subject to adjustments provided in the agreement.

Pursuant to special resolution dated February 24, 2023, the conversion ratio in terms of the agreement stands amended as follows:

- from 1:1 to 1:3
- from 1:0.799 to 1:2.397
- from 1:2 to 1:6 and from 1:1.598 to 1:4.794 respectively

The holders of CCPS are entitled to participate in the surplus proceeds from Liquidation Event, if any, on a pro-rata basis along with all other holders of Equity Shares on a fully diluted basis, after the total investment amount plus any declared but unpaid dividends on CCPS, are paid to the investors in priority in terms of the agreement.

The holders of CCPS have various exit options in terms of the agreement, including the right to require the Company to buy back / purchase all of the investors' shares at a price determined in terms of the agreement (in the event that the investors are not provided an exit in terms of the agreement by July 31, 2027).

in terms of the CCPS agreement, the Company shall not, directly, or indirectly, take any action or decision in respect of certain affirmative vote matters specified in the agreement without obtaining consent of majority eligible investors.

Considering the investors have cash settlement alternatives which are not under the control of the Company, hence the CCPS held by the investors have been classified as a financial liability.

24.3 Details of fair value of the liabilities carried at amortised cost is disclosed in note 46.

25 Provisions	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>Non-current</b>			
Provision for employee benefits	250.13	450.17	362.63
- Gratuity (refer note 43)			
Provision for warranty	250.13	450.17	362.63
<b>Total</b>			
<b>Current</b>			
Provision for employee benefits	20.84	81.04	62.77
- Gratuity (refer note 43)	119.53	64.53	105.00
Provision for warranty (refer note 25.1 & 25.2)	140.37	145.57	167.77
<b>Total</b>			

25.1 Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.





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25.2 Movement in provision for warranty

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	64.53	105.00
Add: Provisions made during the year	55.00	-
Less: Provisions utilised during the year	-	(40.47)
Less: Provisions reversed during the year	-	-
Balance at the end of the year	119.53	64.53
Current	119.53	64.53
Non-current	-	-



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**26 Deferred tax liabilities(net)**  
 Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Particulars	As at March 31,		As at March 31,		Closing balance as on March 31, 2023
	2023	2022	2022	2021	
Deferred tax asset	(471.90)	(280.18)	(155.99)		
Deferred tax liabilities	840.57	838.52	826.62		
<b>Total</b>	<b>368.67</b>	<b>558.34</b>	<b>670.63</b>		

Particulars	Opening balance as on April 1, 2022		Recognised in profit or loss (expense)/ credit	Recognised in other comprehensive income	Recognised directly in equity *	Closing balance as on March 31, 2023
	2022	2021				
Property, plant and equipment	917.06	(109.79)			(101.57)	705.70
Intangible assets	0.20	(1.67)			(0.99)	(2.46)
Right-to-use assets and leases liabilities	(35.94)	(10.02)				(45.96)
Other current asset	(155.53)	(58.29)			213.27	(0.55)
Other financial assets	257.07	38.98		(10.60)		285.45
Investment measured at fair value	(166.27)	4.01				4.01
Defined benefit obligations	(56.41)	71.30		(15.33)	11.94	(98.36)
Disallowances under sec 43B of Income Tax Act, 1961	(0.42)	244.69			(204.77)	(16.49)
Other Financial liabilities	(149.53)	(210.59)			(7.19)	(218.20)
Other current liabilities	(51.89)	33.04			(33.04)	
Allowance for expected credit allowance		(119.11)			24.17	(244.47)
Unabsorbed losses		11.71			40.18	
<b>Total</b>	<b>558.34</b>	<b>(105.74)</b>		<b>(25.93)</b>	<b>(58.00)</b>	<b>368.67</b>





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Particulars	Opening balance as on April 1, 2021	Recognised in profit or loss (expense)/ credit	Recognised in other comprehensive income	Recognised directly in equity *	Closing balance as on March 31, 2022
Deferred tax liabilities/(assets) in relation to the year ended March 31, 2022					
Property, plant and equipment	883.86	5.36	-	27.84	917.06
Intangible assets	(1.66)	1.86	-	-	0.20
Right-to-use assets and leases liabilities	(31.32)	(4.62)	-	-	(35.94)
Other current assets	(0.02)	(155.51)	2.55	-	(155.53)
Other financial assets	106.77	147.75	-	-	257.07
Investment measured at fair value	(143.57)	(23.56)	0.86	-	(166.27)
Defined benefit obligations	(10.12)	(37.74)	-	(8.55)	(56.41)
Disallowances under sec 43B of Income Tax Act, 1961	-	(0.42)	-	-	(0.42)
Other Financial liabilities	-	-	-	-	-
Other current liabilities	(102.33)	(47.20)	-	-	(149.53)
Allowance for expected credit allowance	(30.98)	(20.91)	-	-	(51.89)
Unabsorbed losses	670.63	(134.99)	3.41	19.29	558.34
<b>Total</b>					

\* Pertaining to assets not taken over in respect to Common Control/Business Combination/loss of control on sale of subsidiary.



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27 Trade payables	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Particulars			
(a) Total outstanding dues of micro and small enterprises	4,262.44	2,944.86	1,767.36
(b) Total outstanding dues of creditors other than micro and small enterprises	9,154.28	9,610.09	8,072.28
<b>Total</b>	<b>13,416.72</b>	<b>12,554.95</b>	<b>9,839.64</b>

27.1 The average credit period on purchases is 45-90 days.

27.2 For explanations on the Group's liquidity risk management processes refer note 45.5.

27.3 Trade payables from related parties are disclosed separately under note 44.

27.4 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

The amounts due to Micro and Small Enterprises as defined in section 22 of the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	4,254.27	2,941.09	1,763.60
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	8.17	3.77	3.76
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period			
(c) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period			
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the period	3.77	2.68	
(e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.49	2.15	
(f) Further interest remaining due and payable for earlier periods		1.62	



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**27.5 Ageing of trade payables**  
**As on March 31, 2023**

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice			Total
			Less than 1 year	1-2 Years	2-3 years	
Undisputed dues		3,533.55	553.61	4.15	0.71	4,092.02
- MSME		2,143.64	1,547.11	5.37	2.76	9,154.28
- Others	5,451.17					170.42
Disputed dues		85.90				
- MSME						
- Others	5,451.17	5,763.09	2,184.84	9.52	3.47	13,416.72
<b>Total</b>						

**As on March 31, 2022**

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice			Total
			Less than 1 year	1-2 Years	2-3 years	
Undisputed dues		2,773.89	165.67	0.88		2,940.44
- MSME	3,991.85	5,059.70	522.36	31.92	1.83	9,610.07
- Others						4.44
Disputed dues			3.52			
- MSME						
- Others	3,991.85	7,833.59	691.55	32.80	1.83	12,554.95
<b>Total</b>						

**As on April 1, 2021**

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice			Total
			Less than 1 year	1-2 Years	2-3 years	
Undisputed dues		1,705.74	58.24	1.53	0.81	1,766.32
- MSME	3,459.56	3,948.91	585.68	65.72	6.21	8,072.28
- Others						1.04
Disputed dues						
- MSME						
- Others	3,459.56	5,654.65	643.92	67.25	8.06	9,839.64
<b>Total</b>						



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28 Current tax liabilities (net of advance tax)			
Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Income tax payable (net of advance tax as at March 31, 2023: ₹ 4,046.12 lakhs; as at March 31, 2022: ₹ 2,403.35 lakhs; April 01, 2021: ₹ 1,231.13 lakhs)	355.16	336.04	501.86
<b>Total</b>	<b>355.16</b>	<b>336.04</b>	<b>501.86</b>

29 Other current liabilities			
Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Statutory liabilities	1,410.05	866.40	527.89
Advance from customer	627.58	1,152.44	1,448.57
Advance against assets classified as held for sale (refer note 18.1)	1,000.00	-	24.63
Government subsidy payable (refer note 31.1)	-	2,018.84	2,001.09
<b>Total</b>	<b>3,037.63</b>	<b>2,018.84</b>	<b>2,001.09</b>

30 Revenue from operations		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales of products	1,78,493.44	1,34,700.70
Sales of services	154.70	312.84
Other operating income	478.33	379.71
- Scrap sales	543.03	524.19
- Export incentives	-	-
<b>Total</b>	<b>1,79,669.50</b>	<b>1,35,917.44</b>

30.1 The Group presently recognises its revenue from contract with customers for the transfer of goods at a point in time and rendering of services over time

External revenue by timing of revenue		
	For the year ended March 31, 2023	For the year ended March 31, 2022
Goods transferred at a point in time	1,78,493.44	1,34,700.70
Services transferred over a period of time	154.70	312.84
<b>Total</b>	<b>1,78,648.14</b>	<b>1,35,013.54</b>

**30.2 Contract balances**

Refer details of trade receivables in note 15 and contract liabilities (advance from customer) in note 29.

30.3 The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.





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**30.4 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contracted price with the customers	1,86,502.04	1,40,339.64
Reduction towards variables considerations (Discounts, rebates, refunds, credits, price concessions)	(7,853.90)	(5,326.10)
<b>Revenue from contract with customers (as per consolidated profit and loss account)</b>	<b>1,78,648.14</b>	<b>1,35,013.54</b>

**30.5** There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2023 and year ended March 31, 2022.



31 Other income	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Particulars</b>		
<b>Interest income on financial assets measured at amortised cost</b>		
Bank deposits	201.80	116.71
Financial assets	419.63	371.87
Loan to associate	48.26	
Electricity deposits	24.21	16.75
	<b>693.90</b>	<b>505.33</b>
<b>Income on financial assets measured at FVTPL</b>		
Net gain/(loss) on investments	537.00	660.36
Other dividends	61.40	66.68
	<b>598.40</b>	<b>727.04</b>
<b>Other non-operating income</b>		
Gain on foreign exchange transactions (net)	201.11	259.87
Sundry balance written back	31.92	27.67
Insurance claim received	4.01	0.19
Rental income (refer note 8.8)	3.63	2.26
Net gain on disposal of property, plant & equipment	16.01	7.77
Subsidy received (refer note 31.1)	36.38	57.59
Gain on early termination of lease	13.08	
Gain on loss of control of subsidiary (refer note 9.2)	70.88	
Miscellaneous income	1.22	4.50
Interest on income tax refund	3.44	1.06
	<b>381.68</b>	<b>360.91</b>
<b>Total</b>	<b>1,673.98</b>	<b>1,593.28</b>

31.1 Entities within the Group entered into an MOU with Ozone Cell, MoEF&CC for conversion from HCFC141b to Ecomate technology. In accordance with the MOU, the entity was entitled to receive subsidy consequent to fulfillment of the conditions stated therein. During the year ended March 31, 2023, the Group has received subsidy amounting to ₹ 36.38 lakhs (year ended March 31, 2022: ₹ 57.59 lakhs) from the Ozone Cell, MoEF&CC. The grant is recognised as an adjustment to the capital expenditure & relevant expenses charged to the consolidated statement of profit & loss and the remaining amount of subsidy has been recognized as an income.

32. Cost of materials consumed	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Particulars</b>		
Opening stock (stock received on account of conversion) - raw materials	11,880.36	10,678.24
Opening stock (stock received on account of conversion) - packing material	1,815.74	1,460.09
Add - Purchases - raw materials	53,608.60	45,447.58
Add - Purchases - packing material	10,161.80	9,334.58
Less - Closing stock - raw materials	(10,803.80)	(11,880.36)
Less - Closing stock - packing material	(1,883.52)	(1,815.74)
	<b>64,779.18</b>	<b>53,224.39</b>
<b>Total</b>		





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**33 Purchases of stock-in-trade**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock-in-trade	31,102.26	20,030.90
<b>Total</b>	<b>31,102.26</b>	<b>20,030.90</b>

**34 Changes in inventories of finished goods, semi finished goods and stock-in-trade**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance		
Finished goods	19,992.41	13,886.27
Semi-finished goods	3,410.53	4,334.80
Stock-in-trade	536.90	318.73
	<b>23,939.84</b>	<b>18,539.80</b>
Closing balance		
Finished goods	(25,022.29)	(19,992.41)
Semi-finished goods	(4,176.23)	(3,410.53)
Stock-in-trade	(1,071.51)	(536.90)
	<b>(30,270.03)</b>	<b>(23,939.84)</b>
<b>Total changes in inventories of finished goods</b>	<b>{6,330.19}</b>	<b>{5,400.04}</b>

**35 Employee benefit expense**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	14,571.34	12,198.56
Contributions to provident and other funds (refer note 43)	714.96	579.19
Gratuity (Refer note 43)	210.13	141.15
Staff welfare expenses	261.15	273.25
<b>Total</b>	<b>15,757.58</b>	<b>13,192.15</b>

**36 Finance costs**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest and finance charges on financial liabilities carried at amortised cost		
- Loan from related parties	14.35	
- Bank loans	35.26	160.84
- Security deposit	15.00	14.94
- Lease liabilities	95.15	103.31
Interest on delayed payment of taxes/others	15.84	6.07
<b>Total</b>	<b>175.60</b>	<b>285.16</b>

**37 Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 4)	4,774.50	4,524.52
Amortisation of intangible assets (refer note 6)	26.38	19.31
Depreciation of right-of-use assets (refer note 8)	231.66	211.62
<b>Total</b>	<b>5,032.54</b>	<b>4,755.45</b>



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38 Other expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
Particulars		
Advertisements	2,369.76	1,042.21
Allowance for doubtful debts	67.80	187.51
Carriage outward	4,356.67	3,609.15
Corporate social responsibility expenditure (Refer Note 38.1)	400.62	244.14
Consumption of stores and spares	741.68	558.11
Donations	13.00	0.10
Electricity charges	5,691.82	4,839.64
Insurance	284.49	243.08
Labour/jobwork charges	3,386.52	2,601.35
Legal and professional fees	1,757.27	458.99
Loss on disposal of investments carried at fair value through PL		10.13
Payment to auditors	209.51	95.52
Product development charges	101.99	36.89
Rent (refer note 8.4)	2,115.62	1,704.13
Rates and taxes	289.60	91.28
Repairs and maintenance		347.11
- Buildings	326.46	934.03
- Plant and machinery	579.91	347.70
- Others	414.49	467.96
Royalty	1,016.95	1,123.16
Sales commission	1,654.43	676.04
Sales promotion and conference expenses	1,629.47	193.03
Security charges	177.74	260.08
Selling and distribution expenses	1,056.77	54.42
Service centre charges	196.06	191.85
Sundry balances written off	704.31	742.50
Travel and conveyance	1,274.89	
Net loss on financial liability measured at fair value through profit or loss		
- Compulsory convertible preference shares	810.00	453.41
Miscellaneous expenses	679.05	
<b>Total</b>	<b>32,306.88</b>	<b>21,513.52</b>



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38.1 Expenses on corporate social responsibility			
No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Amount required to be spent by the Group during the year (under Section 135 of the Companies Act, 2013)	367.29	188.85
2	Amount of expenditure incurred	75.80	
	(i) Construction/acquisition of any asset	294.82	239.14
	(ii) On purposes other than (i) above		
3	Amount not spend during the year on:		
	(i) Construction/acquisition of any asset		
	(ii) On purposes other than (i) above		
4	Amount of shortfall for the year		
5	Amount of cumulative shortfall at the end of the year		
6	Reason for shortfall - Adoption of long gestation program/project		
7	Amount yet to be spent/paid		
8	Details of Related party transactions Badamia Charitable Trust Jito Administrative Training Foundation	279.90	140.51
9	Liability incurred by entering into contractual obligations		
10	Nature of CSR activities:	Health Care, Women Empowerment, Environment Sustainability, Social Welfare Activities, Food & Nutrition, Animal Welfare, Education, Training to promote nationally recognized sports, Governor's relief fund	

39 Current tax and deferred tax  
39.1 Income tax expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:	10,162.63	8,072.76
Current tax on profit for the year	(43.48)	19.67
Short provision of tax relating to earlier years	10,119.15	8,092.43
<b>Total current tax expense</b>		
Deferred tax expense/ (credit)	(105.74)	(134.99)
In respect of current period	(105.74)	(134.99)
<b>Total deferred tax expense/(benefit)</b>		
<b>Income tax expense</b>	<b>10,013.41</b>	<b>7,957.44</b>



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**39.2 Income Tax recognised in other comprehensive income**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Deferred tax	15.33	(0.86)
Remeasurement gain/(loss) on defined benefit plans	10.60	(2.55)
Net change in fair values of investments other than equity shares carried at fair value through OCI		(3.41)
<b>Total</b>	<b>25.93</b>	<b>(3.41)</b>

**39.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) before income tax expense	38,519.63	29,909.19
Income Tax Rate	25.17%	25.17%
Income Tax using the Company's domestic Tax rate #	9,695.39	7,528.14
Effect of items that are not deductible in determining taxable profit	147.77	62.13
Effect of items that are deductible in determining taxable profit	13.22	(10.30)
Effect of items that are exempted	(35.65)	(26.57)
Unabsorbed losses	(11.11)	20.90
Effect of income taxed at different rate	(17.61)	379.54
Effect of adoption of Ind AS		(110.85)
Income tax related earlier year	(43.50)	19.67
Others	264.90	94.78
<b>Income tax expense recognised in Consolidated Statement of Profit or Loss</b>	<b>10,013.41</b>	<b>7,957.44</b>

# The tax rate used for the reconciliations above is the corporate tax rate plus surcharge (as applicable) on corporate tax, education cess and secondary and higher education cess on corporate tax, payable by corporate entities in India on taxable profits under Income Tax Act, 1961. In pursuance of Section 115BAA of the Income Tax Act, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has opted for irrevocable option of shifting to lower tax rate w.e.f FY 19-20. @ 25.168%

39.4 The group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).





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40 Earnings per Equity Share	For the year ended March 31, 2023	For the year ended March 31, 2022
Particulars		
(a) Profit attributable to the owners of the Company	26,612.73	20,399.51
(b) Weighted average number of ordinary shares outstanding for the purpose of basic earnings per share (numbers)	19,50,00,000	19,50,00,000
(c) Effect of potential ordinary shares (numbers)	71,16,032	
(d) Weighted average number of ordinary shares in computing diluted earnings per share ((b) + (c)) (numbers)	20,21,16,032	19,50,00,000
(e) Earnings per share on Profit for the year (Face Value ₹ 5/- per share)	13.65	10.46
- Basic ((a)/(b)) (₹)	13.17	10.46
- Diluted ((a)/(d)) (₹)		

40.1 During the year ended March 31, 2023, the face value of equity shares of INR 10 each was reduced to INR 5 each. Accordingly, 8,50,00,000 equity shares of INR 10 each of the company were sub-divided into 13,00,00,000 equity shares of INR 5 each (the "Split") (Refer Note 19.1(c)) on February 24, 2023  
Further, the Company issued 6,49,90,000 bonus equity shares on September 22, 2022 and 6,50,00,000 bonus equity shares on February 24, 2023 (the "Bonus issues") (Refer note 19.1 (d)), pursuant to which the issued, paid-up and subscribed share capital of the Company stands at INR 97,50,00,000 consisting of 19,50,00,000 equity shares of face value of INR 5 each.  
As required under Ind AS 33 "Earnings per share" the effect of such Split and Bonus issues has been adjusted retrospectively for all the periods presented.

40.2 Reconciliation of number of equity shares for EPS	For the year ended March 31, 2023	For the year ended March 31, 2022
Particulars		
Equity shares outstanding	19,50,00,000	10,000
Add: Bonus shares issued on September 22, 2022	-	6,49,90,000
Add: Impact of share split as on February 24, 2023	-	6,50,00,000
Add: Bonus shares issued on February 24, 2023	-	6,50,00,000
Total considered for Basic EPS	19,50,00,000	19,50,00,000
CCPS convertible into equity shares (Refer note 22.1)	71,16,032	-
Total considered for Diluted EPS	20,21,16,032	19,50,00,000

41 Contingent liabilities and commitments	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Particulars			
(i) Contingent Liabilities			
a) Sales Tax Act claims disputed by the Group relating to tax rate determination and pending declaration forms	472.21	282.20	282.20
b) Bank guarantees	2,715.16	1,807.69	2,004.17
(ii) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	11,206.73	801.12	67.30

41.1 The Group did not expect any outflow of economic resources in respect of the above and therefore no provision was made in respect thereof.



**42 Segment information**

42.1 Consequent to the adoption of Ind AS, the Group has identified one operating segment viz, "Consumer Products" which is consistent with the internal reporting provided to the Board of Directors, who has been identified as the chief operating decision maker (CODM). The CODM allocates resources and assesses performance of the operating segment of the Group.

**42.2 Geographical information**

The Group presently caters to both international and domestic market i.e., outside India and in India details of the same are as

Particulars	Revenue from External Customers	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Within India	1,65,648.83	1,23,287.50
Outside India	14,020.67	12,629.94
<b>Total</b>	<b>1,79,669.50</b>	<b>1,35,917.44</b>

Particulars	Non-current assets*	
	As at March 31, 2023	As at March 31, 2022
Within India	39,051.90	32,466.36
Outside India	-	-
<b>Total</b>	<b>39,051.90</b>	<b>32,466.36</b>

\*Non-current assets exclude loans, other financial assets, and deferred tax assets.

**42.3 Information about major customers**

No single customer contributed 10% or more to the Company's revenue for the year ended March 31, 2023 and March 31, 2022.





**43 Employee benefit plans**

**43.1 Defined contribution plans:**

The Group participates in Provident fund as defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to provident fund represents the value of contributions payable during the period by the Group at rates specified by the rules of provident fund. The only amounts included in the balance sheet are those relating to the prior months contributions that were not paid until after the end of the reporting period.

**(a) Provident fund and pension**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India (GOI). The Group has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the consolidated statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Group.

Contribution to defined contribution plans, recognised in the consolidated statement of profit and loss for the year under employee benefits expense, are as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Employer's contribution to provident fund and pension	666.16	544.02
ii) Employer's contribution to labour fund	0.13	0.10
iii) Employer's contribution to state insurance corporation	12.96	12.17
iv) Employer's contribution to National Pension Scheme	29.35	18.82
v) Employer's contribution to super annuation fund	6.35	4.08
<b>Total</b>	<b>714.95</b>	<b>579.19</b>

**(b) Defined benefit plans:**

**Gratuity**

The Group has an obligation towards gratuity, a funded defined benefit retirement plan covering all employees. The plan provides for lump sum payment to vested employees at retirement or at death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Group makes annual contributions (from year ended March 31, 2023 onwards) to gratuity fund managed by Kotak Mahindra Life Insurance Company Limited.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out for the year ended March 31, 2023 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**(A) Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:**

**(1) Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**(2) Interest rate risk**

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of



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(3) Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(4) Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(B) Principal actuarial assumptions used:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Discount rate	7.10% - 7.40%	5.35% - 7.26%
2. Salary escalation	5%-10%	5%-10%
3. Expected return of Assets	6.93%-7.15%	7%
4. Rate of employee turnover	5%-39%	12%-40%
5. Mortality rate	India assured lives mortality (2012-14) ult.	

(C) Expenses recognised in consolidated profit and loss

Particulars	Gratuity	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	176.64	122.61
Past service cost	-	-
Administration expenses	0.75	-
Interest on net defined benefit liability / (asset)	32.75	18.55
(Gains) / losses on settlement	-	-
<b>Components of defined benefit cost recognised in consolidated profit or loss</b>	<b>210.14</b>	<b>141.16</b>

The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the Consolidated Statement of profit and loss.

(D) Expenses recognized in the Other Comprehensive Income (OCI)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gains)/losses on obligation for the year	98.39	14.11
- Due to changes in demographic assumptions	(123.62)	(17.50)
- Due to changes in financial assumptions	84.56	(2.33)
- Due to experience adjustment	(0.62)	2.33
Return on plan assets, excluding interest income	58.71	(3.39)
<b>Net (income)/expense for the period recognized in OCI</b>		



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(E) Amount recognised in the consolidated balance sheet

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Present value of funded defined benefit obligation	892.26	682.67	569.19
Fair value of plan assets	(621.29)	(151.46)	(143.79)
<b>Net liability arising from defined benefit obligation</b>	<b>270.97</b>	<b>531.21</b>	<b>425.40</b>

(F) Net liability recognised in the consolidated balance sheet

Recognised under:	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Long term provision (refer note 25)	250.13	450.17	362.63
Short term provision (refer note 25)	20.84	81.04	62.77
<b>Total</b>	<b>270.97</b>	<b>531.21</b>	<b>425.40</b>

(G) Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	582.67	569.19
Transfer in/(out) obligation	111.66	77.50
Current service cost	176.64	122.61
Past service cost	-	-
Interest cost	43.19	28.78
Actuarial losses	59.33	(5.73)
Acquisition/Business Combination/Divestiture	(111.65)	(77.15)
Actual benefits paid*	(69.58)	(32.53)
<b>Closing defined benefit obligation</b>	<b>892.26</b>	<b>682.67</b>

\*Actual benefit paid of ₹ 69.58 lakhs is paid directly by the enterprise and not through the Fund and hence the same has been added to Actual Enterprise's Contributions and benefit paid.

(H) Movements in the fair value of the plan assets are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening fair value of the plan assets	151.46	143.79
Contributions by the Employer	528.35	15.49
Interests on plan assets	(1.96)	(2.33)
Remeasurement (gains)/losses	2.58	-
Interest income	10.44	10.23
Benefits paid	(69.58)	(15.72)
<b>Closing fair value of plan assets</b>	<b>621.29</b>	<b>151.46</b>

(I) Description of Plan Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Insurer Managed Funds	100%	-



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(J) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2023	For the year ended March 31, 2022
Year 1 cashflow	181.09	79.88
Year 2 cashflow	87.04	78.60
Year 3 cashflow	77.31	57.59
Year 4 cashflow	84.48	58.66
Year 5 cashflow	79.25	69.66
Year 6 to year 10 cashflow	339.69	243.96

(K) Sensitivity analysis

The Sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Projected benefit obligation on current assumptions</b>		
<b>Rate of discounting</b>		
Impact of +0.5% change	901.77	645.88
(% change)	(4.54%) to 10.31%	(10.64%) to (1.84%)
Impact of -0.5% change	887.48	725.13
(% change)	(8.83%) to 4.86%	1.93% to 12.79%
<b>Rate of salary increase</b>		
Impact of +0.5% change	886.42	691.71
(% change)	(8.87%) to 4.88%	(1.17%) to 4.63%
Impact of -0.5% change	902.91	674.51
(% change)	(4.60%) to 10.57%	(4.48%) to 1.43%

(L) Other disclosures

The weighted average duration of the obligations as at March 31, 2023 is 3.01 years to 17.50 years (as at March 31, 2022: 2.92 years to 17.50 years and as at April 1, 2021: 2.49 years to 18.50 years).

The Group's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 140.4436 lakhs (As at March 31, 2022: ₹ 0 lakhs and as at April 1, 2021: ₹ 43 lakhs).





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44 Related party disclosures  
 Cello World Limited (formerly known as Cello World Private Limited) is jointly/collectively controlled, directly or indirectly, by Pradeep G. Rathod and Pankaj G. Rathod (alongwith their respective immediate family members)

44.1 Details of related parties

Description of relationship	Name of the related party
Wholly owned subsidiary Company (where control exists)	Cello Houseware Private Limited
	Cello Industries (erstwhile partnership firm - converted to Cello Houseware Private Limited w.e.f 01st July, 2021)
	Cello Household Products Private Limited
	Cello Household Products (erstwhile partnership firm - converted to Cello Household Products Private Limited w.e.f 01st March, 2021)
	Cello Plastotech (erstwhile partnership firm - transferred to Cello Household Products Private Limited under slump sale w.e.f from 01st July, 2021)
	Cello Industries Private Limited
	Cello Plast (erstwhile partnership firm - transferred to Cello Industries Private Limited under slump sale w.e.f 01st December, 2021)
	Cello Consumerware Private Limited w.e.f 10th December, 2021
	Unomax Pens and Stationery Private Limited (erstwhile subsidiary company - transferred to Unomax Stationery Private Limited under slump sale w.e.f from 30th October, 2022)
	Unomax Stationery Private Limited ( w.e.f from 30th October, 2022)
Subsidiary Company (where control exists)	Unomax Sales and Marketing Private Limited (w.e.f 18th July, 2022) (subsidiary of Unomax Stationery Private Limited)
	Unomax Writing Instruments Private Limited (w.e.f 20th August, 2020) (subsidiary of Unomax Stationery Private Limited)
	Wimplast Limited (w.e.f 10th November, 2022)
Associate Concern	Pecasa Tableware Private Limited
Key management personnel - Chairman and Managing Director - Joint Managing Director - Joint Managing Director - Chief Financial Officer	Pradeep Rathod Pankaj Rathod Gaurav Rathod Atul Parolia (w.e.f 01st April, 2023)
Relatives of key management personnel (where transactions have taken place)	Babita Pankaj Rathod Ruchi Gaurav Rathod Sangeeta Pradeep Rathod Sneha Pankaj Rathod Pampuben Ghisulal Rathod



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Enterprises over which the KMP have significant influence (where transactions have taken place)	Cello Marketing - Partnership Firm Badamia charitable trust Cello International Private Limited Cello Pens and Stationery Private Limited Cello Sonal Construction Cello World - Partnership Firm Cello Houseware - Partnership Firm R & T Houseware Pvt Ltd Vardhaman Realtors Cello Plastic Industrial Works GPR Finance Rathod Investment Corp. Cello Plast (w.e.f 01st December, 2021) Cello Household Appliances Private Limited Cello Plastotech (w.e.f 01st July, 2021) Unomax Pens and Stationery Private Limited (w.e.f 01.11.2022)  Urmaoben Family Trust Cello Entrade Millennium Houseware
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44.2 Transactions during the year with related parties

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A</b>	<b>Sales</b>		
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>	80.02	284.81
	Cello Marketing	9.18	-
	Badamia charitable trust	198.12	1,854.42
	Cello International Private Limited	13.74	-
	Cello Pens and Stationery Private Limited	48.26	-
	Cello Houseware		
	<b>Total (A)</b>	<b>349.32</b>	<b>2,139.23</b>
<b>II</b>	<b>Key Management Personnel</b>	6.43	9.57
	Pradeep Ghisulal Rathod	5.30	2.74
	Pankaj Ghisulal Rathod	-	1.15
	Gaurav Pradeep Rathod		
	<b>Total (B)</b>	<b>11.73</b>	<b>13.46</b>
<b>III</b>	<b>Relatives of key management personnel</b>	3.44	1.88
	Babita Pankaj Rathod	0.60	0.44
	Ruchi Gaurav Rathod	0.95	0.16
	Sangeeta Pradeep Rathod	-	0.05
	Sneha Pankaj Rathod	1.26	-
	Pampuben Ghisulal Rathod		
	<b>Total (C)</b>	<b>6.25</b>	<b>2.53</b>
	<b>Total (A+B+C)</b>	<b>367.30</b>	<b>2,155.22</b>





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S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>B</b>	<b>Purchases</b>		
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Marketing	812.53	1,757.21
	Cello World	20.63	0.79
	Cello Houseware	-	33.60
	R & T Houseware Pvt Ltd	-	-
	Cello Entrade	-	-
	<b>Total</b>	<b>833.16</b>	<b>1,791.60</b>
<b>C</b>	<b>Rent Expenses</b>		
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Household Appliances Pvt. Ltd.	1,004.67	757.79
	Vardhaman Realatores	331.05	225.60
	Millenium Houseware	40.07	38.16
	Cello Houseware	34.08	31.25
	Cello Home Products	639.45	568.39
	<b>Total (A)</b>	<b>2,049.32</b>	<b>1,621.19</b>
<b>II</b>	<b>Key Management Personnel</b>		
	Pradeep Ghisulai Rathod	10.00	15.00
	Pankaj Ghisulai Rathod	10.00	15.00
	<b>Total (B)</b>	<b>20.00</b>	<b>30.00</b>
	<b>Total (A+B)</b>	<b>2,069.32</b>	<b>1,651.19</b>
<b>D</b>	<b>Royalty Expenses</b>		
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Plastic Industrial Works	779.27	411.81
	<b>Total</b>	<b>779.27</b>	<b>411.81</b>
<b>E</b>	<b>Corporate Social Responsibility Expenses</b>		
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>		
	Badamia charitable trust	309.90	140.51
	<b>Total</b>	<b>309.90</b>	<b>140.51</b>
<b>F</b>	<b>Purchase of Property, Plant and Equipment</b>		
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Marketing	126.71	4.78
	Millennium Houseware	-	3.54
	Cello Houseware	-	3.27
	Cello World	290.50	-
	Cello Entrade	-	-
	<b>Total</b>	<b>417.21</b>	<b>11.59</b>



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S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
G	<b>Reimbursement of expense</b>		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Marketing	100.04	28.79
	Cello Houseware	0.68	1.83
	Cello International Private Limited	14.15	64.58
	Vardaman Realtors	-	0.19
	Cello World	72.75	-
	Cello Plastic Industrial Works	143.94	55.18
	<b>Total</b>	<b>331.56</b>	<b>150.57</b>
H	<b>Sale of investment</b>		
I	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	15.00	-
	<b>Total</b>	<b>15.00</b>	<b>-</b>
I	<b>Loan Taken</b>		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Pens and Stationery Private Limited	1,000.00	-
	<b>Total (A)</b>	<b>1,000.00</b>	<b>-</b>
II	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	9,482.00	14,146.74
	Pankaj Ghisulal Rathod	2,288.00	15,096.30
	Gaurav Pradeep Rathod	2,600.00	7,680.83
	<b>Total (B)</b>	<b>14,370.00</b>	<b>36,923.87</b>
III	<u>Relatives of key management personnel</u>		
	Babita Pankaj Rathod	-	1,694.86
	Ruchi Gaurav Rathod	-	230.75
	Sangeeta Pradeep Rathod	-	287.66
	<b>Total (C)</b>	<b>-</b>	<b>2,213.27</b>
	<b>Total (A+B+C)</b>	<b>15,370.00</b>	<b>39,137.14</b>
J	<b>Loan Repaid</b>		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Pens and Stationery Private Limited	1,000.00	-
	<b>Total (A)</b>	<b>1,000.00</b>	<b>-</b>
II	<u>Key Management Personnel</u>		
	Pradeep Ghisulal Rathod	12,865.50	2,868.56
	Pankaj Ghisulal Rathod	8,663.59	5,465.80
	Gaurav Pradeep Rathod	5,200.00	3,488.04
	<b>Total (B)</b>	<b>26,729.09</b>	<b>11,822.40</b>
III	<u>Relatives of key management personnel</u>		
	Babita Pankaj Rathod	-	9.76
	Ruchi Gaurav Rathod	224.95	3.00
	Sangeeta Pradeep Rathod	-	6.24
	<b>Total (C)</b>	<b>224.95</b>	<b>19.00</b>
	<b>Total (A+B+C)</b>	<b>27,954.04</b>	<b>11,841.40</b>



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S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
K	Loan Given		
I	<u>Associate Concern</u>		
	Pecasa Tableware Private	650.00	-
	Total	650.00	-
L	Investment In equity shares		
	<u>Associate Concern</u>		
	Pecasa Tableware Private Limited	80.00	-
	Total	80.00	-
M	Purchase consideration paid for business combination under common control		
I	<u>Enterprises over which the KMP have significant influence</u>		
	Cello Plast	152.55	13,900.00
	Cello Plastotech	-	4,735.00
	Unomax Pens & Stationery Private Limited	8,113.23	-
	Cello Pens and Stationery Private Limited	6,030.56	-
	Total (A)	14,296.34	18,635.00
II	<u>Key Management Personnel</u>		
	Pradeep Rathod	8,913.16	-
	Pankaj Rathod	8,491.02	-
	Gaurav Rathod	4,456.58	-
	Total (B)	21,860.76	-
III	<u>Relatives of key management personnel</u>		
	Sangeeta Pradeep Rathod	2,611.23	-
	Babita Pankaj Rathod	2,611.23	-
	Total (C)	5,222.46	-
	Total (A+B+C)	41,379.56	18,635.00
N	Movement in payable to related parties in their capacity as partners of Partnership firms acquired by the group		
I	<u>Key Management Personnel</u>		
	Pradeep Rathod	-	0.80
	Pankaj Rathod	-	1.60
	Gaurav Rathod	-	1.40
	Total (A)	-	3.80
II	<u>Relatives of key management personnel</u>		
	Sangeeta Pradeep Rathod	-	0.40
	Babita Pankaj Rathod	-	0.60
	Ruchi Gaurav Rathod	-	0.20
	Total (B)	-	1.20
	Total (A+B)	-	5.00



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S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
O	Retained earnings distributed to partners/erstwhile owners		
I	Enterprises over which the KMP have significant influence		
	GPR Finance	615.09	691.94
	Rathod Investment Corp.	573.26	644.88
	<b>Total (A)</b>	<b>1,188.35</b>	<b>1,336.82</b>
II	Key Management Personnel		
	Pradeep Rathod	238.79	613.68
	Pankaj Rathod	415.37	1,157.37
	Gaurav Rathod	245.48	879.99
	<b>Total (B)</b>	<b>899.64</b>	<b>2,651.04</b>
III	Relatives of key management personnel		
	Sangeeta Pradeep Rathod	119.43	306.88
	Babita Pankaj Rathod	62.34	328.92
	Ruchi Gaurav Rathod	118.84	219.95
	<b>Total (C)</b>	<b>300.61</b>	<b>855.75</b>
	<b>Total (A+B+C)</b>	<b>2,388.60</b>	<b>4,843.61</b>
P	Buyback of Shares		
I	Key Management Personnel		
	Pradeep Ghisulal Rathod	199.30	-
	Pankaj Ghisulal Rathod	398.93	-
	Gaurav Pradeep Rathod	342.84	-
	<b>Total (A)</b>	<b>941.07</b>	<b>-</b>
II	Relatives of key management personnel		
	Babita Pankaj Rathod	147.16	-
	Ruchi Gaurav Rathod	50.39	-
	Sangeeta Pradeep Rathod	102.52	-
	<b>Total (B)</b>	<b>300.07</b>	<b>-</b>
	<b>Total (A+B+C)</b>	<b>1,241.14</b>	<b>-</b>

44.3 Amounts outstanding with related parties

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
A	Trade receivable			
I	Enterprises over which the KMP have significant influence			
	Cello Pens and Stationery Private Limited			
	Cello Marketing	0.88	3.36	97.43
	Cello International Private Limited	-	349.86	472.58
	Cello Household Appliances Private Limited	97.47	-	-
	Badamia Charitable Trust	2.33	-	-
	<b>Total (A)</b>	<b>100.68</b>	<b>353.22</b>	<b>570.01</b>



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S. No.	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
II	<b>Key Management Personnel</b>			
	Pradeep Ghisulal Rathod	2.21	-	0.91
	Pankaj Ghisulal Rathod	-	-	0.42
	<b>Total (B)</b>	<b>2.21</b>	<b>-</b>	<b>1.33</b>
III	<b>Relatives of key management personnel</b>			
	Babita Pankaj Rathod	-	-	0.52
	Ruchi Gaurav Rathod	0.70	0.07	0.40
	Sangeeta Pradeep Rathod	0.14	0.18	0.16
	Karishma Pradeep Rathod	-	-	0.66
	<b>Total (C)</b>	<b>0.84</b>	<b>0.25</b>	<b>1.74</b>
	<b>Total (A+B+C)</b>	<b>103.73</b>	<b>353.47</b>	<b>573.08</b>
B	<b>Trade Payable</b>			
I	<b>Enterprises over which the KMP have significant influence</b>			
	Cello Household Appliances Private Limited	30.28	74.76	59.63
	Vardaman Realtors	23.88	12.52	6.04
	Cello Pens and Stationery Private Limited	12.37	-	1.30
	Cello Plastic Industrial Works	233.86	150.89	170.48
	Cello International Private Limited	-	-	1.00
	Millennium Houseware	3.61	-	0.40
	Cello Marketing	1.13	1,910.58	0.38
	Cello World	-	-	0.67
	Cello Home Products	36.97	36.60	43.22
	Cello Houseware	-	-	75.06
	R & T Houseware Private Limited	33.60	33.60	-
	<b>Total</b>	<b>375.70</b>	<b>2,218.95</b>	<b>358.18</b>
II	<b>Key Management Personnel</b>			
	Pradeep Ghisulal Rathod	5.40	5.11	-
	Pankaj Ghisulal Rathod	4.39	-	-
	<b>Total (B)</b>	<b>9.79</b>	<b>5.11</b>	<b>-</b>
III	<b>Relatives of key management personnel</b>			
	Babita Pankaj Rathod	0.06	-	-
	<b>Total (C)</b>	<b>0.06</b>	<b>-</b>	<b>-</b>
	<b>Total (A+B+C)</b>	<b>385.55</b>	<b>2,224.06</b>	<b>358.18</b>
C	<b>Loan Payable</b>			
I	<b>Key Management Personnel</b>			
	Pradeep Ghisulal Rathod	10,032.29	13,415.83	3,668.81
	Pankaj Ghisulal Rathod	13,905.74	20,282.56	10,649.96
	Gaurav Pradeep Rathod	4,219.24	6,819.24	1,093.76
	<b>Total (A)</b>	<b>28,157.27</b>	<b>40,517.63</b>	<b>15,412.53</b>
II	<b>Relatives of key management personnel</b>			
	Babita Pankaj Rathod	1,698.52	1,686.16	-
	Sangeeta Pradeep Rathod	281.82	281.82	-
	Ruchi Gaurav Rathod	3.26	228.21	-
	<b>Total (B)</b>	<b>1,983.60</b>	<b>2,196.19</b>	<b>-</b>





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S. No.	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
III	<b>Enterprises over which the KMP have significant influence</b>			
	Umraoben Family Trust	49.55	49.55	49.55
	Total (C)	49.55	49.55	49.55
	Total (A+B+C)	30,190.42	42,763.37	15,462.08
D	<b>Loan Receivable</b>			
I	<b>Associate Concern</b>			
	Pecasa Tableware Private	693.40	-	-
	Total	693.40	-	-
E	<b>Investment in equity shares</b>			
I	<b>Associate Concern</b>			
	Pecasa Tableware Private	80.00	-	-
	Total (A)	80.00	-	-
F	<b>Purchase consideration payable for business combination under common control</b>			
I	<b>Enterprises over which the KMP have significant influence</b>			
	Cello Plast	197.45	350.00	14,250.00
	Cello Plastotech	-	-	4,735.00
	Unomax Pens & Stationery Private Limited	-	8,113.23	8,113.23
	Cello Pens and Stationery Private Limited	-	6,030.56	6,030.56
	Total (A)	197.45	14,493.79	33,128.79
II	<b>Key Management Personnel</b>			
	Pradeep Rathod	-	8,913.16	8,913.16
	Pankaj Rathod	-	8,491.02	8,491.02
	Gaurav Rathod	-	4,456.58	4,456.58
	Total (B)	-	21,860.76	21,860.76
III	<b>Relatives of key management personnel</b>			
	Sangeeta Pradeep Rathod	-	2,611.24	2,611.24
	Babita Pankaj Rathod	-	2,611.23	2,611.23
	Total (C)	-	5,222.47	5,222.47
	Total (A+B+C)	197.45	41,577.02	60,212.02
G	<b>Payable to related parties in their capacity as partners of Partnership firms acquired by the group</b>			
I	<b>Key Management Personnel</b>			
	Pradeep Rathod	-	2.38	3.18
	Pankaj Rathod	-	4.77	6.37
	Gaurav Rathod	-	4.17	5.57
	Total (A)	-	11.32	15.12
II	<b>Relatives of key management personnel</b>			
	Sangeeta Pradeep Rathod	-	1.19	1.59
	Babita Pankaj Rathod	-	1.79	2.39
	Ruchi Gaurav Rathod	-	0.60	0.80
	Total (B)	-	3.58	4.78
	Total (A+B)	-	14.90	19.90





**44.4 Compensation of key managerial personnel**

The remuneration of the key management personnel of the Company, is set out below in aggregate for each of the categories specified in Ind AS 24:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits	236.70	120.00
Post-employment benefits		
<b>Total</b>	<b>236.70</b>	<b>120.00</b>

- (a) The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Group as a whole.
- (b) All decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Group, in accordance with shareholders' approval, wherever necessary.

**44.5 Funding Arrangements**

- (a) The Parent Company has provided with loan to Pecasa Tableware Private Limited (associate company) of Rs. 693.40 lakhs (as on March 31, 2022: NIL and as on March 31, 2021: NIL) at the rate of 10.00% p.a which is repayable after the associate repays the loan taken from the bank in accordance with the bank loan covenants, repayable in 7 years
- (b) Cello Consumerware Private Limited has availed term loan of Rs. 5000.00 lakhs against which the Parent has provided unconditional and irrevocable corporate guarantee. The loan outstanding as on March 31, 2023 is Rs. 795.20 lakhs.

**44.6** Cello International Private Limited is amalgamated with Cello Pen and Stationery Private Limited by order of The National Company Law Tribunal (NCLT) Court V, Mumbai Bench dt 26.08.2022 and the appointed date is 1st April 2020.



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#### 45 Financial instruments and risk management

##### 45.1 Capital risk management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt offset by cash and bank balances and total equity of the Group.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Long term and short term debts*	33,510.69	46,290.82	33,407.28
Less: Cash and cash equivalents	(3,061.67)	(3,626.91)	(1,670.88)
<b>Net debt</b>	<b>30,449.02</b>	<b>42,663.91</b>	<b>31,736.40</b>
<b>Total Equity</b>	<b>53,638.91</b>	<b>27,278.11</b>	<b>6,714.17</b>
<b>Debt to equity ratio</b>	<b>0.62</b>	<b>1.70</b>	<b>4.98</b>
<b>Net debt to equity ratio</b>	<b>0.57</b>	<b>1.56</b>	<b>4.73</b>

\* Debt includes lease liabilities

The Group has not defaulted on any loans payable, and there has been no breach of any loan covenants. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023, March 31, 2022 and April 01, 2021.

##### 45.2 Categories of financial instruments

The following table provides categorisation of all financial instruments

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>Financial assets</b>			
<b>Investments measured at fair value through other comprehensive income (FVTOCI)</b>			
	4,443.31	3,500.00	4,500.00
	<b>4,443.31</b>	<b>3,500.00</b>	<b>4,500.00</b>
<b>Investments measured at fair value through profit and loss (FVTPL)</b>			
	13,169.17	11,495.18	7,474.19
	<b>13,169.17</b>	<b>11,495.18</b>	<b>7,474.19</b>
<b>Investments measured under equity method</b>			
	78.86	-	-
	<b>78.86</b>		
<b>Measured at amortised cost</b>			
(a) Trade receivable	46,230.31	40,672.19	37,142.65
(b) Cash and cash equivalent	3,061.67	3,626.91	1,670.88
(c) Bank balances other than (b) above	1,931.60	1,840.97	1,576.08
(e) Loans	880.52	324.83	329.36
(f) Other financial assets	2,635.00	1,328.47	1,355.16
<b>Total financial assets</b>	<b>54,739.10</b>	<b>47,793.37</b>	<b>42,074.13</b>
<b>Total</b>	<b>72,351.58</b>	<b>62,788.55</b>	<b>54,048.32</b>
<b>Financial liabilities</b>			
<b>Investments measured at fair value through profit and loss (FVTPL)</b>			
(a) 0.0001% compulsorily convertible preference shares	48,310.00	-	-
	<b>48,310.00</b>		



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Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
<b>Measured at amortised cost</b>			
(a) Borrowings	32,606.58	45,247.68	32,206.04
(b) Lease liabilities	904.11	1,043.14	1,201.24
(b) Trade payables	13,416.72	12,554.95	9,839.64
(c) Other financial liabilities	1,669.21	43,453.25	61,006.71
<b>Total financial liabilities</b>	<b>48,596.62</b>	<b>1,02,299.02</b>	<b>1,04,253.63</b>
<b>Total</b>	<b>96,906.62</b>	<b>1,02,299.02</b>	<b>1,04,253.63</b>

#### 45.3 Financial risk management objectives

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise cash and bank balance, trade and other receivables that derive directly from its operations.

The Group is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Group's senior management team oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

##### 45.3.1 Market risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023, March 31, 2022, and April 01, 2021.

##### 45.3.1.1 Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term debt obligations with floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group manages its interest rate risk by having fixed and variable rate loans and borrowings.

##### Interest Rate Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Interest rate sensitivity analysis	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Impact on Profit/(Loss) before tax for the year</b>		
0.50% increase in Basis Point (%)	(3.23)	(8.79)
0.50% decrease in Basis Point (%)	3.23	8.79

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.



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45.3.1.2 Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The year end unhedged foreign currency exposures are given below:

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a). Trade receivables:			
In USD	65.35	43.37	32.38
Equivalent in ₹ Lakhs	5,372.66	3,287.71	2,380.11
(b). Advances (from customer):			
In USD	2.42	2.12	1.08
Equivalent in ₹ Lakhs	196.08	159.91	79.23
(c). Advances (to supplier):			
In USD	7.58	7.60	12.06
In EURO	10.56	1.42	2.37
In CNY	-	-	0.78
Equivalent in ₹ Lakhs	1,495.89	697.82	1,205.33
(d). Trade payables:			
In USD	1.43	2.47	1.97
In EURO	0.01	0.11	0.14
Equivalent in ₹ Lakhs	118.54	196.60	156.77
(e). Borrowing:			
In USD	-	-	-
In EURO	9.89	-	-
Equivalent in ₹ Lakhs	883.25	-	-

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonable possible change in exchange rate, with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair value of monetary assets and liabilities is as follows:

Impact on Profit/(Loss) before tax for the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a). Trade receivables:		
USD currency:		
0.50% increase (%)	26.93	16.44
0.50% decrease (%)	(26.93)	(16.44)
(b). Advances (from customer):		
USD currency:		
0.50% increase (%)	(0.98)	(0.80)
0.50% decrease (%)	0.98	0.80
(c). Advances (to supplier):		
USD currency:		
0.50% increase (%)	11.93	2.89
0.50% decrease (%)	(11.93)	-



EURO currency:		
0.50% increase (%)	4.36	0.61
0.50% decrease (%)	(4.36)	(0.61)
CNY currency:		
0.50% increase (%)	-	-
0.50% decrease (%)	-	-
(d). Trade payables:		
USD currency:		
0.50% increase (%)	(0.59)	(3.88)
0.50% decrease (%)	0.59	3.88
EURO currency:		
0.50% increase (%)	-	(0.04)
0.50% decrease (%)	-	0.04
(e). Borrowing:		
EURO currency:		
0.50% increase (%)	(4.43)	-
0.50% decrease (%)	4.43	-

**c. Product price risk**

In a potentially inflationary economy, the Group expects periodical price increases across its product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/ sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the customers. This helps the Group to protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

**45.4 Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

**a. Trade receivables**

The Group has adopted a policy of only dealing with counterparties that have sufficient credit rating. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group has applied a simplified approach under Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables.

**b. Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Parent's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

**c. Financial guarantees**

Financial guarantees have been provided as corporate guarantees to financial institutions and banks that have extended credit facilities to the Group's related party/subsidiary. In this regard, the Group does not foresee any significant credit risk exposure.





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#### 45.5 Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due.

Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs.

##### Liquidity risk table

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Upto 1 year	1-5 years	Total
<b>March 31, 2023</b>			
Lease liabilities	190.60	713.51	904.11
Borrowings	31,740.42	866.16	32,606.58
Trade payables	13,416.72	-	13,416.72
Other financial liabilities	1,669.18	48,310.03	49,979.21
<b>Total</b>	<b>47,016.92</b>	<b>49,889.70</b>	<b>96,906.62</b>
<b>March 31, 2022</b>			
Lease liabilities	173.43	869.71	1,043.14
Borrowings	45,247.68	-	45,247.68
Trade payables	12,554.95	-	12,554.95
Other financial liabilities	43,453.22	0.03	43,453.25
<b>Total</b>	<b>1,01,429.28</b>	<b>869.74</b>	<b>1,02,299.03</b>
<b>April 1, 2021</b>			
Lease liabilities	158.10	1,043.14	1,201.24
Borrowings	32,206.04	-	32,206.04
Trade payables	9,839.64	-	9,839.64
Other financial liabilities	61,006.68	0.03	61,006.71
<b>Total</b>	<b>1,03,210.46</b>	<b>1,043.17</b>	<b>1,04,253.63</b>

The above table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.





46 Fair Value Measurement

46.1 Fair value of the financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2023	March 31, 2022	April 1, 2021		
<b>A) Financial assets</b>					
i) Investments in mutual funds (quoted)	11,206.66	9,969.15	6,007.28	Level 1	The mutual funds are valued using the closing NAV.
ii) Investments in bonds (quoted)	4,981.14	3,500.00	4,500.00	Level 1	The bonds are valued using the closing NAV.
iii) Investments in equity shares (quoted)	1,424.68	1,526.03	1,255.26	Level 1	The equity shares are valued using the closing market prices at listed stock exchange.
iv) Investments in commodities (quoted)	-	-	211.65	Level 1	The silver commodity are valued using the closing market prices at listed stock exchange.
<b>B) Financial liabilities</b>					
i) 0.0001% Compulsorily Convertible Preference Shares (unquoted)	48,310.00	-	-	Level 3	(a) Present value of estimated dividends till expected conversion date (b) Fair value of equivalent eligible equity shares considering probability weighted expected conversion price

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short term nature.

46.2 Reconciliation of Level III fair value measurement:

Particulars	For the Year ended	For the Year ended
	March 31, 2023	March 31, 2022
Opening balance	-	-
Additional investment/obligation	47,500.00	-
Reclassification of allowance for loss	-	-
Loss recognised in the statement of profit and loss	810.00	-
Disposals/settlements	-	-
Closing balance	48,310.00	-

46.3 Fair value of financial assets and financial liabilities that are measured at amortised cost:

The management believes the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

47 Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (i) Details of Investments made by the Group in an associate are given in Note 9 in the consolidated financial statement.
- (ii) Details of Loans given by the Group to an associate are given in Note 10 in the consolidated financial statement.



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**48 Additional regulatory information as required by Schedule III to the Companies Act, 2013**

48.1 The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

48.2 The Group has not traded or invested in Crypto currency or Virtual Currency during each reporting year.

48.3 There were no Scheme of Arrangements entered by the Group during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

48.4 The Group had the following transactions with Companies struck off under Companies Act, 2013 or Companies Act, 1956.

Name of the struck off company	Nature of transactions	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Geeta Consumer Cooperative Society Limited	Receivable	-	-	-
Mahalaxmi Hotel ware Pvt Ltd	Receivable	-	0.32	-
Pietech Solution Private Limited	Receivable	-	-	-
Shiva Bleachers Pvt Ltd	Receivable	-	0.01	-
Bennett Coleman & Co. Ltd	Receivable	-	-	-
Ikonstrukt Projects (OPC) Private Limited	Receivable	-	0.01	-

The Company had transactions with the following struck-off companies, in respect of which the outstanding balances at end of each reporting period were Nil:

- Geeta Consumer Cooperative Society Limited
- Pietech Solution Private Limited
- Bennett Coleman & Co. Ltd
- Rajasthan Movers Private Limited

48.5 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

48.6 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

48.7 None of the entity of the Group has been declared willful defaulter by any bank or financial institution or government or any government authority.

48.8 The Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

48.9 The Group does not have any Loans or advances to promoters, directors, KMPs and related parties, either severally or jointly with any other person, that are

- repayable on demand or without specifying any terms or period of repayment



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**49 Ratio Analysis and its elements**

Where any one or both the components of ratios are extracted from consolidated statement of profit and loss, the ratios are provided for the year ended March 31, 2023 and March 31, 2022. However, where both the components of ratio are extracted from the Balance sheet, the ratios are provided for all the three periods (i.e., as at March 31, 2023, as at March 31, 2022 and April 1, 2021).

**a) Current Ratio = Current assets divided by Current liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Current assets	1,12,443.82	99,510.22	82,053.99
Current liabilities	50,550.08	1,03,929.73	1,05,881.18
Ratio (In times)	2.22	0.96	0.77
% Change from previous year	131.25%	24.68%	-

**Reason for change more than 25%:**

For the year ended March 31, 2023, the Group has repaid its loans and other financial liabilities resulting in steep decline in current liabilities.

**b) Return on Equity Ratio = Net profit after tax divided by average equity**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after Tax	28,506.22	21,951.75
Average equity*	21,204.78	(870.03)
Ratio	134.43%	NA**

\*Average equity represents the average of opening and closing total equity.

\*\* Not applicable as equity is negative

**c) Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cost of goods sold*	89,551.25	67,855.25
Average Inventory	40,315.18	34,173.74
Ratio (In times)	2.22	1.99
% Change from previous year	11.87%	

\* Cost of goods sold comprises Cost of Materials Consumed, Purchases of Stock in Trade and Changes in inventories of finished goods, semi finished goods and Stock in trade

**d) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Credit Sales*	1,79,126.47	1,35,393.25
Average Trade Receivables #	43,451.25	38,907.42
Ratio (In times)	4.12	3.48
% Change from previous year	18.47%	

\* Credit sales includes sale of products, services and scrap sales.

# Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing trade receivables.



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e) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Credit Purchases*	94,872.66	74,813.06
Average Trade Payables#	11,914.98	10,261.13
Ratio (In times)	7.96	7.29
% Change from previous year	8.43%	

\*Credit purchases includes purchase of stock-in-trade, raw materials and packing materials

# Average trade payables represents the average of opening and closing trade payable.

f) Net Capital Turnover Ratio = Sales divided by Net Working capital

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations (A)	1,79,669.50	1,35,917.44
Current Assets (B)	1,12,443.82	99,510.22
Current Liabilities (C)	50,550.08	1,03,929.73
Net Working Capital (D = B - C)	61,893.75	(4,419.51)
Ratio (In times) (E = A / D)	2.90	-30.75
% Change from previous year	109.44%	

Reason for change more than 25%:

For the year ended March 31, 2023, the Group's overall business have improved with better operating cycles which has resulted in repayment of its loans and other financial liabilities.

g) Net profit ratio = Net profit after tax divided by Sales

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax	28,506.22	21,951.75
Sales	1,79,669.50	1,35,917.44
Ratio	15.87%	16.15%
% Change from previous year	-1.76%	

h) Return on Capital employed (pre -tax) = Earnings before interest and taxes (EBIT) divided by Capital Employed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax (A)	38,519.63	29,909.19
Finance Cost (B)	175.60	285.16
EBIT (C) = (A+B)	38,695.23	30,194.35
Tangible net worth* (D)	52,648.48	26,668.52
Total Borrowings**(E)	33,510.69	46,290.82
Deferred tax liability (F)	840.57	838.82
Capital Employed (G)=(D+E+F)	86,999.74	73,798.16
Ratio (In %)	44.48%	40.91%
% Change from previous year	8.71%	

\* Tangible net worth = Net worth (total equity)- Intangible assets- Deferred Tax Assets

\*\* Total Borrowings includes Current and Non Current Borrowings and Lease Liabilities





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i) Debt Equity ratio = Total debts divided by Total Equity

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Total Debts*	33,510.69	46,290.82	33,407.28
Total Equity	53,638.91	27,278.11	6,714.17
Ratio (In %)	0.62	1.70	4.98
% Change from previous year	-63.19%	-65.89%	

\* Total Debts includes Current and Non Current Borrowings and Lease Liabilities

Reason for change more than 25%:

For the year ended March 31, 2023 and March 31, 2022, the Group's profitability has improved with 30% and 35% growth at year-on-year basis and as a result the Group has also repaid its loan.

j) Debt service coverage ratio= Earnings available for debt services divided by total interest and principal repayments.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax (A)	28,506.22	21,951.75
Add: Non cash operating expenses and finance cost		
- Depreciation and amortisation (B)	5,032.54	4,755.45
- Finance cost (C)	175.60	285.16
Total Non-cash operating expenses and finance cost (Pre-tax) (D= B+C)	5,208.14	5,040.61
Total Non-cash operating expenses and finance cost (Post-tax) (E = D (1-Tax rate))	3,897.36	3,771.99
Earnings available for debt services (F = A+E)	32,403.58	25,723.74
Debt service		
Lease Repayments (H)	1,138.02	1,354.95
Principal Repayments & interest thereon (I)	32,606.58	45,247.68
Total Interest and principal repayments (J = G + H + I)	33,744.60	46,602.63
Ratio (In times) (J = F/ I)	0.96	0.55
% Change from previous year	73.97%	

Reason for change more than 25%:

For the year ended March 31, 2023, the Group's profitability has improved with 30% and 35% growth at year-on-year basis and as a result the Group's ability to repay the debt has improved.

i) Return on investment = Profit divided by cost of investment: NA

This ratio is not applicable since the Group does not have any projects/investment other than current operations.



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**50 Business combination under common control**

During the financial years ended March 31, 2023 and 2022, the Company, directly or through its subsidiaries, acquired businesses from entities which were ultimately controlled by the same parties who control it, both before and after the business combination. These transactions were in the nature of acquisition of the assets and liabilities under a slump sale arrangement or acquisition of the equity stake from the existing shareholders or by conversion of partnership firms into private limited companies.

Pursuant to the requirements of Appendix C of the Ind AS 103, these business combinations under common control are accounted for using the pooling of interest method. Consequently, the financial information of the Group, includes the financial information of the businesses transferred by the transferor to the transferee and has been restated from the earliest period presented in the consolidated financial statements of the Group.

The details of the business combinations, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given below.

Nature of business combination	Note	Transferee	Transferor	Date
Slump sale	a	Cello Household Products Private Limited	Cello Plastotech (Firm)	30-Jun-21
	b	Cello Industries Private Limited	Cello Plast (Firm)	30-Nov-21
	c	Unomax Stationery Private Limited	Unomax Pens & Stationery Private Limited	01-Nov-22
Acquisition of subsidiary through inter-se transfer from promoter group	d	Cello World Limited	Wimplast Limited	10-Nov-22
Acquisition of subsidiary through conversion of partnership firm & rights issue	e	Cello Household Products Private Limited	Cello Household Products (Firm)	12-Feb-21
		Cello World Limited	Cello Household Products Private Limited	16-Mar-21
	f	Cello Houseware Private Limited	Cello Industries (Firm)	02-Jun-21
		Cello World Limited	Cello Houseware Private Limited	16-Jul-21



*AS*



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Identifiable assets acquired and liabilities assumed and capital reserve arising on business combination under common control

Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimpplast Limited)
<b>As at April 01, 2021</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
a) Property, plant and equipment	4,438.10	1,123.91	2,111.39	11,286.42
b) Capital work-in-progress	-	35.43	171.99	13.82
c) Right of use assets	-	-	1,063.15	385.21
d) Intangible assets	0.95	3.71	7.68	-
e) Investments	-	-	100.00	4,500.00
f) Loans	9.03	-	6.30	45.39
g) Other financial assets	442.22	-	6.10	170.92
h) Deferred tax assets (net)	561.77	4.43	-	-
i) Income tax assets (net)	-	-	-	40.38
j) Other non-current assets	211.93	-	17.45	59.69
<b>Total non-current assets</b>	<b>5,664.00</b>	<b>1,213.84</b>	<b>3,484.06</b>	<b>16,501.83</b>
<b>Current assets</b>				
a) Inventories	3,862.97	2,417.41	2,007.69	10,318.83
b) Investments	1.23	-	-	7,472.96
c) Trade receivables	5,699.24	2,023.98	2,950.67	6,725.13
d) Cash and cash equivalents	334.48	137.47	65.88	460.52
e) Bank balances other than (ii) above	88.91	0.54	-	227.06
f) Loans	15.18	25.01	148.35	22.03
g) Other financial assets	0.50	0.20	-	385.21
h) Other current assets	319.03	223.99	953.31	363.07
<b>Total Current Assets</b>	<b>10,321.54</b>	<b>4,828.60</b>	<b>6,125.90</b>	<b>25,974.81</b>
<b>Total Assets</b>	<b>15,985.54</b>	<b>6,042.44</b>	<b>9,609.96</b>	<b>42,476.64</b>



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Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
<b>Equity</b>				
Other Equity	-	-	-	37,057.48
Non Controlling interest	-	-	-	(26.60)
<b>Total</b>	-	-	-	<b>37,030.88</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
a) Lease Liabilities	-	-	924.43	107.32
b) Provision	67.37	103.78	10.74	75.23
c) Deferred tax liabilities (net)	-	-	56.13	770.47
<b>Total non-current liabilities</b>	<b>67.37</b>	<b>103.78</b>	<b>991.30</b>	<b>953.02</b>
<b>Current liabilities</b>				
a) Lease liabilities	-	-	138.72	19.38
b) Borrowings	-	-	4,304.17	-
c) Trade payables	2,605.73	49.55	1,341.41	1,647.97
d) Other financial liabilities	382.58	1,095.03	-	161.28
e) Provisions	1.60	32.76	0.08	110.31
f) Other current liabilities	348.56	39.49	46.42	-
g) Current tax liabilities (net)	-	-	170.98	1,353.41
<b>Total current liabilities</b>	<b>3,338.47</b>	<b>1,216.83</b>	<b>6,001.78</b>	<b>3,292.35</b>
<b>Total liabilities</b>	<b>3,405.84</b>	<b>1,320.61</b>	<b>6,993.08</b>	<b>4,245.37</b>



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Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
Net assets and reserves transferred	12,575.70	4,721.83	2,616.88	1,200.39
Purchase consideration payable in Cash	(14,250.00)	(4,735.00)	(8,113.23)	(33,113.79)
Non-controlling interest				(540.71)
Capital Reserve as on April 1, 2021	(1,670.30)	(13.17)	(5,496.35)	(32,454.10)
not transferred including cash generated from operations (net of deferred tax)	1,504.23	(203.50)	2,693.60	
Capital Reserve as on March 31, 2022	(166.07)	(216.67)	(2,802.75)	(32,454.10)
not transferred including cash generated from operations (net of deferred tax)			2,712.19	
Capital Reserve as on March 31, 2023	(166.07)	(216.67)	(90.56)	(32,454.10)

Details of purchase consideration payable at the end of each reporting year:

Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
Purchase consideration payable as at April 01, 2021	14,250.00	4,735.00	8,113.23	33,113.79
Paid during the year	(13,900.00)	(4,735.00)		
Purchase consideration payable as at March 31, 2022	350.00		8,113.23	33,113.79
Paid during the year	(152.50)		(8,113.23)	(33,113.79)
Purchase consideration payable as at March 31, 2023	197.50			



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- a. Pursuant to a business transfer agreement dated July 01, 2021, entered into between Cello Household Products Private Limited and one of its related parties, Cello Plastotech (partnership firm), Cello Plastotech has transferred to Cello Household Products Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, for a cash consideration of ₹ 4735 lakhs. The assets and liabilities have been transferred at their book values as on July 01, 2021.
- b. Pursuant to a business transfer agreement dated November 30, 2021, entered into between Cello Industries Private Limited and one of its related parties, Cello Plast (partnership firm), Cello Plast has transferred to Cello Industries Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, for a cash consideration of ₹ 14,250 lakhs. The assets and liabilities have been transferred at their book values as on November 30, 2021.

Cello World Limited (Formerly known as Cello World Private Limited) acquired 100% equity stake in Cello Industries Private Limited on July 31, 2020 for a cash consideration of ₹ 1 lakh.

- c. Pursuant to a business transfer agreement dated November 01, 2022, entered into between Unomax Stationery private Limited and one of its related parties, Unomax Pens & Stationery Private Limited (UPSPL), UPSPL has transferred to Unomax Stationery Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, (including two wholly-owned subsidiaries - Unomax Writing Instruments Private Limited and Unomax Sales & Marketing Private Limited) for a cash consideration of ₹ 8113.23 lakhs. The assets and liabilities have been transferred at their book values as on November 01, 2022.
- d. Cello World Limited (Formerly known as Cello World Private Limited) acquired 54.92% equity stake in Wimplast Limited, a listed entity on November 10, 2022 through an inter-se transfer between promoters / promoters group for a cash consideration of ₹ 33113.79 lakhs.
- e. Cello World Limited (Formerly known as Cello World Private Limited) became 21% partner in Cello industries (the "erstwhile partnership firm") on August 01, 2020. With effect from June 2, 2021, the erstwhile partnership firm was converted to Cello Houseware Private Limited. Pursuant to the provisions Chapter XXI, Part I of the Companies Act, 2013, the assets and liabilities of the erstwhile partnership firm were transferred to Cello Houseware Private Limited. Subsequently on March 16, 2021, Cello World Limited (Formerly known as Cello World Private Limited) acquired a further 71.1% stake in Cello Household Products Private Limited through a rights issue for a cash consideration of ₹ 92.10 lakhs.



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51 First-time adoption of Ind-AS

51.1 Reconciliation of total equity as at March 31, 2022 and April 01, 2021

Sr no.	Particulars	Note	As at March 31, 2022	As at April 01, 2021
I	Total equity (shareholder's funds) under previous GAAP			
	Total equity (shareholder's funds) under previous GAAP		22,832.74	9,630.65
	Total equity under previous GAAP pertaining to entities acquired through business combination under common control	h (i)	240.15	12,300.19
	Adjusted total equity (shareholder's funds) under previous GAAP		23,072.89	21,930.84
	Reserves and NCI (reported under Ind AS) assumed on acquisition of subsidiary through business combination under common	h (ii)	39,932.11	37,030.96
	Adjusted total equity		63,005.00	58,961.80
II	Effect of eliminations due to consolidation of entities / businesses under common control		423.41	493.94
III	Ind AS Adjustments:			
	Gratuity impact as per valuation	a	(200.26)	(150.69)
	Expected credit allowance on trade receivables	b	(342.25)	(200.01)
	Depreciation on property, plant & equipment and intangible assets	c	(68.52)	
	Fair value of investment in mutual fund	d		
	Pre-incorporation, pre-operative & preliminary expenses	e	(17.00)	(7.16)
	Depreciation and interest on ROU asset and lease liability	f	(130.46)	(82.53)
	Creation of capital reserve on account of business combination	47	(35,639.66)	(39,633.98)
	Adjustments for equity pertaining to erstwhile owners / partners in business combinations under common control	h (iii)	48.17	(12,243.94)
	Deferred tax impact	g	199.67	(423.26)
	Total		(36,150.31)	(52,741.57)
IV	Total adjustments to equity (II+III)		(35,726.90)	(52,247.63)
V	Total equity and Non-controlling interest under Ind AS (I+IV)		27,278.10	6,714.17





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51.2 Reconciliation of Total Comprehensive Income for the year ended March 31, 2022

Sr no.	Particulars	Note	For Year ended March 31, 2022
I	<b>Profit after tax as per previous GAAP</b>		
	Profit after tax as per previous GAAP		13,197.22
	Profit under previous GAAP pertaining to entities acquired through business combination under common control	h (i)	6,729.78
	<b>Total profit after tax as per previous GAAP</b>		<b>19,927.00</b>
	Profit (reported under Ind AS) pertaining to subsidiary acquired through business combination under common control	h (ii)	3,525.12
	Effect of eliminations due to consolidation of entities / businesses under common control		(133.67)
	<b>Adjusted profit after tax</b>		<b>23,318.45</b>
II	<b>Ind AS Adjustments:</b>		
	Gratuity impact as per valuation	a	(24.72)
	Expected credit allowance on trade receivables	b	(142.25)
	Depreciation on property, plant & equipment and intangible assets	c	(68.52)
	Fair value of investment in mutual fund	d	
	Pre-incorporation, pre-operative & preliminary expenses	e	(9.84)
	Depreciation and interest on ROU asset and lease liability	f	(47.92)
	Adjustments for income pertaining to erstwhile owners / partners in business combinations under common control	h (iv)	(1,155.49)
	Deferred tax impact	g	110.77
	<b>Total adjustment to profit or loss</b>		<b>(1,337.97)</b>
III	<b>Profit after tax under Ind AS (I+II)</b>		<b>21,980.48</b>
IV	<b>Other comprehensive income</b>		
	Remeasurement of defined benefit plans	a	(24.90)
	Deferred tax impact	g	6.27
	<b>Total adjustment to other comprehensive income</b>		<b>(18.63)</b>
V	<b>Total comprehensive income as per above (III+IV)</b>		<b>21,961.85</b>

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.





**52.4 Notes to first-time adoption:**

**a. Actuarial gains and losses**

The impact is on account of measurement of employee benefits obligations as per Ind AS 19. Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset, are recognised in the Other Comprehensive Income (OCI) under Ind AS instead of profit or loss.

**b. Expected credit allowance on trade receivables**

Under Ind AS, impairment allowance has been determined based on forward-looking expected credit loss (ECL) model which has led to an increase in the amount of provision as on the date of transition. The Company chose to calculate impairment allowance under simplified approach for trade receivables where the Company does not separately track changes in credit risk.

**c. Depreciation on property, plant and equipment**

The depreciation on property, plant and equipment acquired on account of slump sale / transferred on account of conversion has been computed in accordance with Companies Act, 2013 and Ind AS 16, on the deemed cost (i.e. carrying value as per previous GAAP) from the date of transition to Ind AS. Furnace rebuild expense, which was treated as prepaid expense under previous GAAP, has been capitalised and depreciated over its useful life in accordance with Ind AS 16. Leasehold improvements have been depreciated over the lease term in accordance with Ind AS 116.

**d. Investment in mutual funds**

Under previous GAAP, current investments were valued at the lower of cost and fair market value. Under Ind AS the investment in mutual funds is classified as financial asset measured at fair value through profit & loss. Accordingly, the impact of difference in carrying amount as per previous GAAP and fair value as on reporting date has been taken in the respective periods.

**e. Pre-incorporation, pre-operative & preliminary expenses**

Under the previous GAAP, the pre-operative expenses were treated as a prepaid asset, to be amortised over a period of five years from the date when the Company becomes operative. Ind AS requires these expenses to be charged to the profit & loss account in the period in which the expenses are incurred.

**f. Leases**

Under previous GAAP, the lease payment made for the properties taken on lease is recognised as Rent Expenses in the Statement of Profit and Loss for the period. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. Under Ind AS, the Company should recognise right-to-use asset (ROU asset) and lease liability for the properties taken on lease subject to exemption provided in the Ind AS 116. On application of Ind AS 116, the nature of expenses has changed from lease rent to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. There is no change in accounting by the lessor.

**g. Deferred Tax**

The previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.

**h. Adjustments on account of business combination under common control**

i) The amount of total equity and profit pertaining to the entities / businesses acquired through business combinations under common control has been included in the amounts as per previous GAAP in the above reconciliation on account of restatement of prior period information as required under Appendix C of Ind AS 103.

ii) In case of acquisition of WimPlast Limited, since the entity was already preparing its financial statements under Ind AS, the amount of reserves and NCJ assumed on account of acquisition under common control have been added to total equity in the above reconciliation. Similar adjustment has been made in respect of reconciliation of total comprehensive income.

iii) Adjustments for equity pertaining to erstwhile owners / partners in business combinations under common control represents equity and accumulated profits attributable to erstwhile owners / partners as well as certain assets and liabilities which were not transferred to the Group on slump sale. However, the same were accounted / disclosed while restating the prior period information as required under Appendix C of Ind AS 103.

iv) Adjustments for income pertaining to erstwhile owners / partners in business combinations under common control represents income or expenses related to certain assets or liabilities which were not transferred to the Group on slump sale.



Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC09865  
Notes to the Consolidated Financial Statements as at March 31, 2023  
All amounts are ₹ in Lakhs unless otherwise stated

52 Additional information

Information as at and for the year ended March 31, 2023

Name of the entity in Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent								
Cello World Limited	31.65	16,978.33	14.30	3,805.50	60.66	(35.57)	14.20	3,769.93
Subsidiary								
Cello Industries Private Limited	13.57	7,278.68	21.75	5,788.22	-30.73	18.02	21.87	5,806.23
Cello Consumerware Private Limited	(0.03)	(18.19)	(0.09)	(23.76)	-	-	(0.09)	(23.76)
Cello Household Private Limited	20.89	11,204.80	25.60	6,812.48	2.22	(1.30)	25.65	6,811.18
Cello Houseware Private Limited	10.03	5,380.98	13.46	3,582.26	(5.68)	3.33	13.50	3,585.59
Unomax Stationary Private Limited	4.11	2,202.23	17.56	4,672.90	39.72	(23.29)	17.51	4,649.61
Wim Plast Limited	82.69	44,355.22	15.67	4,168.92	61.56	(36.10)	15.56	4,132.82
	131.26	70,403.72	93.95	25,001.02	67.09	(39.34)	46.54	24,961.67
Non controlling interest								
in Wim Plast Limited	37.28	19,993.96	(7.11)	(1,892.35)	(27.75)	16.27	(7.07)	(1,876.08)
Associate Concern								
Pecasa Tableware Private Limited	-	-	(0.00)	(1.14)	-	-	(0.00)	(1.14)
InterCompany elimination and consolidation adjustments	(100.18)	(53,736.29)	(1.12)	(299.18)	-	-	(1.13)	(299.18)
Total	100.00	53,638.91	100.00	26,612.73	100.00	(58.64)	100.00	26,554.09



Cello World Limited  
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 All amounts are ₹ in Lakhs unless otherwise stated

Information as at and for the year ended March 31, 2022

Name of the entity in Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent</b>								
Cello World Limited	48.42	13,208.40	19.10	3,895.63	(103.89)	2.96	19.11	3,898.60
<b>Subsidiary</b>								
Cello Industries Private Limited	5.40	1,472.44	18.77	3,829.15	(28.60)	0.82	18.78	3,829.96
Cello Consumerware Private Limited	0.02	5.58	(0.02)	(4.42)	-	-	(0.02)	(4.42)
Cello Household Private Limited	19.11	5,213.60	26.92	5,491.76	259.69	(7.41)	26.89	5,484.35
Cello Houseware Private Limited	9.17	2,502.19	13.23	2,698.48	98.49	(2.81)	13.22	2,695.67
Unomax Stationary Private Limited	(10.31)	(2,813.64)	13.13	2,678.53	427.98	(12.21)	13.07	2,666.32
Wim Plast Limited	150.97	41,182.67	17.14	3,496.26	(1,008.08)	28.76	17.28	3,525.02
	174.36	47,562.84	89.17	18,189.76	(250.52)	7.15	89.22	18,196.90
<b>Non controlling interest</b>								
in Wim Plast Limited	67.87	18,513.50	(7.61)	(1,552.23)	454.41	(12.96)	(7.67)	(1,565.20)
<b>InterCompany elimination and consolidation adjustments</b>								
	-190.65	(52,006.61)	(0.66)	(133.64)	-	-	(0.65)	(133.59)
<b>Total</b>	<b>100.00</b>	<b>27,278.11</b>	<b>100.00</b>	<b>20,399.51</b>	<b>100.00</b>	<b>(2.85)</b>	<b>100.00</b>	<b>20,396.66</b>



Cello World Limited  
 [Formerly known as Cello World Private Limited]  
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Notes to the Consolidated Financial Statements as at March 31, 2023  
 All amounts are ₹ in Lakhs unless otherwise stated

Information as at and for the year ended March 31, 2021

Name of the entity in Group	Net Assets i.e., total assets minus total liabilities	
	As % of consolidated net assets	Amount
<b>Parent</b>		
Cello World Limited	138.66	9,309.80
<b>Subsidiary</b>		
Cello Industries Private Limited	(34.14)	(2,292.55)
Cello Consumerware Private Limited		
Cello Household Private Limited	4.87	326.93
Cello Houseware Private Limited	(1.46)	(98.19)
Unomax Stationary Private Limited	(81.90)	(5,498.71)
Wim Plast Limited	569.81	38,257.82
	<b>457.17</b>	<b>30,695.30</b>
<b>Non controlling interest</b>		
in Wim Plast Limited	256.46	17,218.84
<b>InterCompany elimination and consolidation adjustments</b>		
	(752.29)	(50,509.77)
<b>Total</b>	<b>100.00</b>	<b>6,714.17</b>



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**Cello World Limited**

**(Formerly known as Cello World Private Limited)**

**CIN: U25209DD2018PLC009865**

**Notes to the Consolidated Financial Statements as at March 31, 2023**

**All amounts are ₹ in Lakhs unless otherwise stated**

**53 Significant events after the reporting period**

(a) The status of the Company has changed from private limited to public limited. Pursuant to the provisions of Section 18 of the Companies Act, 2013, read with Rule 33 of the Companies (Incorporation) Rules, 2014, as amended from time to time, and vide Shareholders' approval dated June 12, 2023, the name of the Company has changed from "Cello World Private Limited" to "Cello World Limited" with effect from July 18, 2023, on which date the Registrar of Companies, Goa gave its approval for the said conversion.

(b) Subsequent to the year end, pursuant to resolution dated June 09, 2023 and addendum to CCPS agreement effective April 01, 2023, the conversion ratio in terms of the agreement stands amended, as follows:

-Each CCPS will be converted into Equity Shares at a fixed ratio of 1: 2.397, subject to corporate action adjustments, as provided in the agreement

Further, certain exit options in terms of the original agreement have been amended with effect from April 01, 2023, including waiver of the Investor's right to require the Company to buy back / purchase all of the Investors' shares at a price determined in terms of the agreement.

Subsequently, pursuant to resolution dated August 05, 2023, the CCPS agreement was further amended in respect of modifications in the board nomination and waiver of certain rights of Investors and Promoters.

Upon such change in existing terms of CCPS, the existing CCPS classified as a financial liability would qualify for treatment as instrument entirely in nature of equity.

54 The Restated Consolidated Financial Information of the Group have been approved for issuance in accordance with the resolution of the board of directors on August 05, 2023.



For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

Atul Parolia  
Chief Financial Officer

Hemangi Trivedi  
Company Secretary  
M No.: A27603

Place: Mumbai  
Date: August 05, 2023



**Cello World Limited**  
***Special Purpose Consolidated Financial Information***  
**Financial Year 2022**





**B. P. SHAH & CO.**

**CHARTERED ACCOUNTANTS**

159/4, Smruti, Jawahar Nagar Road No. 2,  
Goregaon (West), Mumbai - 400 062.  
Telefax: 2876 7488, 2873 7904  
Mobile : 98921 66440. Res.: 2873 2862

## **INDEPENDENT AUDITOR'S REPORT**

**To The Members of Cello World Limited  
(Formerly known as Cello World Private Limited)**

**Report on the Audit of the 2022 Special Purpose Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of Cello World Limited (Formerly known as Cello World Private Limited) ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended on that date, and notes to the financial statements, including and a summary of significant accounting policies and other explanatory information (the "2022 Special Purpose Consolidated Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, the aforesaid 2022 Special Purpose Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") is prepared, in all material respects, in accordance with basis of preparation set out in Note 2.1 to the 2022 Special Purpose Consolidated Financial Statement.

### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the 2022 Special Purpose Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the 2022 Special Purpose Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the 2022 Special Purpose Consolidated Financial Statements.



## **Emphasis of Matter**

### **Basis of Preparation and restriction on the distribution and use**

We draw attention to Note 2.1 to the 2022 Special Purpose Consolidated Financial Statements, which describes the purpose and basis of preparation. The 2022 Special Purpose Consolidated Financial Statements have been prepared by the Group solely for the purpose of making adjustments to the audited consolidated financial statements of the Group as at and for the year ended March 31, 2022, prepared in accordance with the accounting standards notified under section 133 of the Act ("Indian GAAP") (the "Statutory Indian GAAP Financial Statements. As a result, the 2022 Special Purpose Consolidated Financial Statements may not be suitable for any other purpose. Our report is intended solely for the purpose of preparation of the Comparative Comparable Consolidated Financial Statements for the year ended March 31, 2023.

Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the preparation of these 2022 Special Purpose Consolidated Financial Statements as set out in Note 2.1 of the 2022 Special Purpose Consolidated Financial Statements for the purpose set out in Emphasis of Matter- "Basis of Preparation and restriction on distribution and use" paragraph above. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the 2022 Special Purpose Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the 2022 Special Purpose Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 2022 Special Purpose Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 2022 Special Purpose Consolidated Financial Statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 2022 Special Purpose Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal financial control of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 2022 Special Purpose Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 2022 Special Purpose Consolidated Financial Statements, including the disclosures, and whether the 2022 Special Purpose Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the 2022 Special Purpose Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the 2022 Special Purpose Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the 2022 Special Purpose Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the 2022 Special Purpose Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 2022 Special Purpose Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 2022 Special Purpose Consolidated Financial Statements.

We communicate with those charged with governance of the Parent and such other entities included in the 2022 Special Purpose Consolidated Financial Statements of which we are the

independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

- (a) We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets as at March 31, 2022, total revenues and net cash inflows for the year ended on that date, as considered in the 2022 Special Purpose Consolidated Financial Statements. The financial statements of the subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the 2022 Special Purpose Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Particulars	As at/ for the year ended March 31, 2022
Total assets	77,847.20
Total revenue	76,037.80
Net cash inflow/(outflow)	-112.6

Our opinion on the 2022 Special Purpose Consolidated Financial Statements is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For B-P Shah & Co.  
Chartered Accountants  
(Firm's Registration No. 109517W)

*B.P. Shah*



Bharat P Shah  
Partner  
Membership No.033530  
UDIN: 23033530BGXTMS7974  
Place: Mumbai  
Date: August 5, 2023



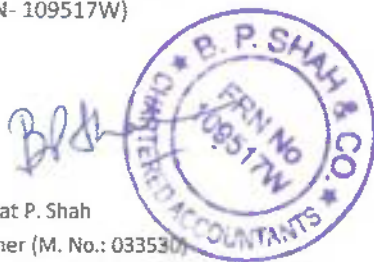
Particulars	Note No.	As at March 31, 2022	As at April 01, 2021
<b>ASSETS</b>			
<b>1) Non-current assets</b>			
a) Property, plant and equipment	4	23,873.60	23,967.05
b) Capital work-in-progress	5	1,178.46	427.07
c) Right-of-use assets	8	1,931.16	2,142.78
d) Intangible assets	6	52.92	43.35
e) Intangible assets under development	7	276.49	-
<b>f) Financial assets</b>			
i) Investment in an associate	9	-	-
ii) Other Investments	9	3,500.00	4,500.00
ii) Loans	10	123.13	192.12
iii) Other financial assets	11	986.38	871.84
g) Deferred tax assets (net)	26	280.18	155.99
h) Income tax assets (net)	12	230.69	63.77
i) Other non-current assets	13	1,423.04	409.81
<b>Total non-current assets</b>		<b>33,856.05</b>	<b>32,773.78</b>
<b>2) Current assets</b>			
a) Inventories	14	37,654.37	30,693.11
<b>b) Financial assets</b>			
i) Investments	9	11,495.18	7,474.19
ii) Trade receivable	15	40,672.19	37,142.65
iii) Cash and cash equivalents	16	3,626.91	1,670.88
iv) Bank balances other than (iii) above	17	1,840.97	1,576.08
v) Loans	10	201.70	137.24
vi) Other financial assets	11	342.09	483.32
d) Other current assets	13	3,676.81	2,876.52
<b>Total current assets</b>		<b>99,510.22</b>	<b>82,053.99</b>
<b>Assets classified as held for sale</b>	18	-	-
<b>Total assets</b>		<b>1,33,366.27</b>	<b>1,14,827.77</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	19	1.00	1.00
b) Other equity	20	8,763.61	(10,505.67)
<b>Total equity attributable to owners of the Group</b>		<b>8,764.61</b>	<b>(10,504.67)</b>
<b>Non Controlling Interest</b>	21	<b>18,513.50</b>	<b>17,218.84</b>
<b>Total Equity</b>		<b>27,278.11</b>	<b>6,714.17</b>
<b>Liabilities</b>			
<b>1) Non-current liabilities</b>			
<b>a) Financial liabilities</b>			
i) Borrowings	23	-	-
ii) Lease liabilities	8.1	869.71	1,043.14
iii) Other financial liabilities	24	0.03	0.03
b) Provisions	25	450.17	362.63
c) Deferred tax liabilities (net)	26	838.52	826.62
<b>Total non-current liabilities</b>		<b>2,158.43</b>	<b>2,232.42</b>

Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Special Purpose Consolidated Balance Sheet for March 2022 and April 2021 ('2022 SPCFS')  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2022	As at April 01, 2021
<b>2) Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	23	45,247.68	32,206.04
ii) Lease liabilities	8.1	173.43	158.10
iii) Trade payables	27		
(a) Total outstanding dues of micro and small enterprises		2,944.86	1,767.36
(b) Total outstanding dues of other than micro and small enterprises		9,610.09	8,072.28
iv) Other financial liabilities	24	43,453.22	61,006.68
b) Other current liabilities	29	2,018.84	2,001.09
c) Provisions	25	145.57	167.77
d) Current tax liability (net)	28	336.04	501.86
<b>Total current liabilities</b>		<b>1,03,929.73</b>	<b>1,05,881.18</b>
<b>Total equity and liabilities</b>		<b>1,33,366.27</b>	<b>1,14,827.77</b>
The accompanying significant accounting policies and notes form an integral part of the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS')	1-54		

In terms of our report attached of even date

For B. P. Shah & Co.  
Chartered Accountants  
(FRN- 109517W)



Bharat P. Shah  
Partner (M. No.: 033530)  
UDIN: 23033530BGXTMS7974

Place: Mumbai  
Date: August 05, 2023

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Celio World Private Limited)

Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

Anil Parolia  
Chief Financial Officer

Place: Mumbai  
Date: August 05, 2023

Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

Hemangi Trivedi  
Company Secretary  
M No.: A27603



Celio World Limited

(Formerly known as Celio World Private Limited)

CIN: U25209DD2018PLC009865

Special Purpose Consolidated Profit and Loss account for March 2022 ("2022 SPCFS")

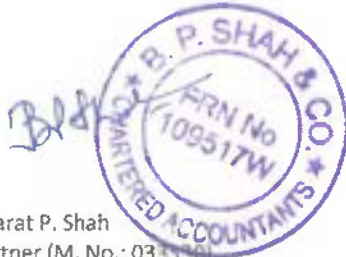
All amounts are ₹ in Lakhs unless otherwise stated

Particulars		Note No.	For the year ended March 31, 2022
	<b>Income</b>		
I.	Revenue from operations	30	1,35,917.44
II.	Other income	31	1,593.28
III.	<b>Total income (I+II)</b>		<b>1,37,510.72</b>
	<b>IV. Expenses</b>		
	(a) Cost of materials consumed	32	53,224.39
	(b) Purchases of stock-in-trade	33	20,030.90
	(c) Changes in inventories of finished goods, semi finished goods and stock-in-trade	34	(5,400.04)
	(d) Employee benefit expenses	35	13,192.15
	(e) Finance costs	36	285.16
	(f) Depreciation and amortisation expenses	37	4,755.45
	(g) Other expenses	38	21,513.52
	<b>Total expenses</b>		<b>1,07,601.53</b>
V.	<b>Profit before tax (III-IV)</b>		<b>29,909.19</b>
	<b>VI. Tax expenses</b>	39.1	
	(a) Current tax		8,072.76
	(b) Short/(excess) provision of tax relating to earlier years		19.67
	(c) Deferred tax charges/(credit)		(134.99)
	<b>Total tax expense</b>		<b>7,957.44</b>
VII.	<b>Profit after tax (V-VI)</b>		<b>21,951.75</b>
VIII.	<b>Less: Share of loss from an Associate</b>	22	-
IX.	<b>Profit for the year (VII-VIII)</b>		<b>21,951.75</b>
	<b>Attributable to</b>		
	- Owners of the group		20,399.51
	- Non Controlling Interest		1,552.24
	<b>X. Other comprehensive income</b>		
	(A) Items that will not be reclassified subsequently to profit or loss:		
	i) Remeasurement of net defined benefit liability		3.39
	ii) Income tax relating to above	39.2	(0.86)
	(B) Items that may be reclassified subsequently to profit or loss:		
	(i) Net change in fair values of investments other than equity shares carried at fair value through OCI		10.13
	ii) Income tax relating to above	39.2	(2.55)
XI.	<b>Other comprehensive income for the year, net of tax</b>		<b>10.11</b>

Particulars		Note No.	For the year ended March 31, 2022
	Attributable to		
	- Owners of the group		(2.85)
	- Non Controlling Interest		12.96
<b>XII.</b>	<b>Total comprehensive income for the year (IX+X)</b>		<b>21,961.86</b>
	Attributable to		
	- Owners of the group		20,396.66
	- Non Controlling Interest		1,565.20
<b>XIII.</b>	<b>Earning per share of face value of ₹ 5/- each</b>	40	
	Basic ( in ₹)		10.46
	Diluted ( in ₹)		10.46
	The accompanying significant accounting policies and notes form an integral part of the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS')	1-54	

in terms of our report attached of even date

For B. P. Shah & Co.  
 Chartered Accountants  
 (FRN- 109517W)



Bharat P. Shah  
 Partner (M. No.: 033358)  
 UDIN: 23033530BGXTMS7974

Place: Mumbai  
 Date: August 05, 2023

For and on behalf of Board of Directors of  
 Cello World Limited  
 (Formerly known as Cello World Private Limited)

Pradeep G Rathod  
 Chairman & Managing Director  
 DIN: 00027527

Atul Parolia  
 Chief Financial Officer

Place: Mumbai  
 Date: August 05, 2023

Pankaj G Rathod  
 Joint Managing Director  
 DIN: 00027572

Hemangi Trivedi  
 Company Secretary  
 M No.: A27603

Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Special Purpose Consolidated Statement of Change in Equity for March 2022 & April 2021 ('2022 SPCFS')  
All amounts are in Lakhs unless otherwise stated

A) Equity share capital

For the period ended March 31, 2022				
	Changes in equity share capital due to prior period errors	Balance as at April 1, 2021	Changes in equity share capital during the period	Balance as at March 31, 2022
Balance as at April 1, 2021	1.00	1.00	-	1.00

B) Other equity

Particulars	Reserves & surplus				Items of OCI			Total other equity attributable to owners of the group	Non-controlling interests	Total
	Retained earnings	Capital redemption reserves	Capital reserve on business combination under common control	General reserve	Securities premium	Remeasurement of investment FVTOCI	Remeasurement of defined benefit plan			
Balance as at April 01, 2021	27,728.16	-	(39,633.90)	1,371.68	0.13	(21.08)	49.14	(10,505.67)	17,218.84	6,713.17
Profit for the year	20,399.51	-	-	-	-	-	-	20,399.51	1,552.24	21,951.75
Remeasurement of net defined benefit liability (net of tax)	-	-	-	-	-	-	(7.01)	(7.01)	9.54	2.53
Remeasurement of investment at fair value through OCI (net of tax)	-	-	-	-	-	4.16	-	4.16	3.42	7.58
Total Comprehensive income for the year	48,127.87	-	(39,633.90)	1,371.68	0.13	(16.92)	42.13	9,890.99	18,784.04	28,675.03
Dividends	(329.63)	-	-	-	-	-	-	(329.63)	(270.54)	(600.17)
Profit distributed to partners / erstwhile owners (Refer note 51)	(4,804.29)	-	-	-	-	-	12.21	(4,792.08)	-	(4,792.08)
Assumed on account of business combination (Refer note 50)	-	-	3,994.33	-	-	-	-	3,994.33	-	3,994.33
Balance as at March 31, 2022	42,993.95	-	(35,639.57)	1,371.68	0.13	(16.92)	54.34	8,763.61	18,513.50	27,277.11

Cello World Limited  
(Formerly known as Cello World Private Limited)  
CIN: U25209DD2018PLC009865  
Special Purpose Consolidated Statement of Change in Equity for March 2022 & April 2021 ('2022 SPCFS')  
All amounts are ₹ in Lakhs unless otherwise stated

The accompanying significant accounting policies and notes form an integral part of the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS')

1-54

In terms of our report attached of even date

For B. P. Shah & Co.  
Chartered Accountants  
(FRN- 109517W)




Bharat P. Shah  
Partner (M. No.: 0335544)  
UDIN: 230335308GXTMS7974

Place: Mumbai  
Date: August 05, 2023

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

  
Pradeep G. Rathod  
Chairman & Managing Director  
DIN: 00027527

  
Pankaj G. Rathod  
Joint Managing Director  
DIN: 00027572

  
Heman Trivedi  
Company Secretary  
M No.: A27603

Place: Mumbai  
Date: August 05, 2023

Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Special Purpose Consolidated Cash Flow Statement for March 2022 & April 2021 ('2022 SPCFS')

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2022
<b>Cash flows from operating activities</b>	
Profit before tax	29,909.19
<b>Adjustments for:</b>	
Depreciation and amortisation expenses	4,755.45
Sundry credit balances written back	(27.67)
Sundry balances written off	191.85
Allowance for doubtful debts	187.51
Interest income	(116.71)
Finance costs	264.15
Profit on sale of Property, plant and equipment	(7.77)
Dividend on mutual funds	(66.68)
Net gain on investments	(660.36)
Net (loss) on loss of control of subsidiary	-
Net loss on CCPS measured at fair value through profit or loss	-
Gain on lease termination	-
<b>Operating profit before change in working capital</b>	<b>34,428.96</b>
<b>Movements in working capital:</b>	<b>(7,277.42)</b>
(Increase) in trade and other receivables	(4,202.58)
Decrease/(Increase) in financial and other assets	(739.62)
(Increase) in inventories	(7,161.93)
Increase in trade and other payables	3,614.92
(Decrease)/increase in provisions	56.85
(Decrease)/increase in financial and other liabilities	1,154.94
<b>Cash generated from operations</b>	<b>27,151.55</b>
Income taxes paid	(8,425.16)
<b>Net cash generated by operating activities (A)</b>	<b>18,726.39</b>
<b>Cash flows from investing activities</b>	
Purchase of property, plant and equipment including capital advances	(4,914.30)
Purchase of intangibles	(307.41)
Sale of property, plant and equipment	57.64
Investment in associate company	-
Sale / Derecognition of subsidiary	-
Proceeds from / (Investment in) bank deposits (net)	(76.85)
Investment in units of mutual funds / bonds / shares / commodities	(4,223.43)
Sale of investments	1,872.01
Dividend received on mutual funds	66.68
Loan given to related parties	-
Payment made on slump sale	(18,655.32)
Payment made on acquisition of subsidiary	-
<b>Net cash (used in)/generated by investing activities (B)</b>	<b>(26,180.98)</b>

Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Special Purpose Consolidated Cash Flow Statement for March 2022 & April 2021 ('2022 SPCFS')

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2022
<b>Cash flows from financing activities</b>	
Buyback of equity shares	-
Issue of Preference shares	-
Loans repaid to banks	(14,915.88)
Loans taken from related parties	39,137.15
Loans repaid to related parties	(11,841.40)
Payment to erstwhile partners (on account of business combinations - Refer note 50)	(2,103.49)
Repayment of lease liabilities	(261.41)
Payment of dividend	(604.34)
<b>Net cash generated in financing activities (C)</b>	<b>9,410.63</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,956.03</b>
Cash and cash equivalents at the beginning of the year	1,670.88
<b>Cash and cash equivalents at the end of the year (refer note 16)</b>	<b>3,626.91</b>

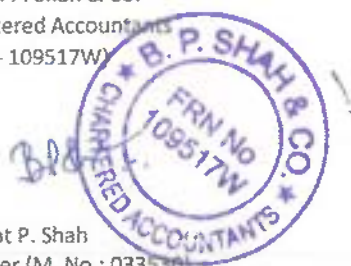
The accompanying significant accounting policies and notes form an integral part of the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS')

**Note:**

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind As - 7) "Statement of Cash Flow".

In terms of our report attached of even date

For B. P. Shah & Co.  
Chartered Accountants  
(FRN- 109517W)



Bharat P. Shah  
Partner (M. No.: 033530)  
UDIN:23033530BGXTMS7974

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

Atul Parolia  
Chief Financial Officer

Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

Hemangi Trivedi  
Company Secretary  
M No.: A27603

Place: Mumbai  
Date: August 05, 2023

Place: Mumbai  
Date: August 05, 2023



## 1. Corporate information

Cello World Limited (formerly known as Cello World Private Limited) ('The Company') was incorporated on July 25, 2018, with Company identification No: U25209DD2018PLC009865. The registered office of the Company is located at 597/2A, Somnath Road, Dabhel, Nani Daman, Daman & Diu – 396 210. The Company is engaged in the business of trading of "Consumer products" namely plastic and rubber products such as water bottles, storage container and jars, tiffin's and lunch carriers, glassware, steel flasks and jars.

The status of the Company has changed from private limited to public limited. Pursuant to the provisions of Section 18 of the Companies Act, 2013, read with Rule 33 of the Companies (Incorporation) Rules, 2014, as amended from time to time, and vide Shareholders' approval dated June 12, 2023, the name of the Company has changed from "Cello World Private Limited" to "Cello World Limited" with effect from July 18, 2023, on which date the Registrar of Companies, Mumbai gave its approval for the said conversion.

The Special Purpose Consolidated Financial Statements are prepared for the Company and its subsidiaries together referred to as the "Group".

Name of subsidiary	% of holding as at			Country <sup>A</sup>
	March 31, 2023	March 31, 2022	April 01, 2021	
Cello Household Products Private Limited <sup>B</sup>	100.00%	93.00%	93.00%	India
Cello Houseware Private Limited <sup>C</sup>	100.00%	92.10%	-	India
Cello Industries Private Limited	100.00%	100.00%	100.00%	India
Unomax Stationery Private Limited ("USPL") <sup>D</sup>	100.00%	-	-	India
Unomax Writing Instruments Private Limited <sup>E</sup>	100.00% by USPL	-	-	India
Unomax Sales & Marketing Private Limited <sup>E</sup>	100.00% by USPL	-	-	India
Cello Consumerware Private Limited <sup>F</sup>	100.00%	100.00%	-	India
Wimplast Limited	54.92%	-	-	India

<sup>A</sup> Principal place of business / country of incorporation

<sup>B</sup> Converted from Cello Household Products (partnership firm) with effect from February 12, 2021

<sup>C</sup> Converted from Cello Industries (partnership firm) with effect from June 02, 2021

<sup>D</sup> Incorporated on October 14, 2022

<sup>E</sup> Wholly-owned subsidiaries of Unomax Pens & Stationery Private Limited transferred to USPL

<sup>F</sup> Incorporated on December 10, 2021

## 2. Basis of preparation, measurement and significant accounting policies

### 2.1. Basis of preparation

#### a) Basis of preparation

The Special Purpose Consolidated Ind AS Financial Statements of the Company and its subsidiaries (collectively, the "Group") comprises the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (together referred to as the "2022 Special Purpose Consolidated Ind AS Financial Statements").

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Companies Act, 2013, as amended (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") with effect from April 01, 2022. Accordingly, the transition date for adoption of Ind AS is April 1, 2021 for reporting under requirements of the Act.

The 2022 Special Purpose Consolidated Ind AS Financial Statements are prepared by the Company by making Ind AS adjustments to the audited consolidated financial statements of the Group as at and for the year ended March 31, 2022, prepared in accordance with the accounting standards notified under section 133 of the Act ("Indian GAAP") (the "Statutory Indian GAAP Financial Statements"), which were approved by the Board of directors at their meeting held on September 02, 2022. Refer Note 51 for reconciliation of equity and total comprehensive income as per the Statutory Indian GAAP Financial Statements and equity and total comprehensive income as per the 2022 Special Purpose Consolidated Ind AS Financial Statements. The 2022 Special Purpose Consolidated Ind AS Financial Statements do not include the comparative financial information and disclosures.

As such, the financial statements for the year ended March 31, 2022 are Special Purpose Consolidated Ind AS Financial Statements of the Group prepared considering the accounting principles stated in Ind AS, as adopted by the Group and described in subsequent paragraphs. These 2022 Special Purpose Consolidated Ind AS Financial Statements have been prepared for the purpose of preparation of special purpose restated consolidated financial information in relation to the proposed IPO, which requires three years financial statements to be presented under Ind AS. As such, these 2022 Special Purpose Consolidated Ind AS Financial Statements are not suitable for any other purpose other than for the purpose of preparation of Special Purpose Restated Consolidated Financial Information.

Further, during the years ended March 31, 2023, the Company acquired certain subsidiaries as per the scheme of arrangement mentioned in Note 50 to the 2022 Special Purpose Consolidated Ind AS Financial Statements. These transactions were accounted as common control transaction as per Appendix C of Ind AS 103. Accordingly, these transactions were accounted retrospectively for the periods presented as part of the restated consolidated financial information. Accordingly, the 2022 Special Purpose Consolidated Ind AS Financial Statements have been prepared after giving effect of accounting for aforesaid scheme of arrangements as mentioned in Note 50 to the 2022 Special Purpose Consolidated Ind AS Financial Statements.

During the year ended March 31, 2023, pursuant to a resolution passed in extra-ordinary general meeting dated September 22, 2022 and February 24, 2023, shareholders have approved the issuance of bonus shares to the equity shareholders in the ratio of 6499:1 and 1:2 respectively (the "Bonus"). Further, the Company in extra-ordinary general meeting dated February 24, 2023, have approved split of 65,000,000 equity shares of face value of Rs. 10/- each into 130,000,000 shares of face value of Rs. 5/- each (the

“Split”). As required under ind AS 33 “Earning per share” the effect of such Bonus / Split is required to be adjusted for the purpose of computing earning per share for all the period presented retrospectively. As a result, the effect of the Bonus / the Split has been considered in these 2022 Special Purpose Consolidated Ind AS Financial Statements for the purpose of calculating of earning per share (Refer Note 40 of the 2022 Special Purpose Consolidated Ind AS Financial Statements).

These 2022 Special Purpose Consolidated Ind AS Financial Statements do not reflect the effects of events that occurred subsequent to the date of the board meeting for adoption of the Statutory Indian GAAP Financial Statements except for the common control transaction and issue and bonus shares / shares split mentioned above.

These 2022 Special Purpose Consolidated Ind AS Financial Statements have been prepared for the Group and as a going concern.

These 2022 Special Purpose Consolidated Ind AS Financial Statements have been approved by the Board of Directors of the Company on August 05, 2023.

The 2022 Special Purpose Consolidated Ind AS Financial Statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

#### b) Basis of Consolidation

The Special Purpose consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries) made up to 31 March each year. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group’s equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a

proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

### **Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other expenses.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' ("Ind AS 12") and Ind AS 19 'Employee Benefits' ("Ind AS 19") respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in

the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Group determines where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Transaction costs that the Group incurs in connection with a business combination such as, finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in Special Purpose Consolidated Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Special Purpose Consolidated Statement of Profit and Loss where such treatment would be appropriate if that interest were disposed-off.

#### **Business combinations under common control**

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, are considered as common control business combinations. Such business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The assets and liabilities of the combining entities or businesses are reflected at their carrying amounts, barring certain assets and liabilities not taken over in terms of business transfer agreements. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies. The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves appearing in the financial statements of the transferor is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor, in case of acquisition of equity stake..

The differences, if any, between the amount of consideration paid or payable in cash or and the amount of share capital / partners' capital of the transferor and further adjusted for harmonization of the accounting policies, has been transferred to 'Capital reserve on business combination under common control' and presented separately from other capital reserves.

During the financial years ended March 31, 2023 and 2022, Cello World Limited, directly or through its subsidiaries, acquired businesses from entities which were ultimately controlled by the same parties both before and after the business combination. These transactions were in the nature of acquisition of the assets and liabilities under a slump sale arrangement or acquisition of the equity stake from the existing shareholders.

Pursuant to the requirements of Appendix C of the Ind AS 103, these business combinations under common control are accounted for using the pooling of interest method as explained above. The details of the business combinations, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given in note 50.

#### Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in capital reserve in the period in which the investment is acquired.

#### c) Current versus non-current classification

The Group presents assets and liabilities in the Special Purpose Consolidated Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- I. Expected to be realized or intended to be sold or consumed in normal operating cycle.
- II. Held primarily for the purpose of trading.
- III. Expected to be realized within twelve months after the reporting period, or
- IV. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- I. It is expected to be settled in normal operating cycle.
- II. It is held primarily for the purpose of trading
- III. It is due to be settled within twelve months after the reporting period, or
- IV. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.



**d) Operating cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

**2.2. Basis of measurement**

**a) Basis of accounting**

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS. Fair value measurements are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- I. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- II. Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- III. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Financial instruments

**b) Use of estimates and judgements**

In preparing these Special Purpose Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the Special Purpose Consolidated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

- i. Determination of useful lives of property, plant and equipment and intangibles
- ii. Impairment test of non-financial assets

- iii. Recognition of deferred tax assets
- iv. Recognition and measurement of provisions and contingencies
- v. Fair value of financial instruments
- vi. Impairment of financial assets
- vii. Measurement of defined benefit obligations
- viii. Revenue recognition
- ix. Determination of incremental borrowing rate for leases
- x. Provision for expected credit losses of trade receivables

### 2.3. Significant accounting policies

#### a) Property, Plant and Equipment:

##### Recognition and measurement:

Items of property, plant and equipment other than freehold land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in Special Purpose Consolidated Statement of Profit and Loss when the item is derecognised.

##### Subsequent expenditure:

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to the Special Purpose Consolidated Statement of Profit and Loss during the reporting year in which they are incurred.

##### Transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property,

plant and equipment recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### Depreciation:

Depreciation on property, plant and equipment, is provided under the written down value method in the manner prescribed under Schedule II of the Companies Act, 2013. In case of Unomax Stationery Private Limited and its subsidiaries, depreciation on property, plant and equipment is provided on a straight line basis.

For certain items of Property, Plant and Equipment, the Group depreciates over estimated useful life which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 which is based upon technical assessment made by the technical expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis

Type of Asset	Estimated useful life of property, plant and equipment (Years)
Buildings	30 years
Plant and Machinery	5- 20 years
Leasehold improvements	Over the Life of lease contract
Moulds	6- 8 years
Electrical installation	5- 10 years
Furniture & fixtures	10 years
Computers	3 years
Office equipment	5 years
Vehicles	8- 10 years

Depreciation on property, plant and equipment which are added / disposed of during the year, is provided on pro-rata basis with reference to the date of addition / deletion.

Leasehold improvements are depreciated over the tenure of lease term. Leasehold land is amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

#### **b) Capital work in progress and Capital advances :**

Cost of assets not ready for intended use, as on the end of the reporting period, is shown as capital

work in progress:

Advances given towards acquisition of property, plant and equipment outstanding at end of each reporting period are disclosed as other non-current assets.

**c) Intangible Assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the profit and loss in the period in which the expenditure is incurred.

Transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Amortization:

Amortisation is recognised on a straight-line written-down value basis over their estimated useful lives. In case of Unomax Stationery Private Limited and its subsidiaries, amortisation of intangible assets is recognised on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives as mentioned below :

Type of the asset	Estimated Useful Life (Years)
Software	3 – 5 years
Designs and Patents	5 – 10 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Special Purpose Consolidated Statement of Profit and Loss when the asset is derecognized.

**d) Intangible Assets under Development**

Expenditure on intangible assets eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

**e) Impairment of non-financial assets:**

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Goodwill is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the Goodwill is allocated to a CGU or Group of CGUs, which are expected to benefit from the synergies arising from the business combination in which the said Goodwill arose.

**f) Leases:**

**As a Lessee:**

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- I. the contract involves the use of an identified asset
- II. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- III. the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- I. fixed lease payments (including in-substance fixed payments), less any lease incentives;
- II. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- III. the amount expected to be payable by the lessee under residual value guarantees;
- IV. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- V. payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Special Purpose Consolidated Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- I. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- II. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- III. a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Special Purpose Consolidated Balance Sheet. The right-of-use assets are initially recognised at cost which comprises of the initial



measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

#### **As a Lessor:**

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group applied Ind AS 116 "Leases" to all lease contracts, except those which are exempted under this standard, using the modified retrospective approach, on the date of initial application.

Following is the summary of practical expedients elected on initial application (on a lease-by-lease basis):

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

#### **g) Inventories:**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost First In First Out method (In case of Cello Industries Private Limited, cost is calculated using the weighted average cost method). Net realizable value represents the estimated selling price all

estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**h) Cash and cash equivalents:**

Cash and cash equivalent in the Special Purpose Consolidated Balance Sheet and Special Purpose Consolidated Statement of Cash Flows comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**i) Asset classified as held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Special Purpose Consolidated Balance Sheet.

**j) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts.

**Financial assets**

**Initial recognition and measurement**

Financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in following categories:

- Amortised cost,
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost:

A financial instrument is measured at the Amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

#### **Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at Amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed. In respect of other financial assets, the loss allowance is measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

#### **Financial liabilities**

##### **Initial recognition and measurement:**

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

##### **Subsequent measurement:**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

##### **Financial Liabilities at Fair Value through Profit or Loss (FVTPL):**

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured

at fair value and changes therein, including any interest expense, are recognised in the Special Purpose Consolidated Statement of Profit and Loss.

Financial Liabilities at Amortised cost:

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at Amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The Amortisation done using the EIR method is included as finance costs in the Special Purpose Consolidated Statement of Profit and Loss.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognized less cumulative amortization.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Special Purpose Consolidated Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Special Purpose Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**k) Provisions, Contingent Liabilities, Contingent Assets and Commitments**

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the Special Purpose Consolidated Financial Statements where an inflow of economic benefit is probable.

#### **Warranty**

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

#### **1) Revenue recognition**

##### **Sale of goods and Services**

The Group derives revenues primarily from sale of Consumer products.

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product.

The Group considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group recognises revenue for such services when the performance obligation is completed.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Revenue from rendering of services is recognized over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Incentives on exports and other Government incentives

Incentives on exports and other Government incentives related to operations are recognized in the Special Purpose Consolidated Statement of Profit and Loss where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

**Contract balances**

Trade receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract.

**Assets and liabilities arising from right to return**

The Group has contracts with customers which entitles them the unconditional right to return certain merchandise.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Group has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**m) Other Income**

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits



will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### Dividend income

Dividends are recognised in the Special Purpose Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

#### **n) Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to Special Purpose Consolidated Statement of Profit and Loss.

#### **o) Foreign currency**

##### Foreign currency transactions:

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Special Purpose Consolidated Statement of Profit and Loss in the year in which they arise.

#### **p) Employee Benefits**

##### **Short-term Employee benefits**

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognised as an expense in the Special Purpose Consolidated Statement of Profit and Loss as the related service is provided.

Certain employees of the Group are entitled to compensated absences as per applicable statutory provisions. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### **Post-Employment Benefits**

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

Defined Benefit Plans:

The Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the Special Purpose Consolidated Balance Sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

**q) Taxation**

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Group has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the

extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**r) Dividend**

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting year, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting year.

**s) Earnings per share:**

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**t) Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability

to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**u) Government Grant:**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Government grant related to assets are presented by deducting the grant from the carrying amount of the asset.

**v) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows for the year are classified by operating, investing and financing activities.

**w) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

**x) Recent Accounting Pronouncements**

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules,

2023, applicable from April 1, 2023 as below:

**I. Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements

**II. Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

**III. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Group is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

**3. Transition to Ind AS**

The Group has prepared the opening Special Purpose Consolidated Balance Sheet as per Ind AS as at April 1, 2021 (the transition date) by recognizing, derecognizing or reclassifying items of assets and liabilities from previous GAAP (Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016) to Ind AS as per the requirements set out by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below.

**i. Deemed cost for property, plant and equipment, and intangible assets**

The Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of the transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**ii. Derecognition of financial assets and financial liabilities**

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

**iii. Classification of debt instruments**

The Group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

**iv. Impairment of financial assets**

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

**v. Leases**

The Group has applied paragraphs 9-11 of Ind AS 116 to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Following is the summary of practical expedients elected on initial application (on a lease-by-lease basis):

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. Used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

**vi. Past business combinations**

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date.



4 Property, plant and equipment

Particulars	Land	Leasehold improvement	Buildings	Plant and machinery	Moulds	Electrical installation	Furniture & fixtures	Computers	Office equipment	Vehicles	Total
<b>I. Cost/deemed cost</b>											
Balance as at April 1, 2021	453.80	-	6,342.96	14,678.81	7,838.04	801.11	755.30	161.31	83.66	405.29	31,520.28
Additions	-	137.96	63.90	2,821.74	811.23	321.40	134.69	44.04	52.02	93.96	4,480.94
Disposals, transfers and adjustments	-	-	-	(0.20)	(36.71)	-	-	-	-	(20.80)	(57.71)
<b>Balance as at March 31, 2022</b>	<b>453.80</b>	<b>137.96</b>	<b>6,406.86</b>	<b>17,500.35</b>	<b>8,612.56</b>	<b>1,122.51</b>	<b>889.99</b>	<b>205.35</b>	<b>135.68</b>	<b>478.45</b>	<b>35,943.51</b>
<b>II. Accumulated depreciation</b>											
Balance as at April 1, 2021	-	-	713.93	3,179.10	3,354.72	-	152.28	82.89	32.22	38.09	7,553.23
Depreciation expense for the year	-	19.69	300.56	2,263.03	1,295.41	274.73	159.68	41.91	33.14	136.37	4,524.52
Disposals, transfers and adjustments	-	-	-	(0.01)	(7.83)	-	-	-	-	-	(7.84)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>19.69</b>	<b>1,014.49</b>	<b>5,442.12</b>	<b>4,642.30</b>	<b>274.73</b>	<b>311.96</b>	<b>124.80</b>	<b>65.36</b>	<b>174.46</b>	<b>12,069.91</b>
<b>III. Net carrying amount (I-II)</b>											
Balance as at March 31, 2022	453.80	118.27	5,392.37	12,058.23	3,970.26	847.78	578.03	80.55	70.32	303.99	23,873.60
Balance as at April 1, 2021	453.80	-	5,629.03	11,499.71	4,483.32	801.11	603.02	78.42	51.44	367.20	23,947.05

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- 4.1 There are no impairment losses recognised during each reporting year.
- 4.2 Land includes leasehold land for which an amount of ₹ 1.74 lakhs was paid by the Group as upfront premium along with relevant initial direct costs as at the lease commencement date, in order to acquire leasehold rights from October 20, 2022. This lease, being perpetual in nature, has been treated as part of property, plant and equipment in accordance with Ind AS 16.
- 4.3 **Assets pledged as security for borrowings**  
Movable Property, plant and equipment with carrying value of Rs.9484.25 lakhs for the year ended March 31, 2022 are hypothecated against cash credit facilities availed by the Group amounting to Rs. 1500.00 lakhs.  
Refer Note 2.3 on Borrowings.
- 4.4 Effective April 1, 2022, the Group has revised the estimated useful lives of some of its plant and machinery to 20 years and some of its plant and machinery from 12 years to 6 years. These have the net impact of decreasing depreciation charge for the year by Rs. 233.05 lakhs.
- 4.5 The Group has not revalued its property, plant and equipment as on each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.
- 4.6 The title deeds of immovable properties (other than properties where the Group is a lessee and the lease arrangement are duly executed in the favour of the lessee) are held in the name of the Group.
- 4.7 Refer note 2.3 (a) for first time adoption options availed by the Group on the transition to Ind AS.

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5 Capital work-in-progress

Particulars	Leasehold improvements	Buildings	Plant and machinery	Moulds	Electrical installation	Furniture and fixtures	Total
Balance as at April 1, 2021	123.62	49.25	68.94	129.74	41.48	14.04	427.07
Additions	191.94	25.01	183.11	586.18	46.92	9.62	1,042.78
Transfers to PPE	(118.34)	(74.26)	(31.84)	(45.13)	(7.78)	(14.04)	(291.39)
Balance as at March 31, 2022	197.22	-	220.21	670.79	80.62	9.62	1,178.46

CWIP ageing schedule is as below:

As at March 31, 2022

Particulars	Amount in Capital-work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
- Leasehold improvements	191.94	5.28	-	-	197.22
- Buildings	-	-	-	-	-
- Plant and machinery	183.11	37.10	-	-	220.21
- Moulds	586.18	84.61	-	-	670.79
- Electrical installation	46.92	33.70	-	-	80.62
- Furniture and Fixtures	9.62	-	-	-	9.62

As at April 1, 2021

Particulars	Amount in Capital-work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
- Leasehold improvements	123.62	-	-	-	123.62
- Buildings	49.25	-	-	-	49.25
- Plant and machinery	68.94	-	-	-	68.94
- Moulds	129.74	-	-	-	129.74
- Electrical installation	41.47	-	-	-	41.47
- Furniture and Fixtures	14.04	-	-	-	14.04

5.1 There are no projects as on each reporting year where activity had been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.

## 6 Intangible assets

Particulars	Software	Designs and Patents	Total
<b>I. Cost/deemed cost</b>			
Balance as at April 1, 2021	29.12	14.23	43.35
Additions	16.94	11.94	28.88
Disposals, transfers and adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>46.06</b>	<b>26.17</b>	<b>72.23</b>
<b>II. Accumulated amortisation</b>			
Balance as at April 1, 2021	-	-	-
Amortisation expense for the year	14.69	4.62	19.31
Disposals, transfers and adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>14.69</b>	<b>4.62</b>	<b>19.31</b>
<b>III. Net carrying amount (I-II)</b>			
Balance as at March 31, 2022	31.37	21.55	52.92
Balance as at April 1, 2021	29.12	14.23	43.35

6.1 The Group has not revalued its intangible assets as on each reporting year and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

6.2 Refer note 2.3 (c) and 51 for first time adoption options availed by the Group on the transition to Ind AS.

7 Intangible assets under development

Particulars	Softwares
Balance as at April 1, 2021	-
Additions	276.49
Transfer to PPE	-
<b>Balance as at March 31, 2022</b>	<b>276.49</b>

7.1 Intangible assets under development ageing schedule is as below:

As at March 31, 2022

Particulars	Amount in intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress				
Software development and implementation	276.49	-	-	276.49

There are no intangible assets under development as at April 1, 2021, hence no ageing is provided

7.2 There are no projects as on each reporting year where activity had been suspended. Also there are no projects as on the reporting year which has exceeded cost as compared to its original plan or where completion is overdue.

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#### 8 Right-of-use assets

Particulars	Premises	Leasehold land	Total
<b>I. Cost</b>			
Balance as at April 1, 2021	1,507.43	694.42	2,201.85
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2022</b>	<b>1,507.43</b>	<b>694.42</b>	<b>2,201.85</b>
<b>II. Accumulated depreciation</b>			
Balance as at April 1, 2021	59.07	-	59.07
Amortisation expense for the year	202.08	9.54	211.62
Eliminated on disposal	-	-	-
<b>Balance as at March 31, 2022</b>	<b>261.15</b>	<b>9.54</b>	<b>270.69</b>
<b>III. Net block balance (I-II)</b>			
As on March 31, 2022	1,246.28	684.88	1,931.16
As on April 01, 2021	1,448.36	694.42	2,142.78

#### 8.1 Details of lease liabilities

Particulars	Amount
Balance as at April 1, 2021	1,201.24
Recognised during the year	-
Finance cost accrued during the year	103.31
Derecognised during the year	-
Payment of lease liabilities	(261.41)
<b>As at March 31, 2022</b>	<b>1,043.14</b>

#### 8.2 Classification of lease liabilities

Particulars	As at March 31, 2022	As at April 01, 2021
Non-current	869.71	1,043.14
Current	173.43	158.10
<b>Total</b>	<b>1,043.14</b>	<b>1,201.24</b>



8.3 The Group has taken premises on lease for an average lease term of 6 years (as at April 01, 2021: 6 years). Gross carrying value of leasehold land includes amounts which were paid upfront, at the commencement date of the lease along with relevant initial direct costs to acquire leasehold rights for remaining tenure of 82 years from August 2012. Along with that the Group has also entered into long term leases of around 75 to 99 years for land leases.

8.4 Amount recognised in consolidated statement of profit and loss

Particulars	For the year ended March 31, 2022
- Amortisation expenses on right-of-use assets	211.62
- Interest expenses on lease liability	103.31
- Expenses related to short term leases (refer note 38)	1,702.70
- Expense relating to variable lease payments not included in the measurement of the lease liability (refer note 38)	1.43
- Income from sub-leasing right-of-use assets (refer note 31)	(2.26)
- Gain on early termination of lease (refer note 31)	-

8.5 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis.

Particulars	As at March 31, 2022	As at April 01, 2021
Less than one year	261.41	260.40
One to five years	1,026.67	1,282.00
More than five years	66.87	-

8.6 The total cash outflows for leases amounts to ₹ 1963.28 lakhs) (includes cash outflow for short term and long term leases).

8.7 The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

8.8 As a lessor:

The Group has entered into operating leases on its leasehold land. These leases have terms of between 8 and 20 years. Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	As at March 31, 2022	As at April 01, 2021
Less than one year	2.43	2.26
One to five years	12.30	12.82
More than five years	11.96	13.87

Rental income recognised by the Group during the year ended March 31, 2022: ₹ 2.26 lakhs.



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Particulars	As at March 31, 2022		As at April 01, 2021	
	No. of shares	Amount	No. of shares	Amount
<b>9 Investments</b>				
<b>Non-current</b>				
<b>Quoted investments</b>				
Investments measured at fair value through other comprehensive income (FVTOCI)				
Bonds				
SBI Perpetual Bond - 8.75%	350.00	3,500.00	350.00	3,500.00
SBI Perpetual Bond - 9.00%			10.00	1,000.00
<b>Total</b>		<b>3,500.00</b>		<b>4,500.00</b>
<b>Particulars</b>				
<b>Current</b>				
<b>Quoted Investments</b>				
Investments measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds				
HDFC Liquid Fund - Daily Dividend			120.29	1.23
SBI Liquid Fund - Direct Growth	52,157.00	1,738.42	3,116.00	100.47
SBI Premier Liquid Fund	43,34,056.00	1,236.49	7,42,232.00	202.45
SBI Arbitrage Opp. Fund	1,34,983.00	3,601.38	1,34,983.00	3,447.73
SBI Banking/Psu Fund	99,950.00	1,031.05		
Icici Prudential Long Short Fund - Series 1 E38	2,02,27,765.00	2,361.81	2,02,27,765.00	2,255.40
Bharat Bond ETF FOF April-2023				
<b>Equity share (Quoted fully paid up)</b>				
Equity Shares of Mindspace Business Park REIT	3,50,000.00	1,212.89	3,50,000.00	1,032.05
Equity Shares of Brookfield REIT	1,00,000.00	313.14	1,00,000.00	223.21
<b>Commodity</b>				
Silver				211.65
<b>Total</b>		<b>11,495.18</b>		<b>7,474.19</b>

9.1 Aggregate amount of investments and market value thereof:

Particulars	As at March 31, 2022	As at April 01, 2021
Aggregate carrying value of unquoted investments		
Aggregate carrying value of quoted investments	14,995.19	11,974.18
Aggregate amount of market value of quoted investments	14,995.19	11,974.18

10 Loans

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Non-current - unsecured, considered good unless otherwise stated</b>		
Loans to employees	123.13	162.12
Loans to others	-	30.00
<b>Total</b>	<b>123.13</b>	<b>192.12</b>
<b>Current- unsecured, considered good unless otherwise stated</b>		
Loans to employees	171.70	137.24
Loans to others	30.00	-
<b>Total</b>	<b>201.70</b>	<b>137.24</b>

10.1 Details of fair value of the loans carried at amortised cost is disclosed in note 46.2.

11 Other financial assets

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Non-current - unsecured, considered good unless otherwise stated</b>		
Deposits with banks		
- Long term deposits with banks with remaining maturity period more than 12 months (refer note 11.1 and 11.2)	350.80	385.02
Security deposits (refer note 11.3)	635.58	486.82
<b>Total</b>	<b>986.38</b>	<b>871.84</b>
<b>Current - unsecured, considered good unless otherwise stated</b>		
Deposits with banks		
- Short term deposits with banks with remaining maturity period more than 12 months (refer note 11.1 and 11.2)	65.70	59.65
Security deposits (refer note 11.3)	81.62	62.09
Interest accrued but not due on security deposits	181.37	232.41
Other receivables	13.40	106.34
Government subsidy receivable (refer note 31.1)	-	22.83
<b>Total</b>	<b>342.09</b>	<b>483.32</b>

11.1 Deposits with banks includes balances held as margin money and security against guarantees and other commitments of Rs 87.80 lakhs (April 01, 2021: NIL)

11.2 Details of Deposits with bank

Particulars	As at March 31, 2022	As at April 01, 2021
-Fixed Deposit held for EPCG license.	157.50	148.70
-Fixed Deposit held as lien with electricity department.	11.10	11.10

11.3 Details of Security Deposit

Particulars	As at March 31, 2022	As at April 01, 2021
-Fixed Deposit in the name of the Group Company held with Electricity Department.	244.70	127.40

12 Income tax assets (net)

Particulars	As at March 31, 2022	As at April 01, 2021
Advance tax (net of provisions as at March 31, 2022: ₹ 3,438.89 lakhs; as at April 01, 2021: ₹ 1163 lakhs )	230.69	63.77
<b>Total</b>	<b>230.69</b>	<b>63.77</b>

13 Other assets

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Non-current - unsecured, considered good unless otherwise stated</b>		
Balances with government authorities (other than income taxes)	26.82	31.30
Export benefits receivable	2.43	4.25
Capital advances	1,375.17	369.95
Security Deposits	-	0.50
Prepaid expenses	18.62	3.81
	<b>1,423.04</b>	<b>409.81</b>
<b>Current - unsecured, considered good unless otherwise stated</b>		
Advances to suppliers & employees	2,179.37	1,723.95
Export benefits receivable	264.95	90.19
Balances with government authorities (other than income taxes)	1,043.92	891.50
Prepaid expenses	188.57	170.88
<b>Total</b>	<b>3,676.81</b>	<b>2,876.52</b>

**14 Inventories**

Particulars	As at March 31, 2022	As at April 01, 2021
<b>At lower of cost or NRV</b>		
Raw materials	11,880.36	10,678.24
Semi-finished goods	3,410.53	4,334.80
Finished goods	19,992.41	13,886.27
Stock-in-trade	536.90	318.73
Packing Material	1,808.08	1,452.30
Stores and spares	26.09	22.77
<b>Total</b>	<b>37,654.37</b>	<b>30,693.11</b>

14.1 The cost of inventories recognised as an expense during the year was ₹ 67855.25 lakhs. The Group has no write-down of inventory to net realisable value as at March 31, 2022 and April 01, 2021.

**14.2 Details of goods-in-transit included in inventories above**

Particulars	As at March 31, 2022	As at April 01, 2021
Raw materials	127.53	-
Finished goods	150.94	22.16
	<b>278.47</b>	<b>22.16</b>

14.3 The mode of valuation of inventories has been stated in note (2.3(g)) of accounting policies.

**15 Trade receivables**

Particulars	As at March 31, 2022	As at April 01, 2021
Trade receivables		
Unsecured, considered good	40,672.19	37,142.65
Unsecured, credit impaired	557.43	369.92
	41,229.62	37,512.57
Less: Expected credit loss allowance (Refer note 15.3 below)	(557.43)	(369.92)
<b>Total</b>	<b>40,672.19</b>	<b>37,142.65</b>

15.1 The average credit period on sales of goods is 7-90 days.

15.2 The Group has used a practical expedient for computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

**15.3 Movement in the expected credit loss allowance**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	369.92
Movement in expected credit loss allowance	187.51
<b>Balance at end of the year</b>	<b>557.43</b>

15.4 Trade receivables from related parties are disclosed separately under note 44.

15.5 Trade receivables with carrying value of Rs.7410.06 lakhs(for the year ended March 31, 2022: Rs. 7148.39 lakhs and for March 31, 2021: Rs.6725.13 lakhs are hypothecated against cash credit facilities availed by the Group amounting to Rs. 1500.00 lakhs.



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15.5 Ageing of receivables  
As on March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of invoice					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed</b>							
- considered good	28,527.88	10,163.06	639.43	998.88	342.94		40,672.19
- credit impaired	3.35	59.68	73.79	172.39	208.39	39.83	557.43
<b>Disputed</b>							
- considered good	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Less: Expected credit loss allowance	28,531.23	10,222.74	713.22	1,171.27	551.33	39.83	41,229.62
	(3.35)	(59.68)	(73.79)	(172.39)	(208.39)	(39.83)	(557.43)
<b>Total</b>	<b>28,527.88</b>	<b>10,163.06</b>	<b>639.43</b>	<b>998.88</b>	<b>342.94</b>	<b>-</b>	<b>40,672.19</b>

As on April 1, 2021

Particulars	Not due	Outstanding for following periods from due date of invoice					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed</b>							
- considered good	27,689.80	7,651.02	372.64	1,220.49	64.45	144.25	37,142.65
- credit impaired	3.11	45.74	28.62	208.46	33.68	50.31	369.92
<b>Disputed</b>							
- considered good	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Less: Expected credit loss allowance	27,692.91	7,696.76	401.26	1,428.95	98.13	194.56	37,512.57
	(3.11)	(45.74)	(28.62)	(208.46)	(33.68)	(50.31)	(369.92)
<b>Total</b>	<b>27,689.80</b>	<b>7,651.02</b>	<b>372.64</b>	<b>1,220.49</b>	<b>64.45</b>	<b>144.25</b>	<b>37,142.65</b>

15.6 There are no unbilled trade receivables, hence the same are not disclosed in the ageing schedule

16 Cash and cash equivalents

Particulars	As at March 31, 2022	As at April 01, 2021
Balances with banks		
- In current accounts	2,009.47	1,460.26
- In Cash credit account	210.79	203.83
- In bank deposits with original maturity of less than three months	1,400.09	-
Cash on hand	6.56	6.79
<b>Total</b>	<b>3,626.91</b>	<b>1,670.88</b>

16.1 Cash credit account having a debit balance, hence presented under Cash and Cash Equivalent. Details of Cash credits are as follows:

Summary of cash credit arrangement

Particulars	Amount outstanding as at March 31, 2022	Amount outstanding as at April 01, 2021
IDBI Bank	210.79	203.83
Rate of interest: MCLR (Y) + 60 bps per annum		
Security:		
1. Hypothecation of moveable fixed assets of WimPlast Limited, present & future		
2. First and exclusive charge on current assets of Wim Plast Limited both present and future		
Terms of repayment: One year / 12 months line		

17 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2022	As at April 01, 2021
Bank deposits with original maturity of more than three months but less than twelve months	379.00	252.41
Earmarked deposits with bank		
- Unclaimed dividends	55.49	59.66
- In gratuity account	5.61	3.90
- Others (refer note 17.1)	1,400.87	1,260.11
<b>Total</b>	<b>1,840.97</b>	<b>1,576.08</b>

17.1 Details of Earmarked balances with banks - Others

Particulars	As at March 31, 2022	As at April 01, 2021
Fixed Deposit liened with		
- EPCG License	1.10	3.87
- Electricity Department	-	15.12
- Canteen stores department	1,286.40	1,241.12
- Against letter of credit	113.37	0
<b>Total</b>	<b>1,400.87</b>	<b>1,260.11</b>

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 All amounts are ₹ in Lakhs unless otherwise stated

19 Equity share capital

Particulars	As at March 31, 2022		As at April 1, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised capital</b>				
Equity Shares of ₹ 5/- each (refer note 19.2 below)	10,000	1.00	10,000	1.00
Preference Shares of ₹ 20/- each (Rs. 10/- in March 2022 & 21)	-	-	-	-
<b>Issued, subscribed and fully paid up</b>				
Equity Shares of ₹ 5/- each (Rs. 10/- in March 2022 & 2021)	10,000	1.00	10,000	1.00
	<b>10,000</b>	<b>1.00</b>	<b>10,000</b>	<b>1.00</b>

19.1 Rights, preferences and restrictions attached to equity shares

(a) Voting rights

The Company has one class of equity shares having a par value of ₹ 5 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share.

(b) Dividend distribution rights:

The Company in its general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of section 123 of the Companies Act, 2013, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

19.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2022		As at April 1, 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the relevant year	10,000	1.00	10,000	1.00
Add: Issued During the year	-	-	-	-
<b>At the end of the year</b>	<b>10,000</b>	<b>1.00</b>	<b>10,000</b>	<b>1.00</b>

## 19.4 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2022		As at April 1, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mr. Pankaj Rathod	3,200.00	32.00%	3,200.00	32.00%
Mrs. Babita P. Rathod	1,200.00	12.00%	1,200.00	12.00%
Mr. Pradeep G Rathod	1,600.00	16.00%	1,600.00	16.00%
Mrs. Sangeeta P. Rathod	800.00	8.00%	800.00	8.00%
Mr. Gaurav P Rathod	2,800.00	28.00%	2,800.00	28.00%
Pankaj Rathod Family Trust	-	0.00%	-	0.00%
Babita Rathod Family Trust	-	0.00%	-	0.00%
<b>Total</b>	<b>9,600.00</b>	<b>96.00%</b>	<b>9,600.00</b>	<b>96.00%</b>

## 19.5 Details of shareholding of the promoters

Promoter name	As at March 31, 2022		% Change during the year
	Number of shares held	% of total shares	
Mr. Pankaj Rathod	3,200.00	32.00%	0.00%
Mrs. Babita P. Rathod*	-	0.00%	-12.00%
Mr. Pradeep G Rathod	1,600.00	16.00%	0.00%
Mrs. Sangeeta P. Rathod*	-	0.00%	-8.00%
Mr. Gaurav P Rathod	2,800.00	28.00%	0.00%
Mrs. Ruchi G Rathod*	-	0.00%	-4.00%

\* Cease to Promoter as per Annual Return of March 2022

## 19.6 During the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

- No class of shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- No class of shares were allotted as fully paid up by way of bonus shares for consideration other than cash and no class of shares were bought back by the Company.

19.7 There are no calls unpaid.

19.8 There are no forfeited shares.

**20 Other equity**

Particulars	As at March 31, 2022	As at April 01, 2021
Retained earnings	42,993.95	27,728.36
Remeasurement of defined benefit plan	54.34	49.14
Capital reserve on business combination under common control (Refer note 50)	(35,639.57)	(39,633.90)
General reserve	1,371.68	1,371.68
Securities premium account	0.13	0.13
Remeasurement of investment FVTOCI	(16.92)	(21.08)
<b>Total</b>	<b>8,763.61</b>	<b>(10,505.67)</b>

**20.1 Retained earnings**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	27,728.36
Add: Profit for the year	20,399.51
Less: Issue of bonus shares as on September 22, 2022 (Refer note 19.1 (d) (i))	-
Less: Issue of bonus shares as on February 24, 2022 (Refer note 19.1 (d) (ii))	-
Less: Utilised towards buy-back of shares (net of tax) (Refer note 20.3 (a) and 20.3 (b))	-
Less: Utilised towards creation of capital redemption reserve on buy-back of shares (Refer note 20.3 (a) and 20.3 (b) below)	-
Less: Dividend paid on Equity shares	(329.63)
Less: Distributed to partners/erstwhile owners (refer note 50)	(4,804.29)
<b>Balance at end of the year</b>	<b>42,993.95</b>

Retained earnings are the profits that the Group has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Group.

**20.2 Remeasurement of defined benefit plan**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	49.14
Remeasurement of defined benefit obligation	(9.36)
Income tax on above	2.35
Less: Distributed to partners/erstwhile owners (refer note 50)	12.21
<b>Balance at end of the year</b>	<b>54.34</b>

Includes re-measurement (loss)/gain on defined benefit plans, net of taxes that will not be reclassified to consolidated statement of profit and loss.

**20.3 Capital reserve on business combination under common control**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	(39,633.90)
Add: Adjustment for change in Net asstes and Reserve not transferred (net of Tax) (Refer note 50)	3,994.33
<b>Balance at end of the year</b>	<b>(35,639.57)</b>

Capital reserve represents difference between the net assets acquired in business combination under common control and the consideration paid / payable, in accordance with IND AS 103 Appendix C.

**20.4 General reserve**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	1,371.68
Add: Change during the year	-
<b>Balance at end of the year</b>	<b>1,371.68</b>

The general reserve represent amount appropriated out of retained earnings based on the provisions of The Companies Act, 2013.

**20.5 Securities premium account**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	0.13
Add: Change during the year	-
<b>Balance at end of the year</b>	<b>0.13</b>

Securities premium is used to record the premium on issue of shares, which is eligible for utilisation in accordance with The Companies Act, 2013.

**20.6 Remeasurement of investment FVTOCI**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	(21.08)
Add: Change during the year (net of taxes)	4.16
<b>Balance at end of the year</b>	<b>(16.92)</b>

Changes in the fair value of financial instruments measured at fair value through OCI (net of tax) are recognised in investment revaluation reserve

**20.7 Details of dividends paid / proposed:**

Particulars	For the year ended March 31, 2022
<b>Dividend declared and paid during the year:</b> Final dividend of Rs. 8/- per share for F.Y. 2021-22 (Rs. 5/- per share for F.Y. 2020-21)	600.17
<b>Proposed Dividends on equity shares:</b> Final Dividend recommended by the board of directors for the year ended March 31, 2023 Rs. 8.50 per share (March 31, 2022: Rs. 8 per share) subject to approval of shareholders in the ensuing annual general meeting	960.27



**21 Non controlling interest****21.1 Subsidiaries that have non-controlling interests are listed below:**

Particulars	Non-controlling interest share	
	As at March 31, 2022	As at March 31, 2021
Wim Plast Limited	45.08%	45.08%

**21.2 Movement of Non-controlling interest**

Particulars	For the year ended March 31, 2022
Balance at beginning of the year	17,218.84
Add: Profit for the year	1,552.24
Add: Remeasurement benefit during the year (net of tax)	9.54
Add: Remeasurement of investment through OCI during the year	3.42
Less: Dividend Paid	(270.54)
Balance at end of the year	18,513.50

**21.3 Summarised financial information of Non-controlling interests**

The summarised financial information below represents amounts before intragroup eliminations.

**21.4 Summarised statement of assets and liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets	14,246.54	16,501.83
Current assets	30,359.64	25,974.80
Non-current liabilities	(946.20)	(953.02)
Current liabilities	(2,527.67)	(3,292.39)
Net assets	41,132.31	38,231.22
Share of Non-controlling interest	18,513.51	17,218.84

**21.5 Summarised statement of profit and loss**

Particulars	Year ended March 31, 2022
Revenue	32,971.53
Expenses	(29,475.27)
Profit for the year	3,496.26
Profit attributable to parent	1,552.24
Profit attributable to the non-controlling interests	1,944.01
Other comprehensive income for the year	28.76
Other comprehensive income attributable to parent	12.96
Other comprehensive income attributable to non-controlling interests	15.80

**21.6 Summarised cash flow statement**

Paticulars	Year ended March 31, 2022
Cash flow from operating activities	2,616.54
Cash flow from investing activities	(2,132.64)
Cash flow from financing activities	(630.17)
<b>Total cash flow</b>	<b>(146.27)</b>
Share of non-controlling interest	(65.94)

**22 Details of associates**

Details of the Group's associate at the end of the reporting period is as follows:

Name of associate	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group
Pecasa Tableware Private Limited	Tirupathi District, State of Andhra Pradesh India	40%

Above associate is accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 2.1(a).

Pursuant to a shareholder agreement, the Company has the right to cast 40 per cent of the votes at shareholder meetings of Pecasa Tableware Private Limited.

**Summarised financial information of the Associate**

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts in associates' financial statements prepared in accordance with Ind AS [adjusted by the Group for equity accounting purposes].

**Summarised statement of assets and liabilities**

<b>Paticulars</b>	<b>As at March 31, 2023</b>
Non-current assets	1,962.17
Current assests	2,333.61
Non-current liabilities	(1,783.69)
Current liabilities	(2,314.94)
<b>Net assets</b>	<b>197.15</b>
Proportion of Group's ownership interest in associate	78.86
Carrying amount of Group's ownership interest in associate (Refer note 9)	78.86

**Summarised statement of profit and loss**

<b>Paticulars</b>	<b>Year ended March 31, 2023</b>
Revenue	14.36
Expenses	(17.22)
(Loss) for the year	(2.86)
Group's share of loss of associate	(1.14)
Other comprehensive income for the year	-
Group's share of OCI of associate	-

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 All amounts are ₹ in Lakhs unless otherwise stated

**23 Borrowings**

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Current borrowings</b>		
<b>Secured - Loans from banks - at amortised cost</b>		
Working capital loans (refer note below)	-	14,743.96
Packing credit (refer note below)	1,854.71	2,000.00
<b>Unsecured: at amortised cost</b>		
Loans from related parties (refer note below)	42,763.37	15,462.08
Buyer's credit (refer note below)	629.60	-
<b>Total</b>	<b>45,247.68</b>	<b>32,206.04</b>

**23.1 Summary of borrowing arrangements**

The terms of repayment of term loans and other loans are stated below:

(a) As at April 01, 2021

Particulars	Terms of repayment
<b>HDFC Bank Limited</b>	Payable on demand
<b>Rate of interest:</b> FDR rate + 100 bps per annum	
<b>Security:</b>	
1. Fixed deposits owned by shareholders of of Cello Household Private Limited and Cello Houseware Private Limited of Rs. 7000 Lakhs	

**Notes to the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS")**  
All amounts are ₹ in Lakhs unless otherwise stated

- (c) Unsecured borrowings (Buyer's Credit) carry an interest of 1.9% p.a. and are payable after a period of Three months.
- (d) Unsecured borrowings (Packing credit) are carrying on interest of SOFR-3% p.a. subvention and are payable within a year.
- (e) Loans from related parties are interest free and repayable on demand except loan taken from Cello Pens and Stationary Private Limited which bears an interest rate of 8.5%  
Borrowings from related parties are disclosed separately under note 44.

Cello World Limited

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Notes to the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS')

All amounts are ₹ in Lakhs unless otherwise stated

**24 Other financial liabilities**

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Non-current</b>		
<b>Financial liabilities at amortised cost:</b>		
Security deposit payable	0.03	0.03
	<b>0.03</b>	<b>0.03</b>
<b>Current</b>		
<b>Financial liabilities at amortised cost:</b>		
Security deposits	1,578.53	586.98
Payable to related parties in their capacity as partners of Partnership firms acquired by the group (Refer Note 50)	14.90	19.94
Unclaimed dividend	55.49	59.66
Purchase consideration payable to related parties towards Business acquisitions (Refer Note 50)	41,577.02	60,212.02
Other payables	-	2.28
Creditors for capital supplies/services	227.28	125.80
<b>Total</b>	<b>43,453.22</b>	<b>61,006.68</b>

24.1 Details of fair value of the liabilities carried at amortised cost is disclosed in note 46.

**25 Provisions**

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Non-current</b>		
Provision for employee benefits - Gratuity (refer note 43)	450.17	362.63
<b>Total</b>	<b>450.17</b>	<b>362.63</b>
<b>Current</b>		
Provision for employee benefits - Gratuity (refer note 43)	81.04	62.77
Provision for warranty (refer note 25.1 & 25.2)	64.53	105.00
<b>Total</b>	<b>145.57</b>	<b>167.77</b>

25.1 Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.



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25.2 Movement in provision for warranty

Particulars	As at March 31, 2022
Balance at the beginning of the year	105.00
Add: Provisions made during the year	-
Less: Provisions utilised during the year	(40.47)
Less: Provisions reversed during the year	-
Balance at the end of the year	64.53
Current	64.53
Non-current	-

**26 Deferred tax liabilities(net)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax asset	(280.18)	(155.99)
Deferred tax liabilities	838.52	826.62
<b>Total</b>	<b>558.34</b>	<b>670.63</b>

**26.1 Deferred tax liabilities/(assets) in relation to the year ended March 31, 2022**

Particulars	Opening balance as on April 1, 2021	Recognised in profit or loss (expense)/ credit	Recognised in other comprehensive income	Recognised directly in equity *	Closing balance as on March 31, 2022
Property, plant and equipment	883.86	5.36	-	27.84	917.06
Intangible assets	(1.66)	1.86	-	-	0.20
Right-to-use assets and leases liabilities	(31.32)	(4.62)	-	-	(35.94)
Other current assets	(0.02)	(155.51)	-	-	(155.53)
Other financial assets	106.77	147.75	2.55	-	257.07
Investment measured at fair value	-	-	-	-	-
Defined benefit obligations	(143.57)	(23.56)	-	-	(166.27)
Disallowances under sec 43B of Income Tax Act, 1961	(10.12)	(37.74)	-	(8.55)	(56.41)
Other Financial liabilities	-	(0.42)	-	-	(0.42)
Other current liabilities	-	-	-	-	-
Allowance for expected credit allowance	(102.33)	(47.20)	-	-	(149.53)
Unabsorbed losses	(30.98)	(20.91)	-	-	(51.89)
<b>Total</b>	<b>670.63</b>	<b>(134.99)</b>	<b>3.41</b>	<b>19.29</b>	<b>558.34</b>

\* Pertaining to assets not taken over in respect to Common Control/Business Combination/loss of control on sale of subsidiary.

**27 Trade payables**

Particulars	As at March 31, 2022	As at April 01, 2021
(a) Total outstanding dues of micro and small enterprises	2,944.86	1,767.36
(b) Total outstanding dues of creditors other than micro and small enterprises	9,610.09	8,072.28
<b>Total</b>	<b>12,554.95</b>	<b>9,839.64</b>

27.1 The average credit period on purchases is 45-90 days.

27.2 For explanations on the Group's liquidity risk management processes refer note 45.5.

27.3 Trade payables from related parties are disclosed separately under note 44.

27.4 **Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**  
 The amounts due to Micro and Small Enterprises as defined in section 22 of the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at March 31, 2022	As at April 01, 2021
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	2,941.09	1,763.60
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	3.77	3.76
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(c) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the period	2.68	-
(e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.15	-
(f) Further interest remaining due and payable for earlier periods	1.62	-

## 27.5 Ageing of trade payables

As on March 31, 2022

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed dues</b>							
- MSME	-	2,773.89	165.67	0.88	-	-	2,940.44
- Others	3,991.85	5,059.70	522.36	31.92	1.83	2.41	9,610.07
<b>Disputed dues</b>							
- MSME	-	-	3.52	-	-	0.92	4.44
- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>3,991.85</b>	<b>7,833.59</b>	<b>691.55</b>	<b>32.80</b>	<b>1.83</b>	<b>3.33</b>	<b>12,554.95</b>

As on April 1, 2021

Particulars	Accruals	Not due	Outstanding for following periods from due date of invoice				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed dues</b>							
- MSME	-	1,705.74	58.24	1.53	0.81	-	1,766.32
- Others	3,459.56	3,948.91	585.68	65.72	6.21	6.20	8,072.28
<b>Disputed dues</b>							
- MSME	-	-	-	-	1.04	-	1.04
- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>3,459.56</b>	<b>5,654.65</b>	<b>643.92</b>	<b>67.25</b>	<b>8.06</b>	<b>6.20</b>	<b>9,839.64</b>

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All amounts are ₹ in Lakhs unless otherwise stated

**28 Current tax liabilities (net of advance tax)**

Particulars	As at March 31, 2022	As at April 01, 2021
Income tax payable (net of advance tax as at March 31, 2022: ₹ 2,403.35 lakhs; April 01, 2021: ₹ 1,231.13 lakhs)	336.04	501.86
<b>Total</b>	<b>336.04</b>	<b>501.86</b>

**29 Other current liabilities**

Particulars	As at March 31, 2022	As at April 01, 2021
Statutory liabilities	866.40	527.89
Advance from customer	1,152.44	1,448.57
Government subsidy payable (refer note 31.1)	-	24.63
<b>Total</b>	<b>2,018.84</b>	<b>2,001.09</b>

**30 Revenue from operations**

Particulars	For the year ended March 31, 2022
Sales of products	1,34,700.70
Sales of services	312.84
Other operating income	
- Scrap sales	379.71
- Export incentives	524.19
<b>Total</b>	<b>1,35,917.44</b>

All amounts are ₹ in Lakhs unless otherwise stated

- 30.1** The Group presently recognises its revenue from contract with customers for the transfer of goods at a point in time and rendering of services over time

External revenue by timing of revenue	For the year ended March 31, 2022
Goods transferred at a point in time	1,34,700.70
Services transferred over a period of time	312.84
<b>Total</b>	<b>1,35,013.54</b>

**30.2 Contract balances**

Refer details of trade receivables in note 15 and contract liabilities (advance from customer) in note 29.

- 30.3** The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

**30.4 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:**

Particulars	For the year ended March 31, 2022
Contracted price with the customers	1,40,339.64
Reduction towards variables considerations (Discounts, rebates, refunds, credits, price concessions)	(5,326.10)
<b>Revenue from contract with customers (as per consolidated profit and loss account)</b>	<b>1,35,013.54</b>

- 30.5** There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2022.



**31 Other income**

Particulars	For the year ended March 31, 2022
<b>Interest income on financial assets measured at amortised cost</b>	
Bank deposits	116.71
Financial assets	371.87
Loan to associate	-
Electricity deposits	16.75
	<b>505.33</b>
<b>Income on financial assets measured at FVTPL</b>	
Net gain/(loss) on investments	660.36
Other dividends	66.68
	<b>727.04</b>
<b>Other non-operating income</b>	
Gain on foreign exchange transactions (net)	259.87
Sundry balance written back	27.67
Insurance claim received	0.19
Rental income (refer note 8.8)	2.26
Net gain on disposal of property, plant & equipment	7.77
Subsidy received (refer note 31.1)	57.59
Gain on early termination of lease	-
Gain on loss of control of subsidiary (refer note 9.2)	-
Miscellaneous income	4.50
Interest on income tax refund	1.06
	<b>360.91</b>
<b>Total</b>	<b>1,593.28</b>

31.1 Entities within the Group entered into an MOU with Ozone Cell, MoEF&CC for conversion from HCFC141b to Ecomate technology. In accordance with the MOU, the entity was entitled to receive subsidy consequent to fulfillment of the conditions stated therein. During the year ended March 31, 2022: ₹ 57.59 lakhs from the Ozone Cell, MoEF&CC. The grant is recognised as an adjustment to the capital expenditure & relevant expenses charged to the consolidated statement of profit & loss and the remaining amount of subsidy has been recognized as an income.

**32 Cost of materials consumed**

Particulars	For the year ended March 31, 2022
Opening stock (stock received on account of conversion) - raw materials	10,678.24
Opening stock (stock received on account of conversion) - packing material	1,460.09
Add - Purchases - raw materials	45,447.58
Add - Purchases - packing material	9,334.58
Less - Closing stock - raw materials	(11,880.36)
Less - Closing stock - packing material	(1,815.74)
<b>Total</b>	<b>53,224.39</b>

**33 Purchases of stock-in-trade**

Particulars	For the year ended March 31, 2022
Stock-in-trade	20,030.90
<b>Total</b>	<b>20,030.90</b>

**34 Changes in inventories of finished goods, semi finished goods and stock-in-trade**

Particulars	For the year ended March 31, 2022
<b>Opening balance</b>	
Finished goods	13,886.27
Semi-finished goods	4,334.80
Stock-in-trade	318.73
	<b>18,539.80</b>
<b>Closing balance</b>	
Finished goods	(19,992.41)
Semi-finished goods	(3,410.53)
Stock-in-trade	(536.90)
	<b>(23,939.84)</b>
<b>Total changes in inventories of finished goods</b>	<b>(5,400.04)</b>

**35 Employee benefit expense**

Particulars	For the year ended March 31, 2022
Salaries, wages and bonus	12,198.56
Contributions to provident and other funds (refer note 43)	579.19
Gratuity (Refer note 43)	141.15
Staff welfare expenses	273.25
<b>Total</b>	<b>13,192.15</b>

**36 Finance costs**

Particulars	For the year ended March 31, 2022
<b>Interest and finance charges on financial liabilities carried at amortised cost</b>	
- Loan from related parties	-
- Bank loans	160.84
- Security deposit	14.94
- Lease liabilities	103.31
Interest on delayed payment of taxes/others	6.07
<b>Total</b>	<b>285.16</b>

**37 Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 4)	4,524.52
Amortisation of intangible assets (refer note 6)	19.31
Depreciation of right-of-use assets (refer note 8)	211.62
<b>Total</b>	<b>4,755.45</b>

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**38 Other expenses**

Particulars	For the year ended March 31, 2022
Advertisements	1,042.21
Allowance for doubtful debts	187.51
Carriage outward	3,609.15
Corporate social responsibility expenditure (Refer Note 38.1)	244.14
Consumption of stores and spares	558.11
Donations	0.10
Electricity charges	4,839.64
Insurance	243.08
Labour/jobwork charges	2,601.35
Legal and professional fees	458.99
Loss on disposal of investments carried at fair value through PL	10.13
Payment to auditors	95.52
Product development charges	36.89
Rent (refer note 8.4)	1,704.13
Rates and taxes	91.28
Repairs and maintenance	
- Buildings	347.11
- Plant and machinery	934.03
- Others	347.70
Royalty	467.96
Sales commission	1,123.16
Sales promotion and conference expenses	676.04
Security charges	193.03
Selling and distribution expenses	260.08
Service centre charges	54.42
Sundry balances written off	191.85
Travel and conveyance	742.50
Net loss on financial liability measured at fair value through profit or loss	
- Compulsory convertible preference shares	-
Miscellaneous expenses	453.41
<b>Total</b>	<b>21,513.52</b>

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**38.1 Expenses on corporate social responsibility**

No.	Particulars	For the year ended March 31, 2022
1	Amount required to be spent by the Group during the year (under Section 135 of the Companies Act, 2013)	188.85
2	Amount of expenditure incurred (i) Construction/acquisition of any asset (ii) On purposes other than (i) above	239.14
3	Amount not spend during the year on: (i) Construction/acquisition of any asset (ii) On purposes other than (i) above	-
4	Amount of shortfall for the year	-
5	Amount of cumulative shortfall at the end of the year	-
6	Reason for shortfall - Adoption of long gestation program/project	-
7	Amount yet to be spent/paid	-
8	Details of Related party transactions Badamia Charitable Trust Jito Administrative Training Foundation	140.51
9	Liability incurred by entering into contractual obligations	-
10	Nature of CSR activities:	Health Care, Women Empowerment, Environment Sustainability, Social Welfare Activities, Food & Nutrition, Animal Welfare, Education, Training to promote nationally recognized sports, Governor's relief fund

**39 Current tax and deferred tax**

**39.1 Income tax expense recognised in statement of profit and loss**

Particulars	For the year ended March 31, 2022
<b>Current tax:</b>	
Current tax on profit for the year	8,072.76
Short provision of tax relating to earlier years	19.67
<b>Total current tax expense</b>	<b>8,092.43</b>
<b>Deferred tax expense/ (credit)</b> in respect of current period	(134.99)
<b>Total deferred tax expense/(benefit)</b>	<b>(134.99)</b>
<b>Income tax expense</b>	<b>7,957.44</b>

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 All amounts are ₹ in Lakhs unless otherwise stated

39.2 Income Tax recognised in other comprehensive Income

Particulars	For the year ended March 31, 2022
i) Deferred tax	
Remeasurement gain/(loss) on defined benefit plans	(0.86)
Net change in fair values of investments other than equity shares carried at fair value through OCI	(2.55)
<b>Total</b>	<b>(3.41)</b>

39.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31, 2022
Profit/(loss) before income tax expense	29,909.19
Income Tax Rate	25.17%
Income Tax using the Company's domestic Tax rate #	7,528.14
Effect of items that are not deductible in determining taxable profit	62.13
Effect of items that are deductible in determining taxable profit	(10.30)
Effect of items that are exempted	(26.57)
Unabsorbed losses	20.90
Effect of income taxed at different rate	379.54
Effect of adoption of Ind AS	(110.85)
Income tax related earlier year	19.67
Others	94.78
<b>Income tax expense recognised in Consolidated Statement of Profit or Loss</b>	<b>7,957.44</b>

# The tax rate used for the reconciliations above is the corporate tax rate plus surcharge (as applicable) on corporate tax, education cess and secondary and higher education cess on corporate tax, payable by corporate entities in India on taxable profits under Income Tax Act, 1961.

In pursuance of Section 115BAA of the Income Tax Act, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has opted for irrevocable option of shifting to lower tax rate w.e.f FY 19-20. @ 25.168%

39.4 The group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

#### 40 Earnings per Equity Share

Particulars	For the year ended March 31, 2022
(a) Profit attributable to the owners of the Company	20,399.51
(b) Weighted average number of ordinary shares outstanding for the purpose of basic earnings per share (numbers)	19,50,00,000
(c) Effect of potential ordinary shares (numbers)	-
(d) Weighted average number of ordinary shares in computing diluted earnings per share [(b) + (c)] (numbers)	19,50,00,000
(e) Earnings per share on Profit for the year (Face Value ₹ 5/- per share)	
- Basic [(a)/(b)] (₹)	10.46
- Diluted [(a)/(d)] (₹)	10.46

40.1 During the year ended March 31, 2023, pursuant to a resolution passed in extra-ordinary general meeting dated September 22, 2022 and February 24, 2023, shareholders have approved the issuance of bonus shares to the equity shareholders in the ratio of 6499:1 and 1:2 respectively (the "Bonus"). Further, the Company in extra-ordinary general meeting dated February 24, 2023, have approved split of 65,000,000 equity shares of face value of Rs. 10/- each into 130,000,000 shares of face value of Rs. 5/- each (the "Split"). As required under Ind AS 33 "Earning per share" the effect of such Bonus / Split is required to be adjusted for the purpose of computing earning per share for all the period presented retrospectively. As a result, the effect of the Bonus / the Split has been considered in these Special Purpose Consolidated Financial Information for March 2022 and April 2021 for the purpose of calculating of earning per share.

#### 41 Contingent liabilities and commitments

Particulars	As at March 31, 2022	As at April 01, 2021
(i) Contingent Liabilities		
a) Sales Tax Act claims disputed by the Group relating to tax rate determination and pending declaration forms	282.20	282.20
b) Bank guarantees	1,807.69	2,004.17
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	801.12	67.30

41.1 The Group did not expect any outflow of economic resources in respect of the above and therefore no provision was made in respect thereof.

#### 42 Segment information

42.1 Consequent to the adoption of Ind AS, the Group has identified one operating segment viz, "Consumer Products" which is consistent with the internal reporting provided to the Board of Directors, who has been identified as the chief operating decision maker (CODM). The CODM allocates resources and assesses performance of the operating segment of the Group.

#### 42.2 Geographical information

The Group presently caters to both international and domestic market i.e., outside India and in India details of the same are as follows:

Particulars	Revenue from
	For the year ended March 31, 2022
Within India	1,23,287.50
Outside India	12,629.94
<b>Total</b>	<b>1,35,917.44</b>

Particulars	Non-current assets*
	As at March 31, 2022
Within India	32,466.36
Outside India	-
<b>Total</b>	<b>32,466.36</b>

\*Non-current assets exclude loans, other financial assets, and deferred tax assets.

#### 42.3 Information about major customers

No single customer contributed 10% or more to the Company's revenue for the year ended March 31, 2022.



43 Employee benefit plans

43.1 Defined contribution plans:

The Group participates in Provident fund as defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to provident fund represents the value of contributions payable during the period by the Group at rates specified by the rules of provident fund. The only amounts included in the balance sheet are those relating to the prior months contributions that were not paid until after the end of the reporting period.

(a) Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India (GOI). The Group has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the consolidated statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Group.

Contribution to defined contribution plans, recognised in the consolidated statement of profit and loss for the year under employee benefits expense, are as under:

Particulars	For the year ended March 31, 2022
i) Employer's contribution to provident fund and pension	544.02
ii) Employer's contribution to labour fund	0.10
iii) Employer's contribution to state insurance corporation	12.17
iv) Employer's contribution to National Pension Scheme	18.82
v) Employer's contribution to super annuation fund	4.08
<b>Total</b>	<b>579.19</b>

(b) Defined benefit plans:

Gratuity

The Group has an obligation towards gratuity, a funded defined benefit retirement plan covering all employees. The plan provides for lump sum payment to vested employees at retirement or at death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Group makes annual contributions (from year ended March 31, 2022 onwards) to gratuity fund managed by Kotak Mahindra Life Insurance Company Limited.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out for the year ended March 31, 2022 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(A) Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

**(1) Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**(2) Interest rate risk**

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**(3) Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**(4) Mortality risk:**

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(B) Principal actuarial assumptions used:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	For the year ended March 31, 2022
1. Discount rate	5.35% - 7.26%
2. Salary escalation	5%-10%
3. Expected return of Assets	7%
4. Rate of employee turnover	12%-40%
5. Mortality rate	India assured lives mortality (2012-14)

(C) Expenses recognised in consolidated profit and loss

Particulars	Gratuity
	For the year ended March 31, 2022
Current service cost	122.61
Past service cost	-
Administration expenses	-
Interest on net defined benefit liability / (asset)	18.55
(Gains) / losses on settlement	-
<b>Components of defined benefit cost recognised in consolidated profit or loss</b>	<b>141.16</b>

The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the Consolidated Statement of profit and

(D) Expenses recognized in the Other Comprehensive Income (OCI)

Particulars	For the year ended March 31, 2022
Actuarial (gains)/losses on obligation for the year	
- Due to changes in demographic assumptions	14.11
- Due to changes in financial assumptions	(17.50)
- Due to experience adjustment	(2.33)
Return on plan assets, excluding interest income	2.33
<b>Net (income)/expense for the period recognized in OCI</b>	<b>(3.39)</b>

(E) Amount recognised in the consolidated balance sheet

Particulars	As at March 31, 2022	As at April 01, 2021
Present value of funded defined benefit obligation	682.67	569.19
Fair value of plan assets	(151.46)	(143.79)
<b>Net liability arising from defined benefit obligation</b>	<b>531.21</b>	<b>425.40</b>

(F) Net liability recognised in the consolidated balance sheet

Recognised under:	As at March 31, 2022	As at April 01, 2021
Long term provision (refer note 25)	450.17	362.63
Short term provision (refer note 25)	81.04	62.77
<b>Total</b>	<b>531.21</b>	<b>425.40</b>

(G) Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2022
Opening defined benefit obligation	569.19
Transfer in/(out) obligation	77.50
Current service cost	122.61
Past service cost	-
Interest cost	28.78
Actuarial losses	(5.73)
Acquisition/Business Combination/Divestiture	(77.15)
Actual benefits paid*	(32.53)
<b>Closing defined benefit obligation</b>	<b>682.67</b>

(H) Movements in the fair value of the plan assets are as follows:

Particulars	For the year ended March 31, 2022
Opening fair value of the plan assets	143.79
Contributions by the Employer	15.49
Interests on plan assets	(2.33)
Remeasurement (gains)/losses	-
Interest income	10.23
Benefits paid	(15.72)
<b>Closing fair value of plan assets</b>	<b>151.46</b>

(I) Description of Plan Assets

Particulars	As at March 31, 2022
Insurer Managed Funds	-

(J) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2022
Year 1 cashflow	79.88
Year 2 cashflow	78.60
Year 3 cashflow	57.59
Year 4 cashflow	58.66
Year 5 cashflow	69.66
Year 6 to year 10 cashflow	243.96

(K) Sensitivity analysis

The Sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2022
<b>Projected benefit obligation on current assumptions</b>	
<b>Rate of discounting</b>	
Impact of +0.5% change (% change)	645.88 (10.64%) to (1.84%)
Impact of -0.5% change (% change)	725.13 1.93% to 12.79%
<b>Rate of salary increase</b>	
Impact of +0.5% change (% change)	691.71 (1.17%) to 4.63%
Impact of -0.5% change (% change)	674.51 (4.48%) to 1.43%

(L) Other disclosures

The weighted average duration of the obligations as at March 31, 2022: 2.92 years to 17.50 years and (as at April 1, 2021: 2.49 years to 18.50 years).

The Group's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 0 lakhs (as at April 1, 2021: ₹ 43 lakhs).

44 Related party disclosures

Cello World Limited (formerly known as Cello World Private Limited) is jointly/collectively controlled, directly or indirectly, by Pradeep G. Rathod and Pankaj G. Rathod (alongwith their respective immediate family members)

44.1 Details of related parties

Description of relationship	Name of the related party
Wholly owned subsidiary Company (where control exists)	Cello Houseware Private Limited
	Cello Industries (erstwhile partnership firm - converted to Cello Houseware Private Limited w.e.f 01st July, 2021)
	Cello Household Products Private Limited
	Cello Household Products (erstwhile partnership firm - converted to Cello Household Products Private Limited w.e.f 01st March, 2021)
	Cello Plastotech (erstwhile partnership firm - transferred to Cello Household Products Private Limited under slump sale w.e.f from 01st July, 2021)
	Cello Industries Private Limited
	Cello Plast (erstwhile partnership firm - transferred to Cello Industries Private Limited under slump sale w.e.f 01st December, 2021)
	Cello Consumerware Private Limited w.e.f 10th December, 2021
	Unomax Pens and Stationery Private Limited (erstwhile subsidiary company - transferred to Unomax Stationery Private Limited under slump sale w.e.f from 30th October, 2022)
	Unomax Stationery Private Limited (w.e.f from 30th October, 2022)
Unomax Sales and Marketing Private Limited (w.e.f 18th July, 2022) (subsidiary of Unomax Stationery Private Limited)	
Unomax Writing Instruments Private Limited (w.e.f 20th August, 2020) (subsidiary of Unomax Stationery Private Limited)	
Subsidiary Company (where control exists)	Wimplast Limited (w.e.f 10th November, 2022)
Associate Concern	Pecasa Tableware Private Limited
Key management personnel	
- Chairman and Managing Director	Pradeep Rathod
- Joint Managing Director	Pankaj Rathod
- Joint Managing Director	Gaurav Rathod
- Chief Financial Officer	Atul Parolia (w.e.f 01st April, 2023)
Relatives of key management personnel (where transactions have taken place)	Babita Pankaj Rathod
	Ruchi Gaurav Rathod
	Sangeeta Pradeep Rathod
	Sneha Pankaj Rathod
	Pampuben Ghisulaj Rathod

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Enterprises over which the KMP have significant influence (where transactions have taken place)	
	Cello Marketing - Partnership Firm
	Badamia charitable trust
	Cello International Private Limited
	Cello Pens and Stationery Private Limited
	Cello Sonal Construction
	Cello World - Partnership Firm
	Cello Houseware - Partnership Firm
	R & T Houseware Pvt Ltd
	Vardhaman Realtors
	Cello Plastic Industrial Works
	GPR Finance
	Rathod Investment Corp.
	Cello Plast (w.e.f 01st December, 2021)
	Cello Household Appliances Private Limited
	Cello Plastotech (w.e.f 01st July, 2021)
	Unomax Pens and Stationery Private Limited (w.e.f 01.11.2022)
	Urmaoben Family Trust
	Cello Entrade
	Millennium Houseware

44.2 Transactions during the year with related parties

S. No.	Particulars	For the year ended March 31, 2022
A	Sales	
i	<u>Enterprises over which the KMP have significant influence</u>	
	Cello Marketing	284.81
	Cello International Private Limited	1,854.42
	<b>Total (A)</b>	<b>2,139.23</b>
ii	<u>Key Management Personnel</u>	
	Pradeep Ghisulal Rathod	9.57
	Pankaj Ghisulal Rathod	2.74
	Gaurav Pradeep Rathod	1.15
	<b>Total (B)</b>	<b>13.46</b>
iii	<u>Relatives of key management personnel</u>	
	Babita Pankaj Rathod	1.88
	Ruchi Gaurav Rathod	0.44
	Sangeeta Pradeep Rathod	0.16
	Sneha Pankaj Rathod	0.05
	<b>Total (C)</b>	<b>2.53</b>
	<b>Total (A+B+C)</b>	<b>2,155.22</b>



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S. No.	Particulars	For the year ended March 31, 2022
<b>B</b>	<b>Purchases</b>	
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>	
	Cello Marketing	1,757.21
	Cello World	0.79
	R & T Houseware Pvt Ltd	33.60
	<b>Total</b>	<b>1,791.60</b>
<b>C</b>	<b>Rent Expenses</b>	
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>	
	Cello Household Appliances Pvt. Ltd.	757.79
	Vardhaman Realatores	225.60
	Millenium Houseware	38.16
	Cello Houseware	31.25
	Cello Home Products	568.39
	<b>Total (A)</b>	<b>1,621.19</b>
<b>II</b>	<b>Key Management Personnel</b>	
	Pradeep Ghisulal Rathod	15.00
	Pankaj Ghisulal Rathod	15.00
	<b>Total (B)</b>	<b>30.00</b>
	<b>Total (A+B)</b>	<b>1,651.19</b>
<b>D</b>	<b>Royalty Expenses</b>	
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>	
	Cello Plastic Industrial Works	411.81
	<b>Total</b>	<b>411.81</b>
<b>E</b>	<b>Corporate Social Responsibility Expenses</b>	
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>	
	Badamia charitable trust	140.51
	<b>Total</b>	<b>140.51</b>
<b>F</b>	<b>Purchase of Property, Plant and Equipment</b>	
<b>I</b>	<b>Enterprises over which the KMP have significant influence</b>	
	Cello Marketing	4.78
	Millennium Houseware	3.54
	Cello Houseware	3.27
	<b>Total</b>	<b>11.59</b>

S. No.	Particulars	For the year ended March 31, 2022
G	Reimbursement of expense	
I	<u>Enterprises over which the KMP have significant influence</u>	
	Cello Marketing	28.79
	Cello Houseware	1.83
	Cello International Private Limited	64.58
	Vardaman Realtors	0.19
	Cello Plastic Industrial Works	55.18
		<b>150.57</b>
H	Loan Taken	
I	<u>Key Management Personnel</u>	
	Pradeep Ghisulal Rathod	14,146.74
	Pankaj Ghisulal Rathod	15,096.30
	Gaurav Pradeep Rathod	7,680.83
		<b>36,923.87</b>
II	<u>Relatives of key management personnel</u>	
	Babita Pankaj Rathod	1,694.86
	Ruchi Gaurav Rathod	230.75
	Sangeeta Pradeep Rathod	287.66
		<b>2,213.27</b>
		<b>39,137.14</b>
I	Loan Repaid	
I	<u>Key Management Personnel</u>	
	Pradeep Ghisulal Rathod	2,868.56
	Pankaj Ghisulal Rathod	5,465.80
	Gaurav Pradeep Rathod	3,488.04
	Total (A)	<b>11,822.40</b>
II	<u>Relatives of key management personnel</u>	
	Babita Pankaj Rathod	9.76
	Ruchi Gaurav Rathod	3.00
	Sangeeta Pradeep Rathod	6.24
	Total (B)	<b>19.00</b>
	Total (A+B)	<b>11,841.40</b>

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S. No.	Particulars	For the year ended March 31, 2022
J	Purchase consideration paid for business combination under common control	
I	<u>Enterprises over which the KMP have significant influence</u>	
	Cello Plast	13,900.00
	Cello Plastotech	4,735.00
	<b>Total</b>	<b>18,635.00</b>
K	Movement in payable to related parties in their capacity as partners of Partnership firms acquired by the group	
I	<u>Key Management Personnel</u>	
	Pradeep Rathod	0.80
	Pankaj Rathod	1.60
	Gaurav Rathod	1.40
	<b>Total (A)</b>	<b>3.80</b>
II	<u>Relatives of key management personnel</u>	
	Sangeeta Pradeep Rathod	0.40
	Babita Pankaj Rathod	0.60
	Ruchi Gaurav Rathod	0.20
	<b>Total (B)</b>	<b>1.20</b>
	<b>Total (A+B)</b>	<b>5.00</b>

S. No.	Particulars	For the year ended March 31, 2022
I	<b>Retained earnings distributed to partners/erstwhile owners</b>	
I	<b>Enterprises over which the KMP have significant influence</b>	
	GPR Finance	691.94
	Rathod Investment Corp.	644.88
	<b>Total (A)</b>	<b>1,336.82</b>
II	<b>Key Management Personnel</b>	
	Pradeep Rathod	613.68
	Pankaj Rathod	1,157.37
	Gaurav Rathod	879.99
	<b>Total (B)</b>	<b>2,651.04</b>
III	<b>Relatives of key management personnel</b>	
	Sangeeta Pradeep Rathod	306.88
	Babita Pankaj Rathod	328.92
	Ruchi Gaurav Rathod	219.95
	<b>Total (C)</b>	<b>855.75</b>
	<b>Total (A+B+C)</b>	<b>4,843.61</b>

44.3 Amounts outstanding with related parties

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
A	<b>Trade receivable</b>		
I	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Pens and Stationery Private Limited		
	Cello Marketing	3.36	97.43
	Cello International Private Limited	349.86	472.58
	Cello Household Appliances Private Limited	-	-
	Badamia Charitable Trust	-	-
	<b>Total (A)</b>	<b>353.22</b>	<b>570.01</b>

Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Notes to the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFs')

All amounts are ₹ in Lakhs unless otherwise stated

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	<b>II: Key Management Personnel</b>		
	Pradeep Ghisulal Rathod	-	0.91
	Pankaj Ghisulal Rathod	-	0.42
	<b>Total (B)</b>	-	<b>1.33</b>
	<b>III: Relatives of key management personnel</b>		
	Babita Pankaj Rathod	-	0.52
	Ruchi Gaurav Rathod	0.07	0.40
	Sangeeta Pradeep Rathod	0.18	0.16
	Karishma Pradeep Rathod	-	0.66
	<b>Total (C)</b>	<b>0.25</b>	<b>1.74</b>
	<b>Total (A+B+C)</b>	<b>353.47</b>	<b>573.08</b>
	<b>B: Trade Payable</b>		
	<b>I: Enterprises over which the KMP have significant influence</b>		
	Cello Household Appliances Private Limited	74.76	59.63
	Vardaman Realtors	12.52	6.04
	Cello Pens and Stationery Private Limited	-	1.30
	Cello Plastic Industrial Works	150.89	170.48
	Cello International Private Limited	-	1.00
	Millennium Houseware	-	0.40
	Cello Marketing	1,910.58	0.38
	Cello World	-	0.67
	Cello Home Products	36.60	43.22
	Cello Houseware	-	75.06
	R & T Houseware Private Limited	33.60	-
	<b>Total</b>	<b>2,218.95</b>	<b>358.18</b>
	<b>II: Key Management Personnel</b>		
	Pradeep Ghisulal Rathod	5.11	-
	Pankaj Ghisulal Rathod	-	-
	<b>Total (B)</b>	<b>5.11</b>	-
	<b>III: Relatives of key management personnel</b>		
	Babita Pankaj Rathod	-	-
	<b>Total (C)</b>	-	-
	<b>Total (A+B+C)</b>	<b>2,224.06</b>	<b>358.18</b>
	<b>C: Loan Payable</b>		
	<b>I: Key Management Personnel</b>		
	Pradeep Ghisulal Rathod	13,415.83	3,668.81
	Pankaj Ghisulal Rathod	20,282.56	10,649.96
	Gaurav Pradeep Rathod	6,819.24	1,093.76
	<b>Total (A)</b>	<b>40,517.63</b>	<b>15,412.53</b>
	<b>II: Relatives of key management personnel</b>		
	Babita Pankaj Rathod	1,686.16	-
	Sangeeta Pradeep Rathod	281.82	-
	Ruchi Gaurav Rathod	228.21	-
	<b>Total (B)</b>	<b>2,196.19</b>	-

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
III	<b>Enterprises over which the KMP have significant influence</b>		
	Umraoben Family Trust		
	Total (C)	49.55	49.55
		49.55	49.55
	<b>Total (A+B+C)</b>	<b>42,763.37</b>	<b>15,462.08</b>
D	<b>Purchase consideration payable for business combination under common control</b>		
I	<b>Enterprises over which the KMP have significant influence</b>		
	Cello Plast		
	Cello Plastotech	350.00	14,250.00
	Unomax Pens & Stationery Private Limited	8,113.23	4,735.00
	Cello Pens and Stationery Private Limited	6,030.56	8,113.23
	Total (A)	14,493.79	6,030.56
		14,493.79	33,128.79
II	<b>Key Management Personnel</b>		
	Pradeep Rathod	8,913.16	8,913.16
	Pankaj Rathod	8,491.02	8,491.02
	Gaurav Rathod	4,456.58	4,456.58
	Total (B)	21,860.76	21,860.76
III	<b>Relatives of key management personnel</b>		
	Sangeeta Pradeep Rathod	2,611.24	2,611.24
	Babita Pankaj Rathod	2,611.23	2,611.23
	Total (C)	5,222.47	5,222.47
		5,222.47	5,222.47
	<b>Total (A+B+C)</b>	<b>41,577.02</b>	<b>60,212.02</b>
G	<b>Payable to related parties in their capacity as partners of Partnership firms acquired by the group</b>		
I	<b>Key Management Personnel</b>		
	Pradeep Rathod		
	Pankaj Rathod	2.38	3.18
	Gaurav Rathod	4.77	6.37
	Total (A)	4.17	5.57
		4.17	5.57
II	<b>Relatives of key management personnel</b>		
	Sangeeta Pradeep Rathod	1.19	1.59
	Babita Pankaj Rathod	1.79	2.39
	Ruchi Gaurav Rathod	0.60	0.80
	Total (B)	3.58	4.78
		3.58	4.78
	<b>Total (A+B)</b>	<b>14.90</b>	<b>19.90</b>
		14.90	19.90



**44.4 Compensation of key managerial personnel**

The remuneration of the key management personnel of the Company, is set out below in aggregate for each of the categories specified in Ind AS 24:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits	236.70	120.00
Post-employment benefits	-	-
<b>Total</b>	<b>236.70</b>	<b>120.00</b>

- (a) The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Group as a whole.
- (b) All decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Group, in accordance with shareholders' approval, wherever necessary.

**44.5 Funding Arrangements**

- (a) The Parent Company has provided with loan to Pecasa Tableware Private Limited (associate company) of Rs. 693.40 lakhs (as on March 31, 2022: NIL and as on March 31, 2021: NIL) at the rate of 10.00% p.a which is repayable after the associate repays the loan taken from the bank in accordance with the bank loan covenants, repayable in 7 years
- (b) Cello Consumerware Private Limited has availed term loan of Rs. 5000.00 lakhs against which the Parent has provided unconditional and irrevocable corporate guarantee. The loan outstanding as on March 31, 2023 is Rs. 795.20 lakhs.

**44.6** Cello International Private Limited is amalgamated with Cello Pen and Stationery Private Limited by order of The National Company Law Tribunal (NCLT) Court V, Mumbai Bench dt 26.08.2022 and the appointed date is 1st April 2020.

45 Financial instruments and risk management

45.1 Capital risk management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt offset by cash and bank balances and total equity of the Group.

Particulars	As at March 31, 2022	As at April 01, 2021
Long term and short term debts*	46,290.82	33,407.28
Less: Cash and cash equivalents	(3,626.91)	(1,670.88)
<b>Net debt</b>	<b>42,663.91</b>	<b>31,736.40</b>
<b>Total Equity</b>	<b>27,278.11</b>	<b>6,714.17</b>
<b>Debt to equity ratio</b>	<b>1.70</b>	<b>4.98</b>
<b>Net debt to equity ratio</b>	<b>1.56</b>	<b>4.73</b>

\* Debt includes lease liabilities

The Group has not defaulted on any loans payable, and there has been no breach of any loan covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and April 01, 2021.

45.2 Categories of financial instruments

The following table provides categorisation of all financial instruments

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Financial assets</b>		
Investments measured at fair value through other comprehensive income (FVTOCI)	3,500.00	4,500.00
	<b>3,500.00</b>	<b>4,500.00</b>
Investments measured at fair value through profit and loss (FVTPL)	11,495.18	7,474.19
	<b>11,495.18</b>	<b>7,474.19</b>
Investments measured under equity method	-	-
	-	-
<b>Measured at amortised cost</b>		
(a) Trade receivable	40,672.19	37,142.65
(b) Cash and cash equivalent	3,626.91	1,670.88
(c) Bank balances other than (b) above	1,840.97	1,576.08
(e) Loans	324.83	329.36
(f) Other financial assets	1,328.47	1,355.16
<b>Total financial assets</b>	<b>47,793.37</b>	<b>42,074.13</b>
<b>Total</b>	<b>62,788.55</b>	<b>54,048.32</b>

Particulars	As at March 31, 2022	As at April 01, 2021
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	45,247.68	32,206.04
(b) Lease liabilities	1,043.14	1,201.24
(b) Trade payables	12,514.95	9,839.64
(c) Other financial liabilities	43,453.25	61,006.71
<b>Total financial liabilities</b>	<b>1,02,299.02</b>	<b>1,04,253.63</b>
<b>Total</b>	<b>1,02,299.02</b>	<b>1,04,253.63</b>

#### 45.3 Financial risk management objectives

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise cash and bank balance, trade and other receivables that derive directly from its operations.

The Group is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Group's senior management team oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

##### 45.3.1 Market risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022, and April 01, 2021.

##### 45.3.1.1 Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term debt obligations with floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group manages its interest rate risk by having fixed and variable rate loans and borrowings.

##### Interest Rate Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Interest rate sensitivity analysis	
	For the year ended March 31, 2022	
<b>Impact on Profit/(Loss) before tax for the year</b>		
0.50% increase in Basis Point (%)		(8.79)
0.50% decrease in Basis Point (%)		8.79

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

## 45.3.1.2 Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The year end unhedged foreign currency exposures are given below:

Particulars	As at March 31, 2022	As at April 01, 2021
<b>(a). Trade receivables:</b>		
In USD	43.37	32.38
Equivalent in ₹ Lakhs	3,287.71	2,380.11
<b>(b). Advances (from customer):</b>		
In USD	2.12	1.08
Equivalent in ₹ Lakhs	159.91	79.23
<b>(c). Advances (to supplier):</b>		
In USD	7.60	12.06
In EURO	1.42	2.37
In CNY	-	0.78
Equivalent in ₹ Lakhs	697.82	1,205.33
<b>(d). Trade payables:</b>		
In USD	2.47	1.97
In EURO	0.11	0.14
Equivalent in ₹ Lakhs	196.60	156.77

## Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonable possible change in exchange rate, with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair value of monetary assets and liabilities is as follows:

## Impact on Profit/(Loss) before tax for the year

Particulars	For the year ended March 31, 2022
<b>(a). Trade receivables:</b>	
<b>USD currency:</b>	
0.50% increase (%)	16.44
0.50% decrease (%)	(16.44)
<b>(b). Advances (from customer):</b>	
<b>USD currency:</b>	
0.50% increase (%)	(0.80)
0.50% decrease (%)	0.80
<b>(c). Advances (to supplier):</b>	
<b>USD currency:</b>	
0.50% increase (%)	2.89
0.50% decrease (%)	-

<b>EURO currency:</b>	
0.50% increase (%)	0.61
0.50% decrease (%)	(0.61)
<b>CNY currency:</b>	
0.50% increase (%)	-
0.50% decrease (%)	-
<b>(d). Trade payables:</b>	
<b>USD currency:</b>	
0.50% increase (%)	(3.88)
0.50% decrease (%)	3.88
<b>EURO currency:</b>	
0.50% increase (%)	(0.04)
0.50% decrease (%)	0.04

**c. Product price risk**

In a potentially inflationary economy, the Group expects periodical price increases across its product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/ sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the customers. This helps the Group to protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

**45.4 Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

**a. Trade receivables**

The Group has adopted a policy of only dealing with counterparties that have sufficient credit rating. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group has applied a simplified approach under Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables.

**b. Financial Instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Parent's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

**c. Financial guarantees**

Financial guarantees have been provided as corporate guarantees to financial institutions and banks that have extended credit facilities to the Group's related party/subsidiary. In this regard, the Group does not foresee any significant credit risk exposure.

#### 45.5 Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs.

##### Liquidity risk table

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Upto 1 year	1-5 years	Total
<b>March 31, 2022</b>			
Lease liabilities	173.43	869.71	1,043.14
Borrowings	45,247.68	-	45,247.68
Trade payables	12,554.95	-	12,554.95
Other financial liabilities	43,453.22	0.03	43,453.25
<b>Total</b>	<b>1,01,429.28</b>	<b>869.74</b>	<b>1,02,299.03</b>
<b>April 1, 2021</b>			
Lease liabilities	158.10	1,043.14	1,201.24
Borrowings	32,206.04	-	32,206.04
Trade payables	9,839.64	-	9,839.64
Other financial liabilities	61,006.68	0.03	61,006.71
<b>Total</b>	<b>1,03,210.46</b>	<b>1,043.17</b>	<b>1,04,253.63</b>

The above table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.



## 46 Fair Value Measurement

## 46.1 Fair value of the financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2022	April 1, 2021		
<b>A) Financial assets</b>				
i) Investments in mutual funds (quoted)	9,969.15	6,007.28	Level 1	The mutual funds are valued using the closing NAV.
ii) Investments in bonds (quoted)	3,500.00	4,500.00	Level 1	The bonds are valued using the closing NAV.
iii) Investments in equity shares (quoted)	1,526.03	1,255.26	Level 1	The equity shares are valued using the closing market prices at listed stock exchange.
iv) Investments in commodities (quoted)	-	211.65	Level 1	The silver commodity are valued using the closing market prices at listed stock exchange.

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short term nature.

## 46.2 Fair value of financial assets and financial liabilities that are measured at amortised

The management believes the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

## 47 Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (i) Details of investments made by the Group in an associate are given in Note 9 in the consolidated financial statement.
- (i) Details of Loans given by the Group to an associate are given in Note 10 in the consolidated financial statement.

**48 Additional regulatory information as required by Schedule III to the Companies Act, 2013**

- 48.1 The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- 48.2 The Group has not traded or invested in Crypto currency or Virtual Currency during each reporting year.
- 48.3 There were no Scheme of Arrangements entered by the Group during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- 48.4 The Group had the following transactions with Companies struck off under Companies Act, 2013 or Companies Act, 1956.

Name of the struck off company	Nature of transactions	As at March 31, 2022	As at April 01, 2021
Geeta Consumer Cooperative Society Limited	Receivable	-	-
Mahalaxmi Hotel ware Pvt Ltd	Receivable	0.32	-
Pietech Solution Private Limited	Receivable	-	-
Shiva Bleachers Pvt Ltd	Receivable	0.01	-
Bennett Coleman & Co. Ltd	Receivable	-	-
!konstrukt Projects (OPC) Private Limited	Receivable	0.01	-

The Company had transactions with the following struck-off companies, in respect of which the outstanding balances at end of each reporting period were Nil:

- Geeta Consumer Cooperative Society Limited
- Pietech Solution Private Limited
- Bennett Coleman & Co. Ltd
- Rajasthan Movers Private Limited

- 48.5 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 48.6 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- 48.7 None of the entity of the Group has been declared willful defaulter by any bank or financial institution or government or any government authority.
- 48.8 The Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.
- 48.9 The Group does not have any Loans or advances to promoters, directors, KMPs and related parties, either severally or jointly with any other person, that are
- repayable on demand or
  - without specifying any terms or period of repayment

**49 Ratio Analysis and its elements**

Where any one or both the components of ratios are extracted from consolidated statement of profit and loss, the ratios are provided for the year ended March 31, 2022. However, where both the components of ratio are extracted from the Balance sheet, the ratios are provided for all the two periods (i.e., as at March 31, 2022 and April 1, 2021).

**a) Current Ratio = Current assets divided by Current liabilities**

Particulars	As at March 31, 2022	As at April 01, 2021
Current assets	99,510.22	82,053.99
Current liabilities	1,03,929.73	1,05,881.18
Ratio (In times)	0.96	0.77
% Change from previous year	24.68%	-

**b) Return on Equity Ratio = Net profit after tax divided by average equity**

Particulars	For the year ended March 31, 2022
Profit after Tax	21,951.75
Average equity*	(870.03)
Ratio	NA**

\*Average equity represents the average of opening and closing total equity.

\*\* Not applicable as equity is negative

**c) Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

Particulars	For the year ended March 31, 2022
Cost of goods sold*	67,855.25
Average Inventory	34,173.74
Ratio (In times)	1.99
% Change from previous year	

\* Cost of goods sold comprises Cost of Materials Consumed, Purchases of Stock in Trade and Changes in inventories of finished goods, semi finished goods and Stock in trade

**d) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	For the year ended March 31, 2022
Credit Sales*	1,35,393.25
Average Trade Receivables #	38,907.42
Ratio (In times)	3.48
% Change from previous year	

\* Credit sales includes sale of products, services and scrap sales.

# Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing trade receivables.

e) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	For the year ended March 31, 2022
Credit Purchases*	74,813.06
Average Trade Payables#	10,261.13
Ratio (In times)	7.29
% Change from previous year	

\*Credit purchases includes purchase of stock-in-trade, raw materials and packing materials

# Average trade payables represents the average of opening and closing trade payable.

f) Net Capital Turnover Ratio = Sales divided by Net Working capital

Particulars	For the year ended March 31, 2022
Revenue from operations (A)	1,35,917.44
Current Assets (B)	99,510.22
Current Liabilities (C)	1,03,929.73
Net Working Capital (D = B - C)	(4,419.51)
Ratio (In times) (E = A / D)	-30.75
% Change from previous year	

g) Net profit ratio = Net profit after tax divided by Sales

Particulars	For the year ended March 31, 2022
Profit after tax	21,951.75
Sales	1,35,917.44
Ratio	16.15%
% Change from previous year	

h) Return on Capital employed (pre-tax) = Earnings before interest and taxes (EBIT) divided by Capital

Particulars	For the year ended March 31, 2022
Profit before tax (A)	29,909.19
Finance Cost (B)	285.16
EBIT (C) = (A+B)	30,194.35
Tangible net worth* (D)	26,668.52
Total Borrowings ** (E)	46,290.82
Deferred tax liability (F)	838.82
Capital Employed (G)=(D+E+F)	73,798.16
Ratio (In %)	40.91%
% Change from previous year	

\* Tangible net worth = Net worth (total equity)- Intangible assets- Deferred Tax Assets

\*\* Total Borrowings includes Current and Non Current Borrowings and Lease Liabilities

i) **Debt Equity ratio = Total debts divided by Total Equity**

Particulars	As at March 31, 2022	As at April 01, 2021
Total Debts*	46,290.82	33,407.28
Total Equity	27,278.11	6,714.17
Ratio (In %)	1.70	4.98
% Change from previous year	-65.89%	

\* Total Debts includes Current and Non Current Borrowings and Lease Liabilities

**Reason for change more than 25%:**

For the year ended March 31, 2022, the Group's profitability has improved with 30% and 35% growth at year-on-year basis and as a result the Group has also repaid its loan.

j) **Debt service coverage ratio = Earnings available for debt services divided by total interest and principal repayments.**

Particulars	For the year ended March 31, 2022
Profit before tax (A)	21,951.75
<b>Add: Non cash operating expenses and finance cost</b>	
- Depreciation and amortisation (B)	4,755.45
- Finance cost (C)	285.16
Total Non-cash operating expenses and finance cost (Pre-tax) (D= B+C)	5,040.61
Total Non-cash operating expenses and finance cost (Post-tax) (E = D (1-Tax rate))	3,771.99
<b>Earnings available for debt services (F = A+E)</b>	<b>25,723.74</b>
<b>Debt service</b>	
Lease Repayments (H)	1,354.95
Principal Repayments & interest thereon (I)	45,247.68
Total interest and principal repayments (J = G + H + I)	46,602.63
Ratio (In times) (J = F/ I)	0.55
% Change from previous year	

l) **Return on investment = Profit divided by cost of investment: NA**

This ratio is not applicable since the Group does not have any projects/investment other than current operations.

Cello World Limited

(Formerly known as Cello World Private Limited)

CIN: U25209DD2018PLC009865

Notes to the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ("2022 SPCFS")

All amounts are ₹ in Lakhs unless otherwise stated

Identifiable assets acquired and liabilities assumed and capital reserve arising on business combination under common control

Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
<b>As at April 01, 2021</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
a) Property, plant and equipment	4,438.10	1,123.91	2,111.39	11,786.42
b) Capital work-in progress	-	35.43	171.99	13.82
c) Right of use assets	-	-	1,063.15	385.21
d) Intangible assets	0.55	3.71	7.68	-
e) Investments	-	-	100.00	4,500.00
f) Loans	9.03	-	6.30	45.39
g) Other financial assets	442.22	46.36	6.10	170.92
h) Deferred tax assets (net)	561.77	4.43	-	-
i) Income tax assets (net)	-	-	-	40.38
j) Other non-current assets	211.93	-	17.45	59.69
<b>Total non-current assets</b>	<b>5,664.00</b>	<b>1,213.84</b>	<b>3,484.06</b>	<b>16,501.83</b>
<b>Current assets</b>				
a) Inventories	3,862.97	2,417.41	2,007.69	10,318.83
b) Investments	1.23	-	-	7,472.96
c) Trade receivables	5,699.24	2,023.98	2,950.67	6,725.13
d) Cash and cash equivalents	314.48	117.47	65.88	460.52
e) Bank balances other than (ii) above	88.91	0.54	-	227.06
f) Loans	15.18	25.01	148.35	22.03
g) Other financial assets	0.50	0.20	-	385.21
h) Other current assets	319.03	223.89	953.31	367.07
<b>Total Current Assets</b>	<b>10,321.54</b>	<b>4,828.60</b>	<b>6,125.90</b>	<b>25,974.81</b>
<b>Total Assets</b>	<b>15,985.54</b>	<b>6,042.44</b>	<b>9,609.96</b>	<b>42,476.64</b>



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Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
<b>Equity</b>				
Other Equity	-	-	-	37,057.48
Non Controlling Interest	-	-	-	(26.60)
<b>Total</b>	-	-	-	<b>37,030.88</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
a) Lease liabilities	-	-	924.43	107.31
b) Provision	67.37	103.78	10.74	75.13
c) Deferred tax liabilities (net)	-	-	56.13	770.47
<b>Total non-current liabilities</b>	<b>67.37</b>	<b>103.78</b>	<b>991.30</b>	<b>953.02</b>
<b>Current liabilities</b>				
a) Lease liabilities	-	-	131.72	19.38
b) Borrowings	-	-	4,304.17	-
c) Trade payables	2,605.73	49.55	1,341.41	1,641.97
d) Other financial liabilities	182.58	1,095.03	-	161.28
e) Provisions	1.60	32.76	0.08	110.11
f) Other current liabilities	348.56	39.49	46.42	-
g) Current tax liabilities (net)	-	-	170.98	1,352.41
<b>Total current liabilities</b>	<b>3,338.47</b>	<b>1,216.83</b>	<b>6,001.78</b>	<b>3,292.35</b>
<b>Total liabilities</b>	<b>3,405.84</b>	<b>1,320.61</b>	<b>6,993.08</b>	<b>4,245.37</b>

Cello World Limited  
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All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
Net assets and reserves transferred	12,579.70	4,721.83	2,616.88	1,200.39
Purchase consideration payable in Cash	(14,250.00)	(4,735.00)	(8,113.23)	(33,113.79)
Non-controlling interest	-	-	-	(540.71)
Capital Reserve as on April 1, 2021	(1,670.30)	(13.17)	(5,496.35)	(32,454.10)
Add: Differences on account of net assets not transferred including cash generated	1,504.23	(203.50)	2,693.60	-
Capital Reserve as on March 31, 2022	(166.07)	(216.67)	(2,802.75)	(32,454.10)

Details of purchase consideration payable at the end of each reporting year:

Particulars	Cello Industries Private Limited (on account of slump sale from Cello Plast)	Cello Household Products Private Limited (on account of slump sale from Cello Plastotech)	Unomax Stationery Private Limited (on account of slump sale from Unomax Pens & Stationery Private Limited)	Cello World Limited (on account of acquisition of Wimplast Limited)
Purchase consideration payable as at April 01, 2021	14,250.00	4,735.00	8,113.23	33,113.79
Paid during the year	(13,900.00)	(4,735.00)	-	-
Purchase consideration payable as at March 31, 2022	350.00	-	8,113.23	33,113.79

- a. Pursuant to a business transfer agreement dated July 01, 2021, entered into between Cello Household Products Private Limited and one of its related parties, Cello Plastotech (partnership firm), Cello Plastotech has transferred to Cello Household Products Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, for a cash consideration of ₹ 4735 lakhs. The assets and liabilities have been transferred at their book values as on July 01, 2021.
- b. Pursuant to a business transfer agreement dated November 30, 2021, entered into between Cello Industries Private Limited and one of its related parties, Cello Plast (partnership firm), Cello Plast has transferred to Cello Industries Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, for a cash consideration of ₹ 14,250 lakhs. The assets and liabilities have been transferred at their book values as on November 30, 2021.  
  
Cello World Limited (Formerly known as Cello World Private Limited) acquired 100% equity stake in Cello Industries Private Limited on July 31, 2020 for a cash consideration of ₹ 1 lakh.
- c. Pursuant to a business transfer agreement dated November 01, 2022, entered into between Unomax Stationery private Limited and one of its related parties, Unomax Pens & Stationery Private Limited (UPSPL), UPSPL has transferred to Unomax Stationery Private Limited, on a slump sale basis and as a going concern, its entire business, barring certain assets & liabilities, (including two wholly-owned subsidiaries - Unomax Writing Instruments Private Limited and Unomax Sales & Marketing Private limited) for a cash consideration of ₹ 8113.23 lakhs. The assets and liabilities have been transferred at their book values as on November 01, 2022.
- d. Cello World Limited (Formerly known as Cello World Private Limited) acquired 54.91% equity stake in Wimplast Limited, a listed entity on November 10, 2022 through an inter-se transfer between promoters / promoters group for a cash consideration of ₹ 33113.79 lakhs.
- e. Cello World Limited (Formerly known as Cello World Private Limited) became 21% partner in Cello Industries (the "erstwhile partnership firm") on August 01, 2020. With effect from June 2, 2021, the erstwhile partnership firm was converted to Cello Houseware Private Limited. Pursuant to the provisions Chapter XX, Part I of the Companies Act, 2013, the assets and liabilities of the erstwhile partnership firm were transferred to Cello Houseware Private Limited. Subsequently on March 16, 2021, Cello World Limited (Formerly known as Cello World Private Limited) acquired a further 71.1% stake in Cello Household Products Private Limited through a rights issue for a cash consideration of ₹ 92.10 lakhs.

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Notes to the Special Purpose Consolidated Financial statements for March 2022 and April 2021 ('2022 SPCFS')

All amounts are ₹ in Lakhs unless otherwise stated

51 First-time adoption of Ind-AS

51.1 Reconciliation of total equity as at March 31, 2022 and April 01, 2021

Sr no.	Particulars	Note	As at March 31, 2022	As at April 01, 2021
I	Total equity (shareholder's funds) under previous GAAP		22,832.74	9,630.65
	Total equity (shareholder's funds) under previous GAAP			
	Total equity under previous GAAP pertaining to entities acquired through business combination under common control	h (i)	240.15	12,300.19
	<b>Adjusted total equity (shareholder's funds) under previous GAAP</b>		<b>23,072.89</b>	<b>21,930.84</b>
	Reserves and NCI (reported under Ind AS) assumed on acquisition of subsidiary through business combination under common control	h (ii)	39,932.11	37,030.96
	<b>Adjusted total equity</b>		<b>63,005.00</b>	<b>58,961.80</b>
II	Effect of eliminations due to consolidation of entities / businesses under common control		423.41	493.94
III	<b>Ind AS Adjustments:</b>			
	Gratuity impact as per valuation	a	(200.26)	(150.69)
	Expected credit allowance on trade receivables	b	(342.25)	(200.01)
	Depreciation on property, plant & equipment and intangible assets	c	(68.52)	-
	Fair value of investment in mutual fund	d	-	-
	Pre-incorporation, pre-operative & preliminary expenses	e	(17.00)	(7.16)
	Depreciation and interest on ROU asset and lease liability	f	(130.46)	(82.53)
	Creation of capital reserve on account of business combination	47	(35,639.66)	(39,633.98)
	Adjustments for equity pertaining to erstwhile owners / partners in business combinations under common control	h (iii)	48.17	(12,243.94)
	Deferred tax impact	g	199.67	(423.26)
	<b>Total</b>		<b>(36,150.31)</b>	<b>(52,741.57)</b>
IV	<b>Total adjustments to equity (II+III)</b>		<b>(35,726.90)</b>	<b>(52,247.63)</b>
V	<b>Total equity and Non-controlling interest under Ind AS (I+IV)</b>		<b>27,278.10</b>	<b>6,714.17</b>

## 51.2 Reconciliation of Total Comprehensive Income for the year ended March 31, 2022

Sr no.	Particulars	Note	For Year ended March 31, 2022
I	Profit after tax as per previous GAAP		
	Profit after tax as per previous GAAP		13,197.22
	Profit under previous GAAP pertaining to entities acquired through business combination under common control	h (i)	6,729.78
	<b>Total profit after tax as per previous GAAP</b>		<b>19,927.00</b>
	Profit (reported under Ind AS) pertaining to subsidiary acquired through business combination under common control	h (ii)	3,525.12
	Effect of eliminations due to consolidation of entities / businesses under common control		(133.67)
	<b>Adjusted profit after tax</b>		<b>23,318.45</b>
II	<b>Ind AS Adjustments:</b>		
	Gratuity impact as per valuation	a	(24.72)
	Expected credit allowance on trade receivables	b	(142.25)
	Depreciation on property, plant & equipment and intangible assets	c	(68.52)
	Fair value of investment in mutual fund	d	-
	Pre-incorporation, pre-operative & preliminary expenses	e	(9.84)
	Depreciation and interest on ROU asset and lease liability	f	(47.92)
	Adjustments for income pertaining to erstwhile owners / partners in business combinations under common control	h (iv)	(1,155.49)
	Deferred tax impact	g	110.77
	<b>Total adjustment to profit or loss</b>		<b>(1,337.97)</b>
III	<b>Profit after tax under Ind AS (I+II)</b>		<b>21,980.48</b>
IV	<b>Other comprehensive income</b>		
	Remeasurement of defined benefit plans	a	(24.90)
	Deferred tax impact	g	6.27
	<b>Total adjustment to other comprehensive income</b>		<b>(18.63)</b>
V	<b>Total comprehensive income as per above (III+IV)</b>		<b>21,961.85</b>

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

## 51.3 Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2022.

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind

**51.4 Notes to first-time adoption:**

**a. Actuarial gains and losses**

The impact is on account of measurement of employee benefits obligations as per Ind AS 19. Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset, are recognised in the Other Comprehensive Income (OCI) under Ind AS instead of profit or loss.

**b. Expected credit allowance on trade receivables**

Under Ind AS, impairment allowance has been determined based on forward-looking expected credit loss (ECL) model which has led to an increase in the amount of provision as on the date of transition. The Company chose to calculate impairment allowance under simplified approach for trade receivables where the Company does not separately track changes in credit risk.

**c. Depreciation on property, plant and equipment**

The depreciation on property, plant and equipment acquired on account of slump sale / transferred on account of conversion has been computed in accordance with Companies Act, 2013 and Ind AS 16, on the deemed cost (i.e. carrying value as per previous GAAP) from the date of transition to Ind AS. Furnace rebuild expense, which was treated as prepaid expense under previous GAAP, has been capitalised and depreciated over its useful life in accordance with Ind AS 16. Leasehold improvements have been depreciated over the lease term in accordance with Ind AS 116.

**d. Investment in mutual funds**

Under previous GAAP, current investments were valued at the lower of cost and fair market value. Under Ind AS the investment in mutual funds is classified as financial asset measured at fair value through profit & loss. Accordingly, the impact of difference in carrying amount as per previous GAAP and fair value as on reporting date has been taken in the respective periods.

**e. Pre-incorporation, pre-operative & preliminary expenses**

Under the previous GAAP, the pre-operative expenses were treated as a prepaid asset, to be amortised over a period of five years from the date when the Company becomes operative. Ind AS requires these expenses to be charged to the profit & loss account in the period in which the expenses are incurred.

**f. Leases**

Under previous GAAP, the lease payment made for the properties taken on lease is recognised as Rent Expenses in the Statement of Profit and Loss for the period. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. Under Ind AS, the Company should recognise right-to-use asset (ROU asset) and lease liability for the properties taken on lease subject to exemption provided in the Ind AS 116. On application of Ind AS 116, the nature of expenses has changed from lease rent to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. There is no change in accounting by the lessor.

**g. Deferred Tax**

The previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.



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**h. Adjustments on account of business combination under common control**

i) The amount of total equity and profit pertaining to the entities / businesses acquired through business combinations under common control has been included in the amounts as per previous GAAP in the above reconciliation on account of restatement of prior period information as required under Appendix C of Ind AS 103.

ii) In case of acquisition of WimPlast Limited, since the entity was already preparing its financial statements under Ind AS, the amount of reserves and NCI assumed on account of acquisition under common control have been added to total equity in the above reconciliation. Similar adjustment has been made in respect of reconciliation of total comprehensive income.

iii) Adjustments for equity pertaining to erstwhile owners / partners in business combinations under common control represents equity and accumulated profits attributable to erstwhile owners / partners as well as certain assets and liabilities which were not transferred to the Group on slump sale. However, the same were accounted / disclosed while restating the prior period information as required under Appendix C of Ind AS 103.

iv) Adjustments for income pertaining to erstwhile owners / partners in business combinations under common control represents income or expenses related to certain assets or liabilities which were not transferred to the Group on slump sale.

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All amounts are ₹ in Lakhs unless otherwise stated

52. Additional information

Information as at and for the year ended March 31, 2022

Name of the entity in Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent</b>								
Cello World Limited	48.42	13,208.40	19.10	3,895.63	(103.89)	2.96	19.11	3,898.60
<b>Subsidiary</b>								
Cello Industries Private Limited	5.40	1,472.44	18.77	3,829.15	(28.60)	0.82	18.78	3,829.96
Cello Consumerware Private Limited	0.02	5.58	(0.02)	(4.42)	-	-	(0.02)	(4.42)
Cello Household Private Limited	19.11	5,213.60	26.92	5,491.76	259.69	(7.41)	26.89	5,484.35
Cello Houseware Private Limited	9.17	2,502.19	13.23	2,698.48	98.49	(2.81)	13.22	2,695.67
Unomax Stationary Private Limited	(10.31)	(2,813.64)	13.13	2,678.53	427.98	(12.21)	13.07	2,666.32
Wim Plast Limited	150.97	41,182.67	17.14	3,496.26	(1,008.08)	28.76	17.28	3,525.02
<b>Non controlling interest in Wim Plast Limited</b>	<b>174.36</b>	<b>47,562.84</b>	<b>89.17</b>	<b>18,189.76</b>	<b>(250.52)</b>	<b>7.15</b>	<b>89.22</b>	<b>18,196.90</b>
	67.87	18,513.50	(7.61)	(1,552.23)	454.41	(12.96)	(7.67)	(1,565.20)
<b>InterCompany elimination and consolidation adjustments</b>	-190.65	(52,006.61)	(0.66)	(133.64)	-	-	(0.65)	(133.59)
<b>Total</b>	<b>100.00</b>	<b>27,278.11</b>	<b>100.00</b>	<b>20,399.51</b>	<b>100.00</b>	<b>(2.85)</b>	<b>100.00</b>	<b>20,396.66</b>

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Name of the entity in Group	Information as at and for the year ended March 31, 2021	
	Net Assets i.e., total assets minus total liabilities	As % of Consolidated net assets
<b>Parent</b>		
Cello World Limited	138.66	9,309.80
<b>Subsidiary</b>		
Cello Industries Private Limited	(34.14)	(2,292.55)
Cello Consumerware Private Limited	4.87	326.93
Cello Household Private Limited	(1.46)	(98.19)
Unomax Stationary Private Limited	(81.90)	(5,498.71)
Wim Plast Limited	569.81	38,257.82
	<b>457.17</b>	<b>30,695.30</b>
<b>Non controlling interest in Wim Plast Limited</b>	256.46	17,218.84
<b>InterCompany elimination and consolidation adjustments</b>	(752.29)	(50,509.77)
<b>Total</b>	<b>100.00</b>	<b>6,714.17</b>

**53 Significant events after the reporting period**

- (a) The status of the Company has changed from private limited to public limited. Pursuant to the provisions of Section 18 of the Companies Act, 2013, read with Rule 33 of the Companies (Incorporation) Rules, 2014, as amended from time to time, and vide Shareholders' approval dated June 12, 2023, the name of the Company has changed from "Cello World Private Limited" to "Cello World Limited" with effect from July 18, 2023, on which date the Registrar of Companies, Goa gave its approval for the said conversion.
- (b) Subsequent to the year end, pursuant to resolution dated June 09, 2023 and addendum to CCPS agreement effective April 01, 2023, the conversion ratio in terms of the agreement stands amended, as follows:

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-Each CCPS will be converted into Equity Shares at a fixed ratio of 1: 2.397, subject to corporate action adjustments, as provided in the agreement  
Further, certain exit options in terms of the original agreement have been amended with effect from April 01, 2023, including waiver of the investor's right to require the Company to buy back / purchase all of the Investors' shares at a price determined in terms of the agreement.

Subsequently, pursuant to resolution dated August 05, 2023, the CCPS agreement was further amended in respect of modifications in the board nomination and waiver of certain rights of Investors and Promoters.

Upon such change in existing terms of CCPS, the existing CCPS classified as a financial liability would qualify for treatment as instrument entirely in nature of equity.


54 The Special Purpose Consolidated Financial statements for March 2022 and April 2021 ("2022 SPCFS") of the Group have been approved for issuance in accordance with the resolution of the board of directors on August 05, 2023.

For and on behalf of Board of Directors of  
Cello World Limited  
(Formerly known as Cello World Private Limited)

  
Pradeep G Rathod  
Chairman & Managing Director  
DIN: 00027527

  
Pankaj G Rathod  
Joint Managing Director  
DIN: 00027572

  
Hemalgi Trivedi  
Company Secretary  
M No.: A27603

  
Hemalgi Trivedi  
Company Secretary  
M No.: A27603

Place: Mumbai  
Date: August 05, 2023

**Cello World Limited**  
***Consolidated Financial Information***  
Financial Year 2022



**B. P. SHAH & CO.**

**CHARTERED ACCOUNTANTS**

159/4, Smruti, Jawahar Nagar Road No. 2,  
Goregaon (West), Mumbai - 400 062.  
Telefax: 2876 7488, 2873 7904  
Mobile : 98921 66440. Res.: 2873 2862

## INDEPENDENT AUDITOR'S REPORT

To the Members of Cello World Private Limited.

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the financial statements of **Cello World Private Limited** (hereinafter referred to as "the **Holding Company**") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "**the Group**"), which comprise the Consolidated balance sheet as at 31st March 2022, and the Consolidated statement of profit and loss for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and loss for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance of the Company in accordance with the accounting



principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the Board of Directors of the Companies included in the Group is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on

the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the respective directors of companies as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company and its Subsidiaries company which is incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditor's reports of the Holding Company and its subsidiaries which is



incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of, the Holding Company's and its subsidiaries which are incorporated in India, internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group does not have any pending litigations which would impact its financial position
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries which are incorporated in India
- iv. The management of the Group has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- v. The management of the Group has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) contain any material mis-statement

vii. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For B. P. Shah & Co  
Chartered Accountants  
Firm's Registration No. 109517W

*B. P. Shah*

Bharat P Shah  
Partner

Membership No. 033530

Place of Signature: Mumbai

Date: 15/09/2022

UDIN: 22033530BABBFCV1835



## **“Annexure A” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Cello World Private Limited of even date)

### **Report on the Internal Financial Controls under Paragraph (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the Consolidated Financial Statements of Cello World Private Limited as of and for the year ended March 31,2022 we have audited the internal financial controls over financial reporting of Cello World Private Limited(hereinafter referred to as “the Holding Company”) and its subsidiaries, which are incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiaries which is incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’).

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Holding Company and its subsidiaries,which is incorporated in India,internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these

Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements with reference to these Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



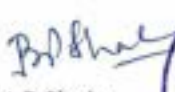
**Opinion**

In our opinion, the Holding Company and its subsidiaries has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting with reference to these Consolidated Financial Statements criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For B.P. Shah & Co**

**Chartered Accountants**

Firm Registration Number: 109517W

  
Bharat P Shah

Partner

Membership no: 033530



Place: Mumbai

Date: 15/09/2022

UDIN: 22033530BABFCV1835

PARTICULARS	NOTES	As at 31st March 2022	As at 31st March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	1.00	1.00
(b) Reserves and Surplus	2	22,251.40	9,602.36
(c) Minority Non Controlling Interest		580.34	24.26
<b>(3) Non-Current Liabilities</b>			
(a) Long Term Borrowings			
(b) Deferred Tax Laibilites(net)			
(c ) Other Long Term Liabilities			
(d) Long Term Provision	3	71.82	44.78
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	4	39,988.79	19,996.28
(b) Trade payables	5	7,206.11	2,964.93
(c) Other current liabilities	6	2,022.37	343.36
(d) Short Term Provisions	7	5,096.77	1,446.07
	<b>TOTAL</b>	<b>77,218.60</b>	<b>34,423.03</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment	8		
(i) Tangible assets (Net)		11,931.31	2,086.21
(ii) In-Tangible assets (Net)		60.20	23.95
(iii) Capital Work-in-Progress		276.49	-
(b)Deffered Tax Assets	9	29.93	17.85
(c) Long- Term loans and advances	10	264.87	26.77
<b>(2) Current assets</b>			
(a) Inventories	11	24,509.94	7,904.73
(b) Trade receivables	12	28,630.56	21,388.64
(c) Investments	13	-	2.10
(d) Cash and cash equivalents	14	5,283.01	1,905.72
(e) Short-term loans and advances	15	3,377.81	840.16
(f) Other Current Asset	16	2,854.47	226.90
	<b>TOTAL</b>	<b>77,218.60</b>	<b>34,423.03</b>

The notes form an integral part of these Financial Statements

1 to 29

In terms of our Report attached.

For B. P. Shah & Co.

Chartered Accountants

(FRN NO: 109517W)

Bharat P. Shah

Partner

M.No. 033530

Mumbai

Date:15/09/2022

UDIN:22033530BABFCV1835



For and on behalf of the Board of  
Cello World Private Limited

Pradeep G Rathod

Director

DIN: 00027527

Mumbai

Pankaj G Rathod

Director

DIN:00027572

Mumbai

PARTICULARS	NOTES	For the Period ended 31/03/2022	For the Period ended 31/03/2021
<b>1. INCOME :</b>			
(a) Revenue from Operations (Net)	17	73,962.38	52,435.04
(b) Other Income	18	255.00	638.56
<b>TOTAL REVENUE ((a)+(b))</b>		<b>74,217.38</b>	<b>53,073.60</b>
<b>2. EXPENSES:</b>			
(a) Cost of Materials Consumed	19	23,116.73	632.72
(b) Purchases of Traded Goods	20	19,831.99	42,662.51
(c) Change in Inventories of Finished Goods	21	-4,358.58	-2,965.72
(c) Employee Benefits Expense	22	6,545.68	2,128.53
(e) Finance Cost	23	58.96	46.92
(f) Manufacturing Expenses	24	4,080.24	45.21
(f) Administrative and other cost	25	1,827.81	521.91
(g) Selling and Distribution cost	26	3,683.53	2,102.46
<b>TOTAL EXPENSES (Total (a) to (g))</b>		<b>54,786.37</b>	<b>45,174.55</b>
<b>(3) PROFIT BEFORE DEPRECIATION AND TAX (1-2)</b>		<b>19,431.01</b>	<b>7,899.05</b>
<b>(4) DEPRECIATION</b>	8	1,632.24	94.29
<b>(5) PROFIT BEFORE TAX (3-4)</b>		<b>17,798.77</b>	<b>7,804.76</b>
<b>(6) PROFIT APPROPRIATIONS:</b>			
(a) Current tax		4,623.47	1,883.25
(b) Previous Year		-9.85	52.50
(c) Deffered Tax		-12.08	-11.25
<b>PROFIT FOR THE YEAR (5-6)</b>		<b>13,197.23</b>	<b>5,880.26</b>
<b>EARNINGS PER EQUITY SHARE - BASIC AND DILUTED</b>	27	1,31,972.26	58,802.59

The notes form an integral part of these Financial Statements

1 to 29

In terms of our Report attached.

For B .P. Shah & Co.

Chartered Accountants  
(FRN NO: 109517W)

Bharat P. Shah

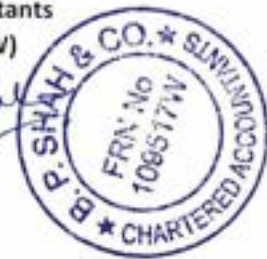
Partner

M.No. 033530

Mumbai

Date: 15/09/2022

UDIN: 22033530BABCVC1835



For and on behalf of the Board  
Cello World Private Limited

Pradeep G Rathod  
Director  
DIN: 00027527  
Mumbai

Pankaj G Rathod  
Director  
DIN: 00027572  
Mumbai

**Note 27: Earnings per Equity Share**

Particulars	Units	FOR THE YEAR ENDED 31st MARCH, 2022	FOR THE YEAR ENDED 31st MARCH, 2022
a. Profit after tax available for Equity shareholder (before exceptional items)	Amount (in ₹)	13,197.23	5,880.26
b. Weighted average number of ordinary shares	Numbers	10,000	10,000
c. Nominal Value per share	Amount (in ₹)	10	10
d. Earning per share(Basic & Diluted)	Amount (in ₹)	1,31,972.26	58,802.59

**Note 28: Contingent Liabilities and Commitments:** - NIL

**Note 29:** Previous Year Figures have been regrouped for Audit purposes

For B. P. Shah & Co.  
Chartered Accountants  
(FRN NO: 109517W)

Bharat P. Shah  
M.No. 033530  
Mumbai  
Date: 15/09/2022  
UDIN: 22033530B8FCV1835



For and on behalf of the Board  
Cello World Private Limited

  
Pradeep G Rathod  
Director  
DIN: 00027527  
Mumbai

  
Pankaj G Rathod  
Director  
DIN: 00027572  
Mumbai



## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

**1 Company Overview**

The Consolidated Financial statements comprise the financial statements of Cello World Private Limited("the holding Company") and its Subsidiary Companies (Cello Household Products Private Limited and Cello Industries Private Limited)(collectively referred as "the Group") for the year ended 31/03/2022.

Cello World Private Limited("the Company") is carrying the Trading Activity of Plastic and Rubber Products such as Water Bottles,Storage Container & Jars,Tiffns & Lunch Carriers,Glassware,Steel Flasks & Jars having registered address at 597/2A,Somnath Road,Dabhel,Nani Daman,DD-396210 and Corporate Office at Mumbai

**Group Structure**

Name of the Groups	Country of Incorporation	% Ownership held as at March 31,2022
<b>Subsidiary Group:</b>		
Cello Industries Private Limited	India	100.00%
Cello Consumerware Pvt Ltd.	India	100.00%
Cello Houseware Private Limited	India	92.10%
Cello Household Products Private Limited	India	93.00%

**2 Significant Accounting Policies:****i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- The Accounts are prepared on Historical cost convention on an accrual basis.
- The preparation of financial statements is in conformity with generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure regarding contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year.
- The financial statement are prepared to comply in all material respect with the accounting standard notified by the Companies (Accounting Standards) Rules, 2006 and provision of The Companies Act, 2013.
- The Consolidated Financial Statements comprises of Cello World Private Limited and its subsidiary,being the entity that it controls.

**ii) Principle of Consolidation**

- The Financial Statements of the Holding Group and its Subsidiary are combined on a line by line basis by adding together like items of assets,liabilities,equity,incomes and expenses after fully eliminating intra-group balances and intra-group transactions
- Profits or losses resulting from intra-group transactions that are recognised in assets,such as inventory and Property,Plant and Equipment,are eliminated in full
- The Audited Financial Statements of subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or AS
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances
- The carrying amount of the parent's investment in subsidiary is offset(eliminated) against the parent's portion of equity in subsidiary
- The Holding Group's accounts for its share of post-acquisition changes in net assets of subsidiaries,after eliminating unrealised profits and losses resulting from transactions between the Group and its subsidiaries
- Non-Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.
- Non-Controlling Interest's share of net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet

## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

**iii) USE OF ESTIMATES**

Accounting estimate could change from period to period and actual result could differ from those estimates. Appropriate changes in estimates are made as the Management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**iv) REVENUE RECOGNITION**

Revenue is accounted on accrual basis unless otherwise stated.

Other Income such as Dividend Income is recognized when Group's right to receive the Dividend is established by the reporting date, Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. The Income from Services are recognized on accrual Basis

**v) PROPERTY, PLANT & EQUIPMENT**

Fixed assets (Other than Freehold Land where no depreciation is charged) are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of purchase price and any directly attributable cost of bringing the asset to working conditions for the intended use. Cenvat receivable and value added tax, if any on Plant & Machinery and moulds have been reduced from the cost of acquisition of the said assets. The amount of capital work in progress is valued at cost.

**Intangible Assets**

Intangible assets are stated at cost less accumulated amortization.

**vi) DEPRECIATION / AMORTISATION**

Depreciation on fixed Assets is provided on life assigned to each assets in accordance with the Schedule-II of the Companies Act, 2013.

a)

b) All Fixed Assets costing less than Rs.5,000/- are written off in the year of acquisition.

**vii) IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is an indication of impairment based on the internal and external factors i.e. when the carrying amount of assets exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the period in which the asset is identified as impaired. An impairment loss recognised in prior accounting period is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

**viii) INVESTMENT**

Long term investments are carried at cost less provision for any diminution other than temporary, in the value of such investments. Current investments are carried at the lower of cost and fair value.

**ix) INVENTORIES**

Finished goods are valued at cost or net realisable value, whichever is lower, cost being worked out on First in First Out basis. Cost includes all charges for bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**x) PROVISION FOR CURRENT AND DEFERRED TAX**

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of The Income Tax Act, 1961. Deferred tax Asset / liability is calculated by applying the applicable tax rate as at Balance Sheet date. Deferred tax adjustment on account of timing difference are recognized only to the extent there is reasonable certainty of realization. At each balance sheet date, carrying amount of deferred tax assets / liability is reviewed and necessary adjustment to asset / liability is made.



## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

**xi) FOREIGN CURRENCY TRANSACTIONS**

- a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.
- b) All monetary foreign currency current assets/liabilities are translated at the rates prevailing on the date of the Balance Sheet. Foreign Exchange rate differences arising on settlement(s) / conversion(s) are recognised in the Profit and Loss Account.
- c) Non Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using exchange rate at the date of the transaction

**xii) EMPLOYEE BENEFIT EXPENSES**

Employee benefits include bonus, compensated absences, provident fund, employee state insurance scheme, Pension Scheme and gratuity fund.

**a) Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**b) Post-Employment Benefits****1 Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund, Superannuation Fund, Employees' State Insurance Corporation and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**2 Defined Benefit Plans**

The Group pays gratuity to the employees who have completed five years of service at the time of resignation/ superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

**c) Other Employee Benefits Compensated Absences**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

**xiii) PROVISION FOR CURRENT AND DEFERRED TAX**

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of The Income Tax Act, 1961. Deferred tax Asset / liability is calculated by applying the applicable tax rate as at Balance Sheet date. Deferred tax adjustment on account of timing difference are recognized only to the extent there is reasonable certainty of realization. At each balance sheet date, carrying amount of deferred tax assets / liability is reviewed and necessary adjustment to asset / liability is made.

**xiv) PROVISIONS, CURRENT LIABILITIES AND CURRENT ASSETS**

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent Assets are not recognized or disclosed in the financial statements.

## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

**xv) EARNING PER SHARE**

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Group by the weighted average number of equity shares in issue during the year.

**xvi) CASH AND CASH EQUIVALENTS**

Cash Comprises of cash on hand ,cheques on hand and demand deposits with Banks. Cash Equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk due to changes in value.

**xvii) CURRENT /NON CURRENT ITEMS:**

All assets and Liabilities are presented as Current or Non Current as per the Company's normal operating cycle and the other criteria set out in Schedule -III to the Companies Act,2013

**xviii) MICRO,SMALL AND MEDIUM ENTERPRISES:**

None of the Suppliers has intimated to the Group ,of their being registered as a MSME undertaking holding permanent registration certificate issued by the relevant authorities and hence,the company is unable to ascertain the amount due,If any,to suppliers classified as Micro,Small & Medium Enterprises

Note 1 : SHARE CAPITAL	As at 31st March,2022	As at 31st March,2021
<b>Authorized Capital</b>		
10,000 Equity Shares of Rs. 10 each	1.00	1.00
<b>Issued, Subscribed and fully paid up Capital</b>		
10,000 Equity Shares of Rs. 10 each	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

Refer Notes[(a) to (d)] below

Refer Notes below:

a) There is no change in the Authorised, Issued/ Subscribed and Paid-Up Share Capital during the financial year

b) Aggregate number of Bonus shares issued, shares issued for consideration other than Cash and share bought back during the period of 5 year immediately preceding the report date-NIL

c) Details of Shareholders of the company

Name of the Shareholder	AS AT MARCH 31, 2022	
	No. of Shares	% of holding
Mr. Pankaj Rathod	3,200.00	0.32
Mrs. Babita P. Rathod	1,700.00	0.12
Mr. Pradeep G Rathod	1,600.00	0.16
Mrs. Sangeeta P. Rathod	800.00	0.08
Mr. Gaurav P Rathod	2,800.00	0.28
Mrs. Ruchi G Rathod	400.00	0.04
<b>TOTAL</b>	<b>10,000.00</b>	<b>1.00</b>

d) Reconciliation of the shares outstanding at the beginning and at the end of the financial year

Equity Shares of Rs. 10/- each Fully Paid	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Outstanding at the beginning of the year	10,000.00	10,000.00
Add - Issued during the year	-	-
Less - Bought back during the year	-	-
Outstanding at the end of the year	<b>10,000.00</b>	<b>10,000.00</b>

Note 2 : RESERVES AND SURPLUS	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	9,602.36	3,740.01
Less: Opening Provisions for Depreciation adjusted(Retained Earning)	-	(0.88)
Add: Transferred from Deferred tax Liability	-	0.22
Add :Profit /(Loss) for the year	12,649.04	5,863.00
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>22,251.40</b>	<b>9,602.36</b>
<b>Total Reserves and Surplus</b>	<b>22,251.40</b>	<b>9,602.36</b>

Note 3 : Long Term Provisions	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Employee Benefit Expenses	71.82	44.78
	<b>71.82</b>	<b>44.78</b>

Note 4 : SHORT TERM BORROWINGS	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
<b>UNSECURED LOANS</b>		
(a) Loan from Director (Repayable on Demand)	39,309.65	13,108.36
(b) Overdraft Account (Secured against Fixed Deposit owned by Shareholder)	629.60	6,887.92
(c) Loan from other	49.55	-
	<b>39,988.79</b>	<b>19,996.28</b>

Note 5 : TRADE PAYABLES	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Trade Payables Due to :		
(a) Micro Small and Medium Enterprises	1,583.17	324.13
(b) Other than Micro Small and Medium Enterprises	5,622.94	2,640.79
	<b>7,206.11</b>	<b>2,964.93</b>

Note 6 : Other Current Liabilities	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Statutory Dues Payables	434.05	152.59
(b) Advance Received from Customers	757.49	190.77
(c) Advances Payable in Cash or Kind	830.82	-
	<b>2,022.37</b>	<b>343.36</b>

Note 7 : Short Term Provision	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Provision for expenses	1,904.56	943.77
(b) Provision for Employee Benefits	498.97	286.40
(c) Provision for Income Tax (Net of Advance Tax, TDS & TCS)	2,693.25	215.90
	-	-
	<b>5,096.77</b>	<b>1,446.07</b>

Note 9 : Deferred Tax Asset	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
<b>Deferred Tax Assets</b>		
Opening Balance	17.85	0.07
	-	-
Deferred Tax Asset on Account of:		
(a) Bonus	(2.62)	-
(b) Depreciation	(4.06)	5.40
(c) Tax effect of items constituting deferred tax assets	18.18	12.37
(d) Others	0.58	-
	12.08	17.78
	-	-
	<b>29.93</b>	<b>17.85</b>

Note 10 : Long-Term Loans And Advances	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
<b>(a) Balance with Government Authorities:</b>		
V.A.T Receivable For F.Y. 2015-16	4.96	-
V.A.T Receivable For F.Y. 2016-17	1.19	-
VAT Receivable for F.Y. 2017-18	13.40	0.57
VAT Receivable for F.Y. 2016-17	-	8.20
	-	-
<b>(b) Security Deposits:</b>		
Electricity Deposits	244.82	18.00
Fixed Deposits	-	-
Interest on Fixed deposit	-	-
Room Rent Deposits	0.50	-
	<b>264.87</b>	<b>26.77</b>

Note 11 : Inventories	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Raw Materials	6,622.30	2,017.97
(b) Raw materials- In transit	61.18	-
(c) Semi-Finished Goods	1,454.33	3,708.99
(d) Finished Goods	15,420.08	2,177.77
(e) Finished Goods- In transit	1.51	-
(f) Packing Material	375.41	-
(g) Stores & Spares	377.70	-
(h) Trading Material	197.43	-
	-	-
	<b>24,509.94</b>	<b>7,904.73</b>

Note 12 : Trade Receivables	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
<b>Trade Receivables</b>		
(a) More than 180 Days	1,103.92	740.84
(b) Less than 180 Days Unsecured, Considered good	27,526.65	20,647.80
	-	-
	<b>28,630.56</b>	<b>21,388.64</b>

Note 13 : Investment	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Investment in Partnership Firm	-	2.10
(b) Investment in Shares	-	-
(c) Investment in Equity Shares of Pvt Ltd Companies	-	-
	-	<b>2.10</b>



Note 14 : Cash & Cash Equivalents	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Cash on Hand	4.44	2.22
(b) Balances with Banks	-	-
(i) In Current Accounts	1,853.48	662.38
(ii) In Fixed Deposit	3,425.09	1,241.12
	<b>5,283.01</b>	<b>1,905.72</b>

Notes 15 : Short-term Loans and advances	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Security Deposit	65.26	0.30
(b) Advance Import Payments	141.00	648.26
(c) Loans & Advances to Staffs	212.31	116.10
(e) Advance to Electricity Board	201.07	-
(d) Other Short Term Loans & Advances	1,725.91	75.50
(e) Other	1,032.27	-
	<b>3,377.81</b>	<b>840.16</b>

Notes 16 : Other Current Assets	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Prepaid Expenses	705.93	28.99
(b) GST Receivable	-	-
(c) Export Incentive	27.67	-
(d) License Against MEIS	0.00	-
(e) Balance with Government Authorities	2,106.89	197.91
(f) Powder Discount Receivable	6.90	-
(g) Interest Receivable on Electric Deposit	2.65	-
(h) Others	4.43	-
	<b>2,854.47</b>	<b>226.90</b>

Notes 17 : Revenue from Operation	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Sales of Products	73,944.42	52,433.87
(b) Sales of Services	17.95	1.17
	-	-
	<b>73,962.38</b>	<b>52,435.04</b>

Note 18 : Other Income	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(a) Interest Income	69.79	43.49
(b) Profit on Sale of Fixed Assets	2.93	6.25
(c) Other Non Operating Income:	-	-
(i) Short Term Capital Gain	23.68	45.24
(ii) Miscellaneous Income	0.20	0.19
(iii) Share of Profit from Partnership Firm	39.35	539.73
(iv) Exchange Fluctuation Gain	35.88	3.66
(v) Subsidy received	57.59	-
(vi) Dividend received- Mutual Fund	3.29	-
(vii) Duty Drawback received	10.30	-
(viii) Export Incentives (RODTEP)	10.30	-
(ix) Rent Received	1.69	-
	<b>255.00</b>	<b>638.56</b>

Note 19: Cost Of Materials Consumed	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Opening Stock	6,577.54	2,234.73
Add: Purchase	24,578.94	415.96
Less: Closing Stock	8,039.74	2,017.97
	-	-
	<b>23,116.73</b>	<b>632.72</b>

Note 20 : Purchase Stock in trade	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Purchases of Traded Goods	19,831.99	42,662.51
	-	-
	<b>19,831.99</b>	<b>42,662.51</b>

Note 21 :Change in Inventories of Finished Goods	AS AT MARCH 31,2022	AS AT MARCH 31,2021
Inventories at the beginning of the period	-	-
Trading Item	4,462.98	-
Finished Goods	6,692.46	2,602.51
Semi-Finished Goods	956.18	318.52
	<b>12,111.62</b>	<b>2,921.03</b>
Inventories at the end of the year	-	-
Trading Item	197.43	-
Finished Goods	14,851.46	5,582.63
Semi-Finished Goods	1,421.31	304.13
	<b>16,470.20</b>	<b>5,886.76</b>
	<b>(4,358.58)</b>	<b>(2,965.72)</b>
<b>Note 22 : Employee Benefits Expense</b>	<b>AS AT MARCH 31,2022</b>	<b>AS AT MARCH 31,2021</b>
(a)Salaries & Wages Expenses	6,207.78	1,989.12
(b)Contribution to Provident and Other Funds	236.08	123.82
(c)Staff Welfare Exps	101.82	15.59
	-	-
	<b>6,545.68</b>	<b>2,128.53</b>
<b>Note 23 : Finance Cost</b>	<b>AS AT MARCH 31,2022</b>	<b>AS AT MARCH 31,2021</b>
(a)Interest Expenses	27.66	22.38
(b)Bank Charges	31.29	24.54
	-	-
	<b>58.96</b>	<b>46.92</b>
<b>Note 24 : Manufacturing Exps.</b>	<b>AS AT MARCH 31,2022</b>	<b>AS AT MARCH 31,2021</b>
(a)Artwork Processing Chgs	4.04	2.47
(b)Loading, Unloading & Shifting Expenses	47.78	2.34
(c)Power,Gas & Water Charges	1,970.47	28.20
(d)Carriage Inward	63.99	3.68
(e)Store & Consumables	20.29	0.60
(f)Labour Charges- Packing	31.11	1.99
(g)Labour Charges- Plastic Moulded Parts	29.00	5.92
(h)Rent,Rates& Taxes	709.67	-
(i)Repairs & Maintainance	404.44	-
(j)Labour Charges	648.89	-
(k)Import Expenses	0.08	-
(l)Factory Expenses	6.93	-
(m)housekeepng Expenses - Expenses	9.08	-
(n)Testing Charges	0.12	-
(o)Purchase - Consumable - Laboratory	0.35	-
(p)Safety Protective Equipments Expenses	2.10	-
(q)Sample Purchase	0.12	-
(r)Chemical & Consumable Purchase	26.77	-
(s)Security Charges	21.98	-
(t)Insurance	27.16	-
(u)Screen printing	55.85	-
	<b>4,080.24</b>	<b>45.21</b>



(Rs. in Lakhs)

AS AT MARCH 31, 2022	AS AT MARCH 31, 2021	
(a) Audit Fees	45.98	8.58
(b) AMC Charges	1.50	0.36
(c) Books & Periodicals	0.14	0.01
(d) Conveyance Expenses	16.14	3.03
(e) Corporate Social Responsibility Exps.	133.48	0.08
(f) Electricity Charges- Office	12.33	0.07
(g) Housekeeping & Cleaning Charges	8.91	6.73
(h) Insurance charges	87.55	12.45
(i) Interest on TDS & Others	1.25	0.86
(j) Legal & Professional Fees	149.92	124.17
(k) Late Fees GST	0.00	0.27
(l) Loading & Unloading Exps.	48.95	38.03
(m) Miscellaneous Expenses	33.63	7.92
(n) Power Chgs-Office	28.10	11.36
(o) Postage & Courier Expenses	30.58	12.43
(p) Printing & Stationery	19.92	4.39
(q) Recruitment Exps.	0.42	2.02
(r) Security Service Charges	54.00	10.05
(s) Software Expenses	37.26	14.53
(t) Sample Purchases	5.68	4.85
(u) Sample Expenses	1.96	2.48
(v) Office Exps.	4.29	2.45
(w) Telephone & Fax Chgs	34.53	23.60
(x) Travelling Expenses	39.10	0.17
(y) Rent, Rates & Taxes	312.61	186.92
(z) Repair & Maintenance Exps.	431.94	29.51
(aa) Screenprinting	0.35	0.50
(ab) Misc. Balance W/Off	42.72	0.60
(ac) Vehicle Expenses	74.74	11.21
(ad) Pre Incorporation Expenses	2.29	2.28
(ae) Membership & Subscription	2.55	-
(af) Warehouse & Storage charges for B2C	59.32	-
(ag) Sundry Debtors Balance W/off	69.25	-
(ah) Donation	0.10	-
(ai) Consultancy Charges	2.14	-
(aj) Computer Expense	4.29	-
(ak) Hotel Accomodation Expenses	15.71	-
(al) Buyers Credit Commission Charges	6.86	-
(am) Loss on sale of asset	0.43	-
(an) CST Paid	2.14	-
(ao) Tender fees	0.20	-
(ap) General Expense	4.56	-
(aq) Penalty for Profession tax	0.01	-
	<b>1,827.81</b>	<b>521.91</b>

AS AT MARCH 31, 2022	AS AT MARCH 31, 2021	
(a) Advertisement Expenses	892.11	778.71
(b) Freight Charges (Institution)	852.31	690.60
(c) Sales Promotion & Conference Exps.	476.66	189.69
(d) Sales Commission	488.07	279.52
(e) Travelling Exps.	80.11	50.10
(f) Royalty	167.11	56.73
(g) Carriage Outward	621.35	57.10
(h) Depo Management Charges	34.17	-
(i) Selling Expenses	27.03	-
(j) Dealer meet Expense	3.30	-
(k) Sundry Debtors Balance w/off	41.31	-
	<b>3,683.53</b>	<b>2,102.46</b>

## GENERAL INFORMATION

1. Our Company was incorporated as “*Cello World Private Limited*”, as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated July 25, 2018, issued by the Registrar of Companies, Central Registration Centre. Thereafter, the Registered Office of our Company was changed from the State of Maharashtra to the Union Territory of Daman and Diu and a certificate of registration of the regional director order, for change of State dated April 8, 2020, was issued by the RoC. Subsequently, upon the conversion of our Company into a public limited company, pursuant to a special resolution passed by our Shareholders on June 12, 2023, the name of our Company was changed to “*Cello World Limited*” and a fresh certificate of incorporation dated July 18, 2023 was issued by the RoC.
2. The Registered Office of our Company was changed from Cello House, Corporate Avenue, B-Wing, 8th floor, Sonawala Road, Goregaon-East, Mumbai – 400 063, Maharashtra, India to 597/2A, Somnath Road, Dabhel, Nani Daman – 396 210, Daman and Diu, India with effect from February 17, 2020.
3. The Corporate Office of our Company is situated at Cello House, Corporate Avenue, B Wing, 8th Floor, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra, India.
4. The CIN of our Company is U25209DD2018PLC009865.
5. The Equity Shares of our Company have been listed on BSE and NSE since November 6, 2023.
6. Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from BSE and NSE, each on July 3, 2024 under Regulation 28(1) of the SEBI Listing Regulations.
7. The website of our Company is [www.corporate.celloworld.com](http://www.corporate.celloworld.com).
8. The authorised share capital of our Company is ₹ 1,26,00,00,000 comprising 22,20,00,000 Equity Shares bearing face value of ₹ 5 each and 75,00,000 Preference Shares bearing face value of ₹ 20 each. As on the date of this Placement Document, the issued, subscribed and paid-up share capital of our Company is ₹ 1,06,11,55,170 comprising 21,22,31,034 Equity Shares of face value of ₹ 5 each.
9. The Issue was authorised and approved by the Board pursuant to the resolution dated May 29, 2024 and by our Shareholders’ pursuant to the special resolution passed at the extra-ordinary general meeting held on June 26, 2024.
10. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, for monitoring the utilisation of the Net Proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.
11. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.
12. Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.
13. Except as disclosed in this Placement Document, there has been no material change in the financial or trading position of our Company since March 31, 2024, the last date of the Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Placement Document.
14. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, please refer to the section titled “*Legal Proceedings*” on page 253.
15. The Issue will not result in a change in control of our Company.

16. In accordance with the SCRR, our Company is required to achieve at least 25% public shareholding within three years from the date of listing of our Equity Shares on the Stock Exchanges, in the manner as specified under the SCRR and other applicable laws. This Issue is being undertaken towards meeting such compliance. Further, we cannot assure you that our Company will be able to achieve minimum public shareholding within three years from the date of listing of our Equity Shares and failure to comply with the minimum public shareholding requirements may result in certain adverse consequences and may also result in penal action being taken against us and our Promoters.
17. The Floor Price is ₹ 896.09 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of 4.92% on the Floor Price in accordance with the approval of our Board resolution dated May 29, 2024, and a special resolution passed by our Shareholders at the extra-ordinary general meeting held on June 26, 2024 and Regulation 176(1) of the SEBI ICDR Regulations.
18. Our Company and the BRLMs accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including websites of our Company and our Subsidiaries, would be doing so at their own risk.
19. Hemangi Trivedi is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

**Hemangi Trivedi**

Cello House, Corporate Avenue

'B' Wing, 8th Floor

Sonawala Road, Goregaon (East)

Mumbai 400 063

Maharashtra, India

**Telephone:** +91 22 6997 0000

**E-mail:** grievance@celloworld.com

## DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of the Equity Shares pursuant to this Issue shall be made by our Company, in consultation with the BRLMs, to Eligible QIBs, on a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%) <sup>(1)(2)(3)</sup>
1.	SBI LIFE INSURANCE CO. LTD	1.70
2.	GOLDMAN SACHS FUNDS - GOLDMAN SACHS INDIA EQUITY PORTFOLIO	1.07
3.	THE NOMURA TRUST AND BANKING CO., LTD AS THE TRUSTEE OF NOMURA INDIA STOCK MOTHER FUND	0.86
4.	THE PRUDENTIAL ASSURANCE COMPANY LIMITED	0.77
5.	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING EQUITIES	0.62
6.	GOVERNMENT OF SINGAPORE	0.57
7.	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK INDIA OPPORTUNITIES FUND	0.49
8.	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	0.44
9.	ABU DHABI INVESTMENT AUTHORITY - WAY	0.33
10.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE INDIA GENNEXT FUND	0.32
11.	AUTHUM INVESTMENT AND INFRASTRUCTURE LIMITED	0.31
12.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY ADVANTAGE FUND	0.31
13.	INVESCO INDIA EQUITY FUND	0.28
14.	TATA INDIAN OPPORTUNITIES FUND	0.27
15.	KOTAK SMALL CAP FUND	0.24
16.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY HYBRID '95 FUND	0.23
17.	AL MEHWAR COMMERCIAL INVESTMENTS L.L.C. - (WHITING)	0.16
18.	KOTAK FUNDS - INDIA MIDCAP FUND	0.13
19.	ASHOKA INDIA EQUITY INVESTMENT TRUST PLC	0.13
20.	HDFC MUTUAL FUND - HDFC MANUFACTURING FUND	0.12
21.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE BUSINESS CYCLE FUND	0.10
22.	MONETARY AUTHORITY OF SINGAPORE	0.10
23.	SUNDARAM MUTUAL FUND A/C SUNDARAM SMALL CAP FUND	0.09
24.	CAISSE DE DEPOT ET PLACEMENT DU QUEBEC - WHITE OAK CAPITAL PARTNERS PTE LTD.	0.07
25.	INDIA ACORN FUND LTD	0.07
26.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE MANUFACTURING EQUITY FUND	0.07
27.	SUNDARAM MUTUAL FUND - SUNDARAM BUSINESS CYCLE FUND	0.07
28.	HDFC LARGE AND MID CAP FUND	0.06
29.	HDFC MUTUAL FUND - HDFC MULTI CAP FUND	0.06
30.	ABSL UMBRELLA UCITS FUND PLC - INDIA FRONTLINE EQUITY FUND	0.05
31.	ABS DIRECT EQUITY FUND LLC - INDIA SERIES 1	0.05
32.	GREATER INDIA PORTFOLIO	0.04
33.	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	0.04
34.	HDFC TRUSTEE COMPANY LTD. A/C HDFC CAPITAL BUILDER VALUE FUND	0.03

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%) <sup>(1)(2)(3)</sup>
35.	WHITE OAK INDIA EQUITY FUND V	0.03
36.	WHITEOAK CAPITAL MULTI CAP FUND	0.03
37.	KOTAK MAHINDRA TRUSTEE CO LTD A/C KOTAK MANUFACTURE IN INDIA FUND	0.03
38.	WHITEOAK CAPITAL MID CAP FUND	0.03
39.	ELLERSTON CAPITAL LIMITED AS RESPONSIBLE ENTITY OF ELLERSTON GLOBAL EQUITY MANAGERS FUND	0.03
40.	WHITE OAK INDIA EQUITY FUND II	0.02
41.	WHITE OAK INDIA SELECT EQUITY FUND	0.02
42.	ELLERSTON INDIA FUND	0.02
43.	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	0.02
44.	WHITE OAK INDIA EQUITY FUND VI	0.01
45.	DENDANA INVESTMENTS (MAURITIUS) LIMITED	0.01
46.	ELLERSTON ASIA GROWTH FUND	0.01
47.	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK EMERGING MARKETS EQUITY FUND	0.01
48.	WHITEOAK CAPITAL ELSS TAX SAVER FUND	0.01
49.	M&G FUNDS (1) INDIA EQUITY FUND	0.01
50.	ASHOKA WHITEOAK EMERGING MARKETS TRUST PLC	0.00*
51.	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK INDIA ESG FUND	0.00*
52.	KOTAK INFINITY FUND - CLASS AC	0.00*
53.	KOTAK GLOBAL FUNDS	0.00*

<sup>(1)</sup> Based on beneficiary position as on June 29, 2024 (adjusted for Equity Shares Allocated in the Issue).

<sup>(2)</sup> The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

<sup>(3)</sup> Subject to Allotment of Equity Shares pursuant to the Issue.

\* Negligible

## DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

**For and on behalf of the Board of Directors, signed by:**

  
\_\_\_\_\_  
Authorised Signatory



Name: Pradeep Ghisulal Rathod  
Designation: Chairman and Managing Director  
DIN: 00027527  
Date: July 05, 2024  
Place: Mumbai



## DECLARATION

We, the Board of Directors of the Company, certify that:

- (i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

**For and on behalf of the Board of Directors, signed by:**

  
\_\_\_\_\_

Authorised Signatory



Name: Pradeep Ghisulal Rathod  
Designation: Chairman and Managing Director  
DIN: 00027527  
Date: July 05, 2024  
Place: Mumbai

I am authorized by the QIP Committee of the Board, *vide* resolution dated June 4, 2024, to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**Signed by:**



Name: Pradeep Ghisulal Rathod  
Designation: Chairman and Managing Director  
DIN: 00027527  
Date: July 05, 2024  
Place: Mumbai

## CELLO WORLD LIMITED

### Registered Office

597/2A, Somnath Road, Dabhel  
Nani Daman – 396 210  
Daman and Diu, India

### Corporate Office

Cello House, Corporate Avenue  
B Wing, 8th Floor, Sonawala Road, Goregaon (East)  
Mumbai – 400 063, Maharashtra, India

**Telephone:** +91 22 6997 0000  
**E-mail:** grievance@celloworld.com  
**Website:** www.corporate.celloworld.com  
**CIN:** U25209DD2018PLC009865

### Contact Person

Hemangi Trivedi, Company Secretary and Compliance Officer  
**Address:** Cello House, Corporate Avenue 'B' Wing, 8<sup>th</sup> Floor Sonawala Road, Goregaon (East)  
Mumbai 400 063, Maharashtra, India  
**Telephone:** +91 22 6997 0000  
**E-mail:** grievance@celloworld.com

## BOOK RUNNING LEAD MANAGERS

**Motilal Oswal Investment Advisors Limited**  
Motilal Oswal Tower, Rahimtullah Sayani Road  
Opposite Parel ST Depot  
Prabhadevi, Mumbai – 400 025  
Maharashtra, India

**Jefferies India Private Limited**  
Level 16, Express Towers  
Nariman Point  
Mumbai – 400 021  
Maharashtra, India

**JM Financial Limited**  
7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg  
Prabhadevi  
Mumbai – 400 025  
Maharashtra, India

**Kotak Mahindra Capital Company Limited**  
27 BKC, 1st Floor  
Plot No. C – 27, "G" Block  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051  
Maharashtra, India

## STATUTORY AUDITORS OF OUR COMPANY

**Deloitte Haskins & Sells LLP, Chartered Accountants**  
One International Centre, Tower 3  
Elphinstone Mills Compound, Senapati Bapat Marg  
Elphinstone (West), Mumbai – 400 013  
Maharashtra, India

## LEGAL COUNSEL TO THE COMPANY AS TO INDIAN LAW

**J. Sagar Associates**  
One Lodha Place, 27<sup>th</sup> Floor  
Senapati Bapat Marg  
Lower Parel, Mumbai – 400 013  
Maharashtra, India

## LEGAL COUNSELS TO THE BOOK RUNNING LEAD MANAGERS

*As to Indian Law*

*Special Counsel as to International Law*


**Trilegal**  
One World Centre  
10<sup>th</sup> Floor, Tower 2A & 2B  
Senapati Bapat Marg, Lower Parel (West)  
Mumbai – 400 013, Maharashtra, India

**Duane Morris & Selvam LLP**  
16 Collyer Quay, #17-00  
Singapore 049318

## SAMPLE APPLICATION FORM

“An indicative form of the Application Form is set forth below:”

(Note: The format of the Application Form included herein above is indicative and for illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

	<h3>SAMPLE APPLICATION FORM</h3>
<p>Cello World Limited (Incorporated under the provisions of the Companies Act, 2013) <b>Registered Office:</b> 597/2A, Somnath Road, Dabhel, Nani Daman – 396 210, Daman and Diu, India <b>Contact Person:</b> Hemangi Trivedi, Company Secretary and Compliance Officer <b>Tel:</b>+912269970000; <b>E-mail:</b> grievance@celloworld.com; <b>Website:</b> www.corporate.celloworld.com <b>CIN:</b> U25209DD2018PLC009865 <b>LEI:</b>335800NY1TDFJ53VY681; <b>ISIN:</b> INE0LMW01024</p>	<p>Name of Bidder: _____</p> <p>Form No.: _____</p> <p>Date: _____</p>

**QUALIFIED INSTITUTIONS PLACEMENT OF 86,54,000 EQUITY SHARES OF FACE VALUE ₹ 5 EACH (THE “EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ 852.00 PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ 847.00 PER EQUITY SHARE (“ISSUE PRICE”) AGGREGATING TO APPROXIMATELY ₹ 73,732.08 LAKHS ON UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE “COMPANIES ACT”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY CELLO WORLD LIMITED (THE “COMPANY”) (HEREINAFTER REFERRED TO AS THE “ISSUE”). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 896.09 AND OUR COMPANY HAS OFFERED A DISCOUNT OF 4.92% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.**

Only Qualified Institutional Buyers (“QIBs”), as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, which (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) are not prohibited or debarred by any regulatory authority from buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Rules”), or a multilateral or bilateral development financial institution eligible to invest in India under applicable law, including the FEMA Rules; can submit this Application Form.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (“U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act (“Regulation S”) and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, please refer to the section titled “Selling Restrictions” on page 227. Please refer to the sections titled “Selling Restrictions” and “Purchaser Representations and Transfer Restrictions” on pages 227 and 236, respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

**ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FEMA RULES. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH PORTFOLIO INVESTMENT SCHEME AND SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES A LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED UNDER THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs AND NON-RESIDENT MULTILATERAL OR BILATERAL DEVELOPMENT FINANCIAL INSTITUTIONS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.**

To,  
**The Board of Directors**  
**CELLO WORLD LIMITED**  
**Registered Office:** 597/2A, Somnath Road, Dabhel, Nani Daman – 396 210, Daman and Diu, India  
**Corporate Office:** Cello House, Corporate Avenue, B Wing, 8<sup>th</sup> Floor, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra, India  
Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	AIF	Alternative Investment Fund
MF	Mutual Funds	IF	Insurance Funds
FPI	Foreign Portfolio Investors**	NIF	National Investment Fund
VCF	Venture Capital Funds**	SI-NBFC	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	OTH	Others (Please specify)

\* Sponsor and Manager should be Indian owned and controlled.  
\*\* Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue

this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), and this Application Form does not directly or indirectly represent the Promoter or Promoter Group, or persons or entities related to the Promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the Promoter, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits under applicable law and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations"). We confirm that, in relation to our application, each foreign portfolio investor ("FPI") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "Eligible FPIs"), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue. We note that the Company is entitled, in consultation with Motilal Oswal Investment Advisors Limited, Jefferies India Private Limited, JM Financial Limited and Kotak Mahindra Capital Company Limited (collectively, the "BRLMs"), in its absolute discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document (when issued) and the CAN, when issued, and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of the Application Form and Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name, and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document (when issued), the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We acknowledge and agree that (i) our names, addresses, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the discretion of the Company, in consultation with the BRLMs; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Goa, Daman and Diu at Goa (the "RoC") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of BSE Limited and National Stock Exchange of India Limited (together, the "Stock Exchanges") and we consent to such disclosures. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and restriction on transferability. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and restriction on transferability, as may be applicable to us. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India ("RBI") and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections titled "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Purchaser Representations and Transfer Restrictions" of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of whom is entitled to rely on, and is relying on, these representations warranties, acknowledgements and agreements in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section titled "Risk Factors" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when issued), this Application Form, the confirmation of allocation note ("CAN"), when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLMs, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (10) agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions

and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (11) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (12) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (13) we satisfy any and all relevant suitability standards for investors in Equity Shares; (14) we have the ability to bear the economic risk of our investment in the Equity Shares, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (15) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S; (16) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S); (17) we acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date; and (18) in case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account on behalf of the Eligible QIB.

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		FAX NO.	
EMAIL ID			
LEI No.			
FOR ELIGIBLE FPIs**	SEBI FPI Registration Number:	For AIFs*** / MFs/ VCFs***/SI-NBFCs/ ICs/Ifs	SEBI AIF / MF/ VCF Registration Number / RBI Registrations details for SI-NBFCs / IRDAI Registration details for ICs
<p>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLMs.</p> <p>**In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</p> <p>***Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</p>			

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3.00 P.M. (IST), JULY 5, 2024	
Name of the Account	Cello World Limited – QIP Escrow Account
Name of the Bank	ICICI Bank Limited
Address of the Branch of the Bank	ICICI Bank Limited, Capital Market Division, 163, 5th Floor, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai, 400020
Account Type	Current Account
Account Number	000405158346
LEI Number	335800NY1TDFJ53VY681
IFSC	ICIC0000004
Tel No.	ipocmg@icicibank.com
E-mail	+91 8976032689, +91 9321977164

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "CELLO WORLD LIMITED - QIP ESCROW ACCOUNT". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

DEPOSITORY ACCOUNT DETAILS												
Depository Name(Please ✓)	National Security Depository Limited						Central Depository Services (India) Limited					
Depository Participant Name												
DP – ID	I	N										
Beneficiary Account Number											(16-digit beneficiary account. no. to be mentioned above)	
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.												

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLMs shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	

Bank Name		Bank Branch Address	
<b>NO. OF EQUITY SHARES BID</b>		<b>PRICE PER EQUITY SHARE (RUPEES)</b>	
(In figures)	(In words)	(In figures)	(In words)
<b>BID AMOUNT (RUPEES)</b>			
(In figures)		(In words)	

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		FAX NO.	
EMAIL			

OTHER DETAILS		ENCLOSURES ATTACHED	
PAN*		Attested/ certified true copy of the following:	
Date of Application		<input type="checkbox"/> Copy of PAN Card or PAN allotment letter <input type="checkbox"/> Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF <input type="checkbox"/> Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank <input type="checkbox"/> Copy of notification as a public financial institution <input type="checkbox"/> FIR <input type="checkbox"/> Copy of IRDAI registration certificate <input type="checkbox"/> Intimation of being part of the same group <input type="checkbox"/> Certified true copy of Power of Attorney <input type="checkbox"/> Other, please specify	
Signature of Authorised Signatory (may be signed either physically or digitally)**			

\*It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.

\*\*A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Note:

- (1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.
- (2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLMs.
- (3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.
- (4) The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.

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