



Cello World Limited

(formerly known as 'Cello World Private Limited')

Regd. Office: 597/2A, Somnath Road, Dabhel, Nani Daman, Daman & Diu - 396 210. (India)

Admin Office: Cello House, Corporate Avenue, 'B' Wing, 8th Floor, Sonawala Road, Goregaon (East), Mumbai-400 063, (India),

Tel: 022 6997 0000, e-mail: cello.sales@celloworld.com, grievance@celloworld.com

Website: www.corporate.celloworld.com **CIN:** L25209DD2018PLC009865

November 14, 2024

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|--|---|
| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrp Code: 544012 | National Stock Exchange of India Limited Exchange Plaza, C-1, Block - G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: CELLO |
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Subject: Monitoring Agency Report for the quarter ended September 30, 2024

Pursuant to Regulation 32(6) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith the Monitoring Agency Report for the quarter ended September 30, 2024, issued by CARE Rating Limited, Monitoring Agency, appointed to monitor the utilisation of proceeds of the Qualified Institutional Placement (QIP) of the Company.

This is for information and dissemination on your website.

Thanking you.

Yours faithfully,

For Cello World Limited

Hemangi
Pragnesh Trivedi

Digital Sign and E-Verify using the QR code
Date: 2024.11.14 10:18:18 AM
IP: 10.10.10.10

Hemangi Trivedi

Company Secretary and Compliance Officer

M.no. A27603

**Address: Cello House, Corporate Avenue, 'B' Wing,
Sonawala Road, Goregaon (East), Mumbai-400 063**

Encl: a/a

Monitoring Agency Report



No. CARE/HO/GEN/2024-25/1103

The Board of Directors

Cello World Limited

597/2A, Somnath Road, Dabel, Nani

Daman 396 210,

Daman and Diu, India

November 14, 2024

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the QIP issue of Cello World Limited ("the Company")

We write in our capacity of Monitoring Agency for the QIP Issue for the amount aggregating to Rs. 737.32 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 03, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

A handwritten signature in black ink, appearing to read "Darshan Shah".

Darshan Shah

Assistant Director

Darshan.Shah@careedge.in

Report of the Monitoring Agency

Name of the issuer: Cello World Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name and designation of the Authorized Signatory: Darshan Shah

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer : Cello World Limited
Name of the promoter : Pradeep Ghisulal Rathod, Pankaj Ghisulal Rathod and Gaurav Pradeep Rathod
Industry/sector to which it belongs : Consumer Durables, Houseware

2) Issue Details

Issue Period : July 03, 2024, to July 05, 2024
Type of issue (public/rights) : QIP
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in crore) : Rs. 737.32 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments of the Board of Directors |
|---|-------|--|--|------------------------------------|
| Whether all utilization is as per the disclosures in the Offer Document? | Yes | CA Certificate, bank statement, mutual fund statement, invoices, bills, etc. | All the utilization is as per the offer document; however, issue expense was increased by Rs.0.20 crore, which were adjusted from object 5, post passing a resolution dated July 09, 2024. Furthermore, the balance unutilized funds of Rs.105.25 crore is parked in mutual funds, which is specified in their interim use of net proceed. | Nil |
| Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document? | N A | N A | -- | Nil |
| Whether the means of finance for the disclosed objects of the issue have changed? | No | N A | -- | Nil |
| Is there any major deviation observed over the earlier monitoring agency reports? | N A | N A | -- | Nil |
| Whether all Government/statutory approvals related to the object(s) have been obtained? | No | A new facility for manufacturing stainless steel bottles, plastic insulated ware, and household items is being established by Cello Consumerware Pvt Ltd at Falna, | No comment | Nil |

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments of the Board of Directors |
|--|-------|--|-----------------------------------|------------------------------------|
| | | adjacent to the existing Glass Factory. No government license is required as it is within the same location. | | |
| Whether all arrangements pertaining to technical assistance/collaboration are in operation? | N A | N A | -- | Nil |
| Are there any favorable/unfavorable events affecting the viability of these object(s)? | N A | N A | -- | Nil |
| Is there any other relevant information that may materially affect the decision making of the investors? | No | N A | -- | Nil |

#Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.



4) Details of objects to be monitored:

(i) Cost of objects –

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Original cost (as per the Offer Document) in Rs. Crore | Revised Cost in Rs. Crore | Comments of the Monitoring Agency | Comments of the Board of Directors | | |
|--------------------------------------|--|--|--|---------------------------|-----------------------------------|------------------------------------|---------------------------|--|
| | | | | | | Reason for cost revision | Proposed financing option | Particulars of -firm arrangements made |
| 1 | Investment in one of the Subsidiary, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles | Placement document, CA Certificate | 105.25 | 105.25 | NA | Nil | Nil | Nil |
| 2 | Investment in Subsidiaries, namely, Cello Household Products Private Limited, Cello Houseware Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited for repayment and/ or prepayment, in full or in part, of certain outstanding borrowings availed by the Subsidiaries from the Promoters and members of the Promoter Group | Placement document, CA Certificate | 236.96 | 236.96 | NA | Nil | Nil | Nil |
| 3 | Repayment and/ or pre-payment, in full or in part, of borrowings availed by Company from one of the Subsidiaries, Wim Plast Limited | Placement document, CA Certificate | 100.00 | 100.00 | NA | Nil | Nil | Nil |
| 4 | Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by the Company from the Promoters | Placement document, CA Certificate | 83.05 | 83.05 | NA | Nil | Nil | Nil |
| 5 | Augmenting working capital | Placement document, CA Certificate and Board resolution | 80.00 | 79.80 | *** | Nil | Nil | Nil |
| 6 | General corporate purposes | Placement document, CA Certificate | 108.06 | 108.06 | NA | Nil | Nil | Nil |
| | QIP Issue expenses | Placement document, CA Certificate and Board resolution (BR) | 24.00 | 24.20 | *** | Nil | Nil | Nil |
| Total Gross Proceeds from QIP | | | 737.32 | 737.32 | | | | |

- The above details are verified by M/s Jeswani & Rathore, Chartered Accountants vide its CA certificate dated November 08, 2024.

***Company has shared a resolution passed by QIP committee of board of directors of CWL dated July 09, 2024, to adjust the increase in QIP Issue expense against object 5-Augmenting working capital. Hence Object 5 reduced by Rs.0.20 crore and Issue expense increased by Rs.0.20 crore.

(ii) Progress in the objects –

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the Offer Document in Rs. Crore | Revised amount | Amount utilised in Rs. Crore | | | Total unutilised amount in Rs. crore | Comments of the Monitoring Agency | Comments of the Board of Directors | |
|--------|--|--|---|----------------|---|---------------------------------|--|--------------------------------------|---|------------------------------------|---------------------------|
| | | | | | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore | | | Reasons for idle funds | Proposed course of action |
| 1 | Investment in one of the Subsidiary, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles | Mutual Fund Statement, CA Certificate, Placement document | 105.25 | 105.25 | -- | 0.00 | 0.00 | 105.25 | NA | Nil | Nil |
| 2 | Investment in Subsidiaries, namely, Cello Household Products Private Limited, Cello Houseware Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited for repayment and/ or prepayment, in full or in part, of certain outstanding borrowings availed by the Subsidiaries from the Promoters and members of the Promoter Group | CA Certificate, Placement document, Bank Statement and Ledger copies of Loan A/c | 236.96 | 236.96 | -- | 236.96 | 236.96 | 0.00 | Repayment made for unsecured loans from promoters to respective subsidiaries. | Nil | Nil |
| 3 | Repayment and/ or pre-payment, in full or in part, of borrowings availed by Company from one of the Subsidiaries, Wim Plast Limited | CA Certificate, Placement document, Bank Statement and CA Certificate, Annual report | 100.00 | 100.00 | -- | 100.00 | 100.00 | 0.00 | Repayment of subsidiary company | Nil | Nil |
| 4 | Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed | CA Certificate, Placement document, Bank Statement and | 83.05 | 83.05 | -- | 83.05 | 83.05 | 0.00 | Repayment of unsecured loans from promoters | Nil | Nil |

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the Offer Document in Rs. Crore | Revised amount | Amount utilised in Rs. Crore | | | Total unutilised amount in Rs. crore | Comments of the Monitoring Agency | Comments of the Board of Directors | |
|--------------|-----------------------------------|--|---|----------------|---|---------------------------------|--|--------------------------------------|---|------------------------------------|---------------------------|
| | | | | | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore | | | Reasons for idle funds | Proposed course of action |
| | by the Company from the Promoters | Ledger copies of Loan A/c | | | | | | | | | |
| 5 | Augmenting working capital | CA Certificate, Placement document, Bank Statement, Invoices, Challans and Ledgers | 80.00 | 79.80 | -- | 79.80 | 79.80 | 0.00 | Utilised towards working capital purpose, where in we have received over 2800 invoices, hence we have relied on CA Certificate and checked some invoices on sampling basis. | Nil | Nil |
| 6 | General corporate purposes | CA Certificate, Placement document, Bank Statement, Invoices, Challans and Ledgers | 108.06 | 108.06 | -- | 108.06 | 108.06 | 0.00 | Towards payment of sundry creditors which are mainly the subsidiary companies and other day to day business transactions like GST, custom, salary, TDS etc. For this we have received over 4500 invoices, hence we have relied on CA Certificate and checked some invoices on sampling basis. | Nil | Nil |
| | QIP Issue expenses | CA Certificate, Placement document, Bank statement, Invoices, Challans, BR | 24.00 | 24.20 | -- | 24.20 | 24.20 | 0.00 | Towards QIP expenses. | Nil | Nil |
| Total | | | 737.32 | 737.32 | | 632.07 | 632.07 | 105.25 | | | |

- The above details are verified by M/s Jeswani & Rathore, Chartered Accountants vide its CA certificate dated November 08, 2024.

(iii) Deployment of unutilized proceeds:

| Sr. No. | Type of instrument and name of the entity invested in | Amount invested | Maturity date | Earning | Return on Investment (%) | Market Value as at the end of quarter |
|---------|---|-----------------|---------------|---------|--------------------------|---------------------------------------|
| 1 | Adity Birla Sun Life Liquid Fund - Growth | 0.30 | Open ended | -- | -- | -- |
| 2 | Tata Liquid Fund - Growth | 105.00 | Open ended | -- | -- | -- |
| | Total | 105.30* | | | | |

-- The above details are verified by M/s Jeswani & Rathore, Chartered Accountants vide its CA certificate dated November 08, 2024.

-The company has parked fund in mutual fund which is mentioned in the interim use of proceeds under placement document.

*The difference between unutilized proceeds mentioned under table 4 (ii) earlier and table 4 (iii) above is due to earnings on redemption of mutual funds during the quarter.

(iv) Delay in implementation of the object(s) – No delays

| Objects | Completion Date | | Delay (no. of days/ months) | Comments of the Board of Directors | |
|--|---------------------------|------------|-----------------------------|------------------------------------|---------------------------|
| | As per the offer document | Actual | | Reason of delay | Proposed course of action |
| Investment in one of the Subsidiary, Cello Consumerware Private Limited, for setting up of a new facility for manufacturing stainless steel bottles and plastic insulatedware and household articles | March 31, 2025 | On-going** | Not applicable | Nil | Nil |
| Investment in Subsidiaries, namely, Cello Household Products Private Limited, Cello Houseware Private Limited, Cello Industries Private Limited and Unomax Stationery Private Limited for repayment and/ or prepayment, in full or in part, of certain outstanding borrowings availed by the Subsidiaries from the Promoters and members of the Promoter Group | | Completed | No delay | Nil | Nil |
| Repayment and/ or pre-payment, in full or in part, of borrowings availed by Company from one of the Subsidiaries, Wim Plast Limited | | Completed | No delay | Nil | Nil |
| Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings availed by the Company from the Promoters | | Completed | No delay | Nil | Nil |
| Augmenting working capital | | Completed | No delay | Nil | Nil |
| General corporate purposes | | Completed | No delay | Nil | Nil |
| Issue Expenses | | Completed | No delay | Nil | Nil |

- The above details are verified by M/s Jeswani & Rathore, Chartered Accountants vide its CA certificate dated November 08, 2024.

**Expense toward objective 1, has a schedule, however during Q1FY25, there were nil utilisation towards objective 1.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

| Sr. No | Item Head [^] | Amount in Rs. Crore | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of Monitoring Agency | Comments of the Board of Directors |
|--------|--|---------------------|--|--|------------------------------------|
| 1 | Payment of Sundry Creditors Cello Consumerware Pvt Ltd | 22.87 | Bank Statement, Outstanding Ledger and Invoices | Company has shared over 4500 Invoices under General corporate purpose, where in major transaction was done for day-to-day business operations (working capital), hence team has relied on CA Certificate and checked invoices on a sample check basis. | Nil |
| 2 | Payment of Sundry Creditors Cello Household Products Pvt Ltd | 32.36 | Bank Statement, Outstanding Ledger, and Invoices | | |
| 3 | Payment of Sundry Creditors Cello Houseware | 0.01 | Bank Statement, Outstanding Ledger, and Invoices | | |
| 4 | Payment of Sundry Creditors Cello Houseware Pvt Ltd | 14.71 | Bank Statement, Outstanding Ledger, and Invoices | | |
| 5 | Payment of Sundry Creditors Cello Industries Pvt Ltd | 6.15 | Bank Statement, Outstanding Ledger, and Invoices | | |
| 6 | Payment of Sundry Creditors Wim Plast Ltd | 1.70 | Bank Statement, Outstanding Ledger, and Invoices | | |
| 7 | Payment of GST for the month of July 2024 | 7.46 | Bank Statement and GST Challan of July 2024 | | |
| 8 | Payments of Custom Duty | 9.66 | Bank Statement, Bill of Entry and Custom Duty Challan | | |
| 9 | Payment of Creditors/Supplier payables | 7.12 | Bank Statement, Outstanding Ledger, and Invoices | | |
| 10 | Payment of Salary for the month of August 2024 | 2.49 | Bank Statement, Salary Statement of August 2024 | | |
| 11 | Payment of TDS deduction for the month of August 2024 | 3.53 | Bank Statement and TDS Challan of July 2024 | | |
| | Total | 108.06** | | | |

- The above details are verified by M/s Jeswani & Rathore, Chartered Accountants vide its CA certificate dated November 08, 2024.

**The total utilization of proceeds for the General Corporate Purpose (GCP) amounting to Rs. 109.71 Crores includes a utilization from gain of Rs. 1.85 Crores from the redemption of investments in a liquid fund made from QIP proceeds.

[^] Section from the offer document related to GCP:

“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.”

Further definition: 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.

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as “**Monitoring Agency/MA**”). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.