

CELLO WORLD LIMITED

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Cello World Ltd (CWL) is a diversified Consumer Durables player with presence across Consumer Houseware (68.4%), Writing Instruments (14.4%), and Moulded Furniture (17.2%). Backed by the legacy “Cello” brand, the company has scaled premium segments like opalware, glassware, and stainless steel drinkware, supported by 77% in-house manufacturing and a 1.5 lakh+ outlet network. Key growth drivers include capacity scale-up in high-margin categories like opalware and glassware (targeting full utilization by FY27), strategic entry into steelware amid import bans, and gradual recovery in the writing instruments segment. Despite near-term demand fluctuations, the company’s fundamentals remain strong with ~24-26% EBITDA margin, 77% in-house manufacturing, and reach across 1.5L+ outlets. **We forecast 14%/16%/15% revenue growth over FY25–27E and RoE/RoCE of 17%/18%, supported by average annual operating cash flows of ₹2.4 bn. We initiate coverage with a BUY rating and a target price of ₹768, valuing the stock at 35x FY27E EPS of ₹21.9.**

Harnessing Industry growth with accelerating branded penetration

CWL operates in a large and expanding ₹743 bn+ addressable market, growing at ~9% CAGR over FY15–23 across consumerware, glassware, writing instruments, and moulded furniture. With the branded segment rising to 68% in FY25 (from 60% in FY20), India is witnessing a formalisation shift driven by consumer demand for quality, safety, and design consistency. CWL, with a sub-3% market share, is well-positioned to gain share via its strong brand equity, omni-channel reach, and in-house manufacturing. Continued investments in localisation, premiumisation, and distribution expansion reinforce its position as a key beneficiary of the shift towards branded, organised consumption.

Premiumisation and regulatory tailwinds

CWL’s shift into higher-value categories like opalware and borosilicate glassware is already yielding results, with combined revenues reaching ₹3.9 bn in FY25, growing at 15% YoY. These segments enjoy higher ASPs and better gross margins. The company is also well-positioned to benefit from the BIS (Bureau of Indian Standards) regulation rollout, which is disrupting low-quality imports—especially in stainless steel vacuum bottles. As enforcement tightens, organised players like CWL stand to gain share through import substitution, premium positioning, and compliance-driven brand trust.

Distribution expansion: Enabling scalable, multi-channel growth

CWL’s distribution has seen a significant upgrade, expanding from 717 distributors and 59,000 outlets in FY23 to over 4,000 distributors and 1.5 lakh retail points in FY25. This strong network underpins rapid scale-up across categories, especially in Consumerware and Writing Instruments, where “Unomax” volumes doubled between FY21 and FY23.

Key Financials (₹ mn)	FY23	FY24	FY25	FY26E	FY27E
Revenue (mn)	17,967	20,003	21,364	24,075	27,687
EBITDA Margins (%)	23.4%	25.5%	23.9%	23.7%	24.7%
PAT Margins	15.9%	17.8%	17.1%	16.7%	17.5%
EPS (.)	9.7	12.9	13.7	16.1	21.1
P/E (x)	44	38	38	33	27
P/BV (x)	11	9	6	5	4
EV/EBITDA (x)	31	25	27	24	20
RoE (%) *	84.7%	31.0%	16.8%	16.0%	16.6%
RoCE (%) *	35.4%	31.9%	18.4%	17.6%	18.8%

*High ROE/ROCE in FY23 due to low equity base before IPO; normalized post listing.

BUY

Current Market Price (₹)	595
12M Price Target (₹)	768
Potential Return (%)	29

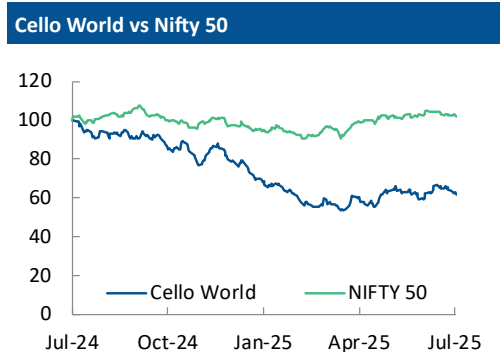
Stock Data	
Sector	Houseware
Face Value (₹)	5
Total MCap (₹ bn)	131
Free Float MCap (₹ bn)	26
52-Week High / Low (₹)	980 / 495
BSE Code / NSE Symbol	544012 / CELLO
Bloomberg	CELLO IN
Sensex / Nifty	81,463 / 24,837

Shareholding Pattern				
(%)	Jun-25	Mar-25	Dec-24	Sep-24
Promoter	75.00	75.00	75.00	75.00
MF's	4.38	3.68	3.72	3.61
AIF's	6.89	6.85	6.93	6.96
FPIs	5.39	6.51	7.47	3.00
Insurance	3.35	3.27	2.89	3.00
Others	4.99	4.69	3.99	8.43

Source: BSE

Price Performance				
(%)	1M	3M	6M	12M
Cello World	2.6%	5.7%	-7.7%	-38.5%
Nifty 50	-1.6%	3.3%	7.6%	1.8%

* To date / current date : July 25, 2025



With deepening presence in Tier 2/3 cities, growing traction in modern trade, e-commerce, and quick commerce platforms like Blinkit and Zepto, the company is also leveraging ERP-integrated tools and a 721-member salesforce to drive real-time fulfilment and regional demand responsiveness. This multi-channel backbone remains a key structural growth enabler over the medium term.

Capital-efficient model with margin resilience

CWL's 77% in-house manufacturing provides tight control over costs, quality, and lead times, enabling strong fixed-cost absorption—especially as glassware and opalware utilisation ramps to 70–100% by FY26. Despite scaling premium, capital-intensive categories, EBITDA margins are expected to sustain at ~26%, aided by crude price moderation and favourable product mix. Simultaneously, with just ~1.4% ad-spend to sales (as of FY24), CWL delivers ROE/ROCE of 17% & 18% respectively as of FY25, driven by strong brand recall, trade-led marketing, and an umbrella branding strategy that ensures cost-effective visibility across verticals.

Peer Benchmarking: Cello World vs Listed Players

(₹ mn)	FY23	FY24	FY25	FY26E	FY27E	FY23-25 CAGR	FY25-27 CAGR
Revenue							
Consumerware							
Cello World	11,811	13,238	14,613	16,786	19,810	11.2%	16%
La Opala	4,523	3,651	3,319	3,791	4,462	-14.3%	16%
Borosil	10,271	9,423	11,078	NA	NA	3.9%	NA
Stovekraft	12,839	13,643	14,498	16,855	19,368	6.3%	16%
TTK Prestige	27,771	26,781	27,148	29,442	32,604	-1.1%	10%
Writing Instruments							
Cello World	2,850	3,336	3,076	3,324	3,557	3.9%	8%
Flair Writing	9,427	9,787	10,799	12,332	14,050	7.0%	14%
DOMS	12,119	15,371	19,126	23,089	28,010	25.6%	21%
EBITDA Margins*							
Cello World	23.4	25.5	23.9	23.7	24.7	-	-
La Opala	38.1	37.3	32.6	35.6	36.8	-	-
Borosil	12.3	14.1	15.4	NA	NA	-	-
Stovekraft	7.7	8.1	52.7	11.3	11.9	-	-
TTK Prestige	12.9	11.3	9.5	10.5	11.4	-	-
Median (Excl Cello World)	12.6	12.7	24.0	11.3	11.9	-	-
PAT							
Cello World	2,851	3,567	3,649	4,015	4,849	13.1%	15%
La Opala	1,230	1,277	966	1,183	1,424	-11.4%	21%
Borosil	899	659	742	NA	NA	-9.2%	NA
Stovekraft	358	341	385	529	702	3.7%	35%
TTK Prestige	2,542	2,285	1,124	2,171	2,578	-33.5%	51%
ROE							
Cello World	84.7	31.0	16.8	16.0	16.6	-	-
La Opala	15.9	15.0	11.5	14.0	15.7	-	-
Borosil	10.4	11.4	9.19	NA	NA	-	-
Stovekraft	8.9	7.8	8.5	10.1	11.0	-	-
TTK Prestige	13.1	11.0	5.7	10.9	12.4	-	-
Median (Excl Cello World)	11.8	11.2	8.8	10.9	12.4	-	-

*Historical Seg-wise EBITDA margin NA for CWL

Source: Company, LKP Research

Company Profile

Cello World Ltd (CWL) was incorporated as a corporate entity in FY18. The company's erstwhile promoter Late Mr. Ghisulal Dhanraj Rathod, father of two of the promoters, Mr Pradeep Ghisulal Rathod and Mr Pankaj Ghisulal Rathod, had been associated with Cello Plastic Industrial Works and the "Cello" brand since 1962. The promoters (through their family) have since diversified product range and brand portfolio. The six decades of experience of the promoters (through their family) in the consumer products industry has enabled Cello to better understand the preferences and needs of consumers in India. This has enabled the company to curate an extensive product portfolio that caters to a diverse range of consumer requirements, and it offers a broad range of contemporary products across different ranges, types of material and price points.

Manufacturing Prowess

CWL operates 14 manufacturing facilities across India, with 77% of FY25 revenue derived from in-house production. While historically known for its plastic and moulded product expertise, the company has successfully transitioned into furnace-based manufacturing with the launch of its glassware and opalware lines in 2017. This strategic shift not only enabled entry into premium categories but also enhanced production sophistication. Today, CWL ranks as the second-largest player in India's opalware segment, underscoring its manufacturing agility and ability to scale across material formats.

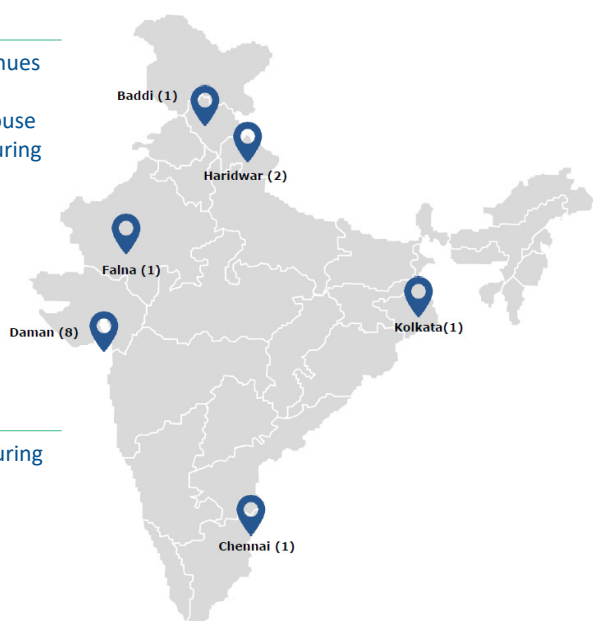
Manufacture A Diverse Range Of Products

77%

FY25 revenues derived from in-house manufacturing

14

Manufacturing Facilities



Mfr. Unit	Products Manufactured
Daman Unit-I	Plastic moulded furniture and other articles
Daman Unit-II	Plastic moulded furniture and other articles
Daman Unit-III	Plastic Extrusion Sheet
Daman Unit-IV	Household and Insulated ware
Daman Unit-V	Household and Insulated ware
Daman Unit-VI	Opalware and Glassware
Daman Unit-VII	Stationery and allied products
Daman Unit-VIII	Stationery and allied products
Haridwar Unit-I	Plastic moulded furniture and other articles
Haridwar Unit-II	Houseware, insulatedware, melamine and allied products
Baddi Unit-I	Plastic Extrusion Sheet
Chennai Unit-I	Plastic moulded furniture, other articles and tooling unit
Kolkata Unit-I	Plastic moulded furniture and other Articles
Rajasthan Unit	Glassware Facility




CWL 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

Source: Company, LKP Research

Business segments

CWL's business can be broadly divided into three segments: Consumer Houseware (68% of FY25 revenue), Writing Instruments and Stationery (14% of revenue) and Moulded Furniture & Allied Products (17% of revenue). As of FY25, the company offered 19,500 SKUs across its product categories. The table below sets forth the brands, sub-brands and range of products offered across the three product categories.

Brands and Product Portfolios

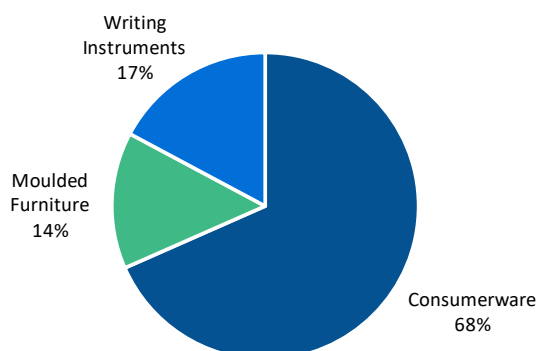
Product categories	Revenue mix in FY25	Entity(ies) through which products are sold / manufactured	Brands	Sub-brands	Overview of the range of products offered
Consumer Houseware	68.4%	<ul style="list-style-type: none"> - Cello World - Cello Industries - Cello Houseware - Cello Household Products - Cello Consumerware 		Puro, Chef, H2O, Modustack, Kleeno, Maxfresh and Duro.	<ul style="list-style-type: none"> - Houseware - Insulated ware - Electronic appliances & cookware - Cleaning aids - Opalware - Glassware - Porcelain
Writing Instruments and Stationery	14.4%	Unomax Stationery		Ultron2X and Geltron	<ul style="list-style-type: none"> - Pen & Pencil - Highlighters - Correction Pens - Markers
Moulded Furniture and Allied Products	17.2%	Wim Plast		-	<ul style="list-style-type: none"> - Moulded furniture - Allied products - Air Coolers

Source: Company, LKP Research

Segmental Breakdown

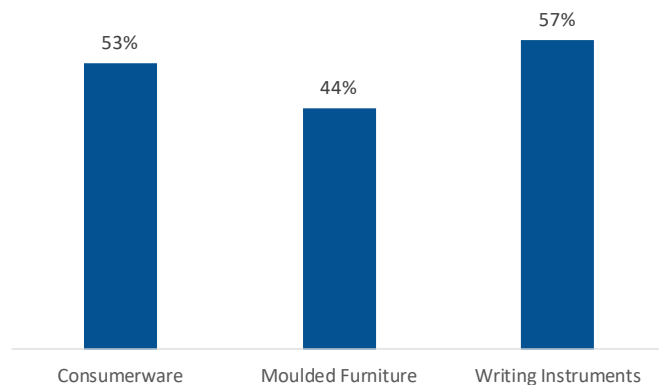
The company has three segments, within which consumer houseware accounted for 68.4% of revenues in FY25. Writing instruments and Moulded furniture accounted for 14.4% and 17.2% of revenues, respectively, in FY25. Consumer Houseware remains the most profitable segment with a gross margin of 53% and EBITDA margin of 26% in FY25. Moulded Furniture and Writing Instruments also posted strong margins (44%/24% and 57%/27%, respectively), reflecting healthy profitability across segments despite differing cost structures.

Segment-wise revenues (FY25)

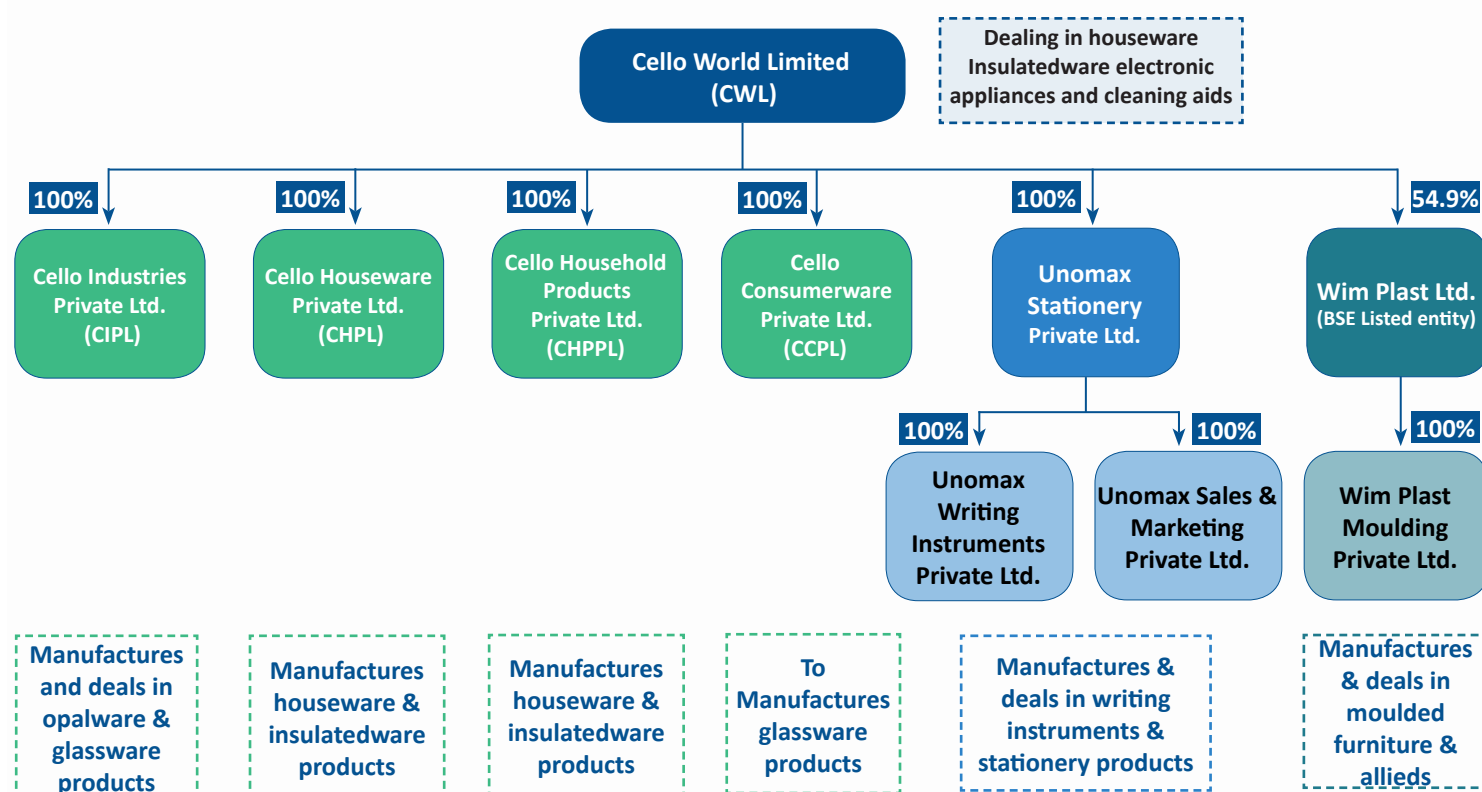


Source: Company, LKP Research

Segment-wise Gross Margin (FY25)



Corporate Structure



Source: Company, LKP Research

Company Restructuring, Promoter Background & Governance Track Record

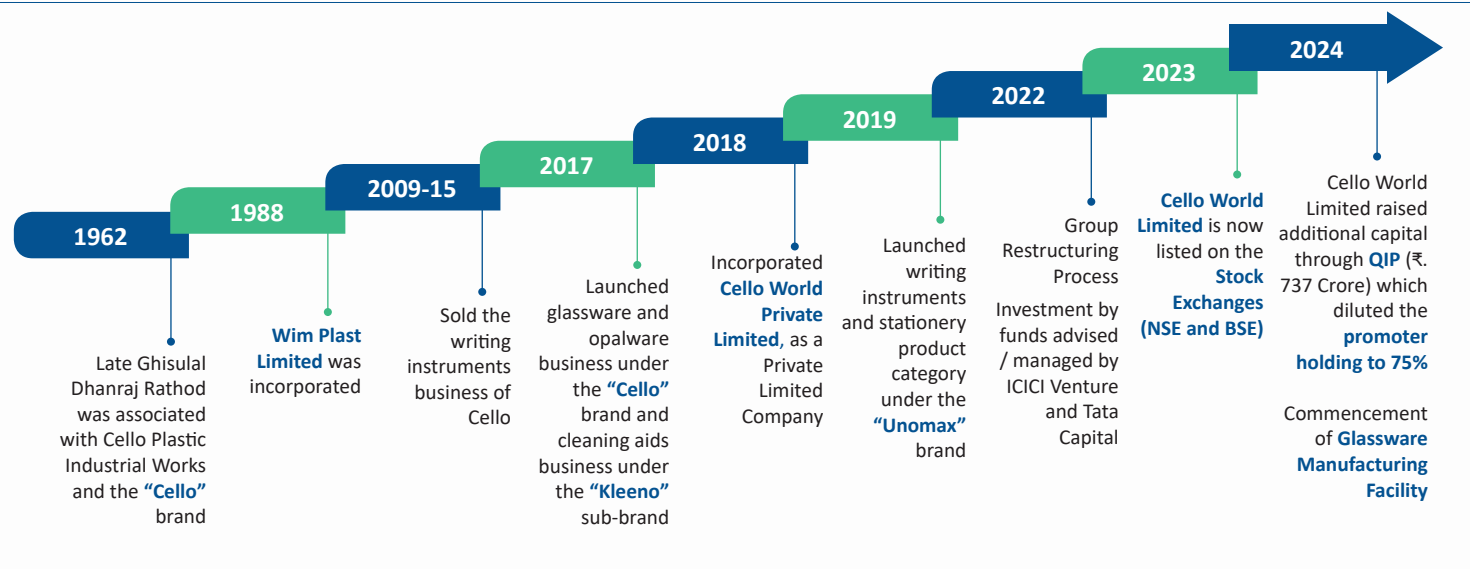
Cello World Limited, officially incorporated in 2018, represents the culmination of a structured consolidation effort to bring together multiple legacy businesses operating under the “Cello” brand for decades. The promoters’ roots trace back to CPIW (Cello Plastic Industrial Works), a partnership formed in 1958, with the late Ghisulal Dhanraj Rathod—father of the current CMD Pradeep G. Rathod and JMD Pankaj G. Rathod—joining as a partner in 1962. CPIW was the original owner of several flagship trademarks, including “Cello,” “Unomax,” “Kleeno,” and “Puro,” which remain the company’s core consumer brands.

To expand across categories and geographies, the promoter family created specialised business arms over the years—Cello Plast (1991), Cello Plastotech (1995), and Cello Industries (2005)—each focused on insulatedware, consumerware, and manufacturing expansion, respectively. In FY22, these businesses were restructured and absorbed into the listed entity via a common-control business combination, enabling a unified approach to branding, marketing, and distribution, while optimising operations across segments.

Today, CWL benefits from over six decades of promoter-led experience in consumer brands, with Pradeep, Pankaj, and Gaurav Rathod occupying key board positions. The promoter group holds a 75% stake, with no pledging of shares, reinforcing commitment and governance stability. Importantly, there are no criminal cases, regulatory actions, or governance lapses reported against the promoters or the company over the past 30–40 years. Cello World maintains a strong compliance record with SEBI’s listing regulations and corporate governance frameworks. Its investor grievance redressal reports show no material concerns, and its board structure includes independent oversight and a functional whistle-blower policy.

This legacy of responsible leadership, combined with deep domain knowledge and institutional-grade governance, positions Cello World as a structurally sound, shareholder-aligned business ready to scale further.

Cello's Journey



Source: Company, LKP Research

Management team



Pradeep Ghisulal Rathod
Chairman and Managing Director

He has more than 40 years of experience in the manufacturing and trading business, specializing in plastic articles, insulatedware articles, and raw materials, among others. He has been a Director of Cello since its incorporation.



Pankaj Ghisulal Rathod
Joint Managing Director

He has over 34 years of experience in the manufacturing and trading business, specializing in plastic articles, insulatedware articles, and raw materials, among others. He was instrumental in the launch of the writing instruments business and also has experience in marketing and product development of all consumer product categories



Gaurav Pradeep Rathod
Joint Managing Director

He has over nine years of experience in the marketing of consumerware products. He has a Master's degree in Business Administration from University of Strathclyde, Scotland, and a Bachelor's degree in Science (Economics-finance) from Bentley University, Massachusetts. He was instrumental in the launch of opalware products and the growth of online and e-commerce sales.



Atul Parolia
Chief Financial Officer

He has more than 40 years of experience in the manufacturing and trading business, specializing in plastic articles, insulatedware articles, and raw materials, among others. He has been a Director of Cello since its incorporation.



Rajesh Bang
CFO – Cello Household Pvt. Ltd.

He is a member of the Institute of Chartered Accountants of India and has more than 25 years of experience in finance, accounts, taxation, internal control, and costing. He joined Cello Household Products on April 1, 2015, as the general manager, and was appointed in his current role in CHPPL with effect from April 25, 2023.



Hemangi Trivedi
CS and Compliance Officer

She has over 10 years of experience in the field of legal and secretarial compliance. Prior to joining Cello, she was associated with Avaada Energy Private Limited. She holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Mumbai, Maharashtra, and is also an associate of the Institute of Company Secretaries of India.

Source: Company, LKP Research

Product Portfolio- A multi-category Growth Compounder

Consumerware (68.4% of FY25 Revenue)

CWL's largest vertical, the Consumerware division, covers a comprehensive range of daily-use products across drinkware, serveware, cookware, kitchen storage, and cleaning aids. The portfolio spans multiple materials including plastic, stainless steel, copper, borosilicate glass, melamine, opalware, and porcelain—offering over 10,000+ SKUs tailored to varied consumer needs and price points.

Flagship categories include insulated water bottles and tiffins, vacuum-insulated steel bottles, sipper mugs, and toddler range drinkware—targeted at school-goers, young professionals, gym-goers, and students. In premium tableware, the company has built strong recall through brands like Divine, Solitaire, Feather, and Ariana in the opalware segment.

CWL leads the branded market in plasticware and is rapidly scaling its presence in glassware and stainless steel, supported by in-house manufacturing capacity. This vertical alone grew ~₹14.6 bn in FY25, growing 10.4% YoY (Last 5 years CAGR 22%), and is expected to benefit further from premiumisation, import substitution (BIS regulations on Imports, and category formalisation. CWL's cleaning aids portfolio, housed under the "Kleeno" sub-brand, has witnessed steady growth since its launch in 2017, expanding the company's presence into everyday utility categories beyond core houseware.

Writing Instruments & Stationery (14.4% of FY25 Revenue)

CWL originally built one of India's most iconic writing brands but sold the "Cello" pen brand to BIC in 2015. Post divestiture, it re-entered the segment with a fresh portfolio under the UNOMAX brand in 2019. In just six years, UNOMAX has become one of the fastest-growing players in the segment, offering a wide assortment of gel pens, ball pens, fountain pens, roller pens, and executive metal pens, all manufactured in-house.

The brand also includes an expanding line of stationery products such as mechanical pencils, highlighters, correction pens, oil pastels, crayons, and geometry boxes. UNOMAX enjoys strong recall for smooth writing quality and ergonomic design. While exports saw weakness in FY25, the domestic business remains resilient and management is targeting ~12-15% YoY growth in FY26 with wider reach and product innovations.

Moulded Furniture & Allied Products (17.2% of FY25 Revenue)

The Moulded Furniture segment encompasses durable, stylish, and lightweight plastic furniture including chairs, tables, cupboards, study desks, dining sets, and institutional furniture. Known for its product longevity and ease of use, CWL has strong presence in both indoor and outdoor applications.

The company has also entered the B2B/Horeca space with specially designed offerings for hospitality and institutional buyers. In FY25, revenue from this vertical stood at ~₹3.7 bn, growing 7% YoY. CWL is shifting focus to premium indoor lines and urban markets, while maintaining strong contribution margins in this capital-light segment.

Segment-Wise Product and Brand Overview

Product categories	Brands	Range of products offered
Consumerware	Cello	Houseware Products, Insulatedware, Electrical Appliances And Cookware, Cleaning Aids, Opalware, Glassware and Porcelain
Writing instruments and stationery	Unomax stationery	Ball Point Pens, Gell Pens, Metal Pens, Mechanical Pencils, Highlighter, Fountain Pens and Correction Pens
Moulded furniture and allied products	Cello	Plastic Chairs, Tables, Trolleys, Stools, Cabinets, Ladders, Moulds, Bubble Guards, Crates, Palletes, Dustbin and Storage Items.

Source: Company, LKP Research

Diversified Product Portfolio

Consumer Ware				Writing Instruments		Moulded Furniture and Allied Products	
							
							
							
							

Source: Company, LKP Research

Visual Tour of CWL's Multi-Category Portfolio



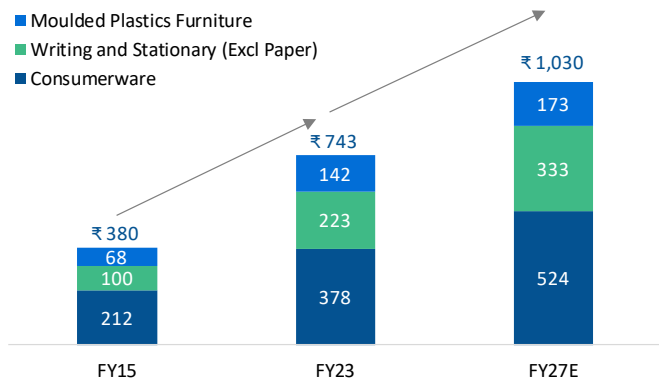
Source: Company, LKP Research

Investment rationale- A scaled, diversified consumer franchise poised for the Next Leg

Harnessing Industry growth with accelerating branded penetration

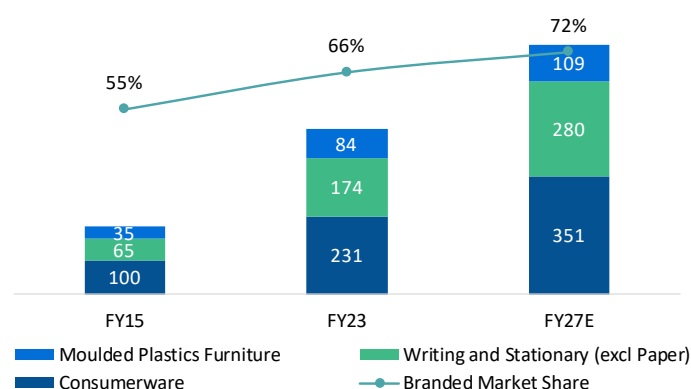
The total addressable market (TAM) for CWL across its core operating segments—Consumerware, Glassware, Writing Instruments, and Moulded Furniture—is estimated at ~₹743 bn as of FY23, having expanded at a ~9% CAGR over FY15–23. Within this broader consumption pool, the branded segment currently accounts for ~68% as of FY25, up from 60% in FY20, reflecting the accelerating formalisation trend in India's consumer durables landscape. This shift towards branded and organised players is driven by evolving consumer preferences for quality assurance, safety certifications (e.g., BIS), consistent design, and transparent after-sales service—factors that the unorganised market has historically lacked. Further aiding this transition is the rise of omni-channel retailing, where players like CWL are leveraging their widespread general trade network alongside a growing footprint in modern retail and e-commerce. CWL's brand recall, backed by sustained marketing investments, product innovation, and aggressive channel expansion, makes it a frontrunner to capture incremental share. With a sub-3% market share in its core addressable categories, CWL has significant headroom to grow both in underpenetrated geographies and premium product formats. The company's continued investments in branding, localisation, and in-house manufacturing align well with the structural move towards formal, high-trust consumption—positioning it as a long-term beneficiary of India's branded consumerisation wave.

Cello's total addressable market (TAM) size and growth (₹ bn)



Source: Company RHP, LKP Research

Branded share set to expand further (₹ bn)



Source: Company RHP, LKP Research

Glassware & Opalware: Premium sub-segments driving next-leg expansion

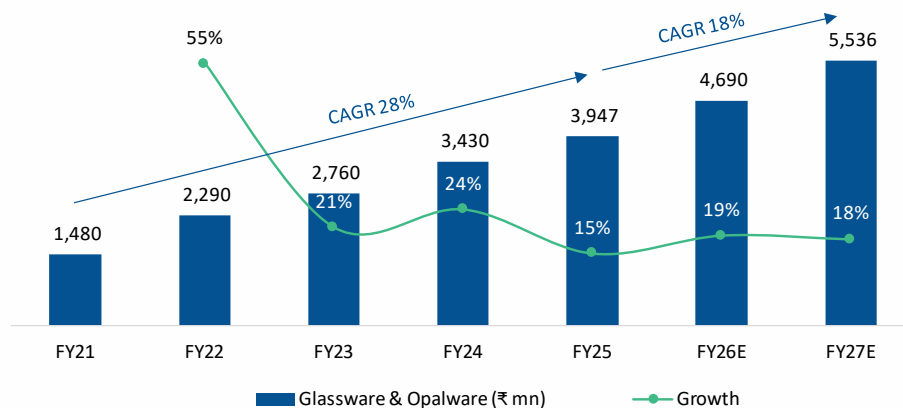
CWL's expansion into premium tableware categories—glassware and opalware—has become a critical growth engine within its Consumerware portfolio. These categories contributed over ₹4 bn in FY25 and grew at ~17% YoY in FY25 with a 3 year CAGR of 21%, driven by strong acceptance in both general and modern trade. According to the management, glassware & opalware is expected to generate ₹4.5–4.8 bn in revenue by FY26E, implying a robust 20–25% CAGR from current levels. Strategically, CWL has invested significantly in scaling capacity for both segments.

The glassware facility operated at ~55% utilisation in FY25, with a clear roadmap to reach 70% by FY26, while opalware capacity utilisation stood at ~80%, expected to touch full capacity (100%) in the upcoming year. These capacity ramp ups are expected to drive better fixed cost absorption and incremental margin improvement, especially given the premium pricing power across product lines such as Ariana, Solitaire, and Feather in opalware, and the expanding range of borosilicate and tempered glassware in glass. Rising consumer preference for microwave-safe, durable, and stylish dining products has expanded the formal sector's share in the category. CWL's ability to manufacture in-house, coupled with its wide retail footprint of 1.45 lakh outlets, gives it a distinct distribution edge versus competitors like La Opala and Borosil. With strong branding, capacity readiness, and favourable regulatory support, glassware and opalware are poised to become key margin-accretive segments within CWL's growth strategy over FY25–27.

Peer Comparison Snapshot – Glassware & Opalware

Company	Segment Focus	FY25 Revenue (₹ bn)	EBITDA Margin (%)	Channel Strength	Commentary
Cello World	Glassware + Opalware	~₹4	~24 (Consolidated)	Strong GT + MT + D2C	Rapid ramp-up, capacity-led growth
La Opala	Primarily Opalware	₹3	~33%	Strong exports + GT	Premium positioning, export-led
Borosil Ltd	Glassware, Kitchenware	₹10.9 (Consumer)	~15–16%	Strong MT + Online	Larger base, brand-led innovation

Source: Company, LKP Research

Capacity-led strong growth in Glassware & Opalware to continue

Source: Company, LKP Research

Regulatory Tailwinds: BIS Norms to accelerate growth in Stainless Steel Bottles

India's consumerware industry is witnessing a major shift with the progressive tightening of BIS (Bureau of Indian Standards) certification norms—particularly in stainless steel vacuum-insulated bottles. This regulatory evolution began with voluntary compliance initiatives in 2022, followed by mandatory quality standards notification in 2023, and finally, active implementation and import curbs starting Q1FY25. As of mid-2025, customs authorities have significantly increased scrutiny and clearance time for non-compliant imports, especially low-cost Chinese steel bottles that previously dominated the lower end of the ₹30–40 bn market.

This policy change creates a favourable demand-supply shift for domestic branded players like CWL, which commissioned its in-house stainless steel bottle facility in Rajasthan in FY25. As the BIS rollout progresses and enforcement strengthens, we believe CWL is well-positioned to benefit through three levers: import substitution, premiumisation, and supply chain assurance for institutional buyers.

Estimated Market Impact of BIS Norms on Stainless Steel Bottles (₹ bn)

Fiscal Year	Imports (Est.)	Domestic Organised	Cello Share (Est.)
FY23	28	7	Nil (Outsourced)
FY25E	20	15	0.75
FY27E	10	30	3.5–4.0

Source: DGFT, LKP Research

With capacity expected to rampup to full utilisation by FY26, the stainless steel category is likely to become a significant growth engine for CWL. Importantly, products in this segment enjoy above-blended EBITDA margins due to premium positioning and lower competition from unorganised players. BIS norms effectively create a regulatory moat, and as formalisation accelerates, CWL is expected to consolidate share within this fast-growing ₹40 bn segment by FY27E.

Distribution Expansion: A core growth lever for category scale

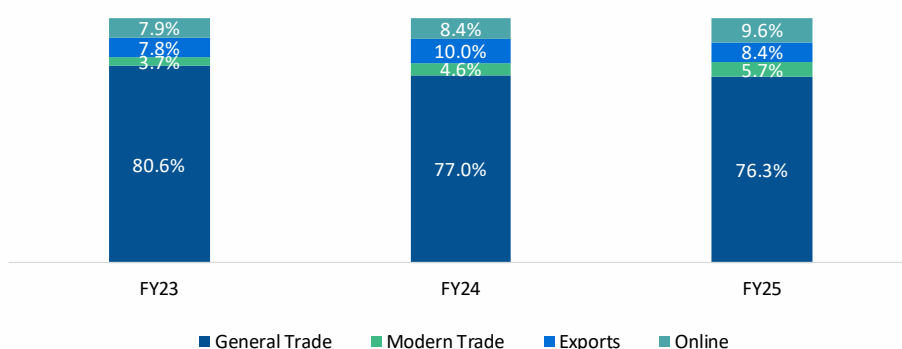
CWL's robust pan-India distribution network remains one of its strongest competitive moats, enabling consistent scale-up across verticals and fast adoption of new product lines. As of FY25, the company is supported by over 4,000 distributors and a retail reach of 1.5 lakh outlets, a significant step-up from 717 distributors and 59,000 outlets in FY23. Its Consumerware segment alone has 951 distributors as per the latest filings. The company has strategically deepened its presence in Tier-2/3 cities while also expanding its visibility in modern trade, e-commerce, and its own D2C channels. In writing instruments, CWL's "Unomax" brand scaled from 230 mn units sold in FY21 to 458 mn in FY23, aided by increased outlet penetration (current reach is 55%) and an expanded product mix. The company also leverages a 721-member salesforce equipped with ERP-integrated tools and app-based order tracking systems for real-time stock movement visibility and channel-specific forecasting. Its tech-led inventory planning ensures better fill rates, lower stockouts, and sharper response to regional demand variability. The company is also seeing early traction in quick commerce channels like Blinkit and Zepto, which is expected to be a material driver over FY26–27.

Pan-India Retail & Distributor Network

Company	Category	Retail Reach ('000)	Distributors	Salesforce	Key Channels
Cello World	Consumerware/Writing/ Moulded Furniture	150.0+	4,000+	721	GT, MT, D2C, Q-commerce, Institutional
Borosil	Consumerware/Glassware	~75.0	~1,500	~300	MT, Online, Institutional
La Opala	Opalware	~25.0	~800	~200	Modern Trade, Gifting
Milton/Treo	Consumerware	100.0+	~3,000	NA	GT, MT
BIC Cello (BIC India)	Writing Instruments	~45.0	~1,200	NA	GT, MT, Exports
Linc Ltd	Writing Instruments	~55.0	~1,400	~300	Domestic GT/MT, Exports
Luxor	Writing Instruments	~50.0	~1,000	~250	Exports, Institutional
Nilkamal Ltd	Moulded Furniture	~40.0	~1,500	~400	GT, B2B Projects, Ecommerce
Supreme Industries	Moulded Furniture	~35.0	~1,000	NA	Retail + Institutional

Source: Company, LKP Research

Modern Trade & Online on the Rise



Source: Company, LKP Research

Blueprint for multi-category leadership: Proven track record in scaling new verticals

CWL has consistently demonstrated its ability to enter new product categories and scale them into meaningful revenue contributors through a combination of in-house manufacturing, distribution depth, and sharp branding. This is most evident in three strategic verticals that have seen sustained growth momentum. First, in the glassware and opalware category—entered in FY17—CWL has grown revenues from a modest base to over ₹3.9 bn in FY25, achieving a CAGR of ~30%+ between FY21 and FY24. With utilisation levels expected to reach 70–100% by FY26, these premium categories are well on their way to contributing ₹8.5–9.0 bn by FY26E, supported by higher ASPs and formalisation tailwinds.

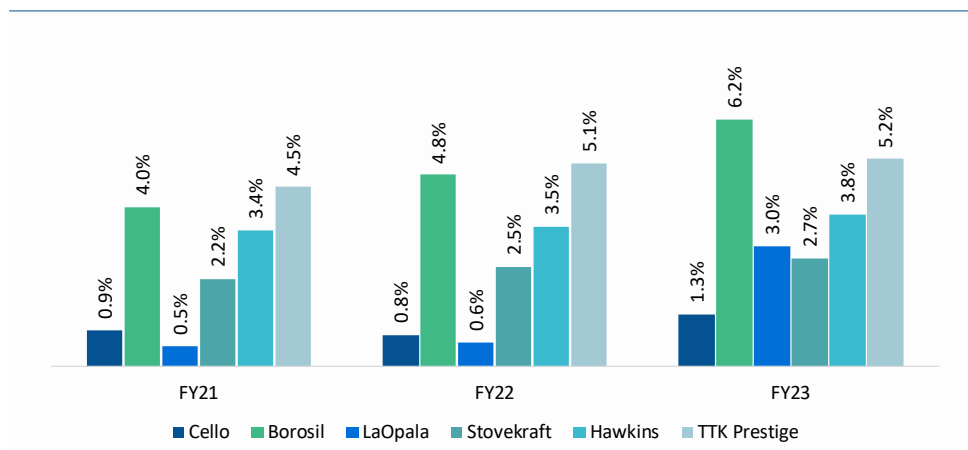
Second, the company's re-entry into the writing instruments segment under the "Unomax" brand in CY2019 has been a standout execution story. From ~230 mn units in FY21, volumes nearly doubled to ~458 mn in FY23, marking a ~41% volume CAGR. FY25 saw some moderation due to global export weakness; however, the domestic franchise remains robust. As of FY25, writing instruments contribute ~14% of overall revenue, with the brand now reaching ~55% outlet penetration. Industry estimates place India's writing instruments TAM at ₹170–180 bn, with branded players expected to grow at 7–8% CAGR through FY27, driven by educational reforms, literacy improvements, and premiumisation. CWL's value-engineered products, strong design focus, and growing school outreach position it well to gain incremental share.

Third, CWL's presence in moulded furniture and allied products—a ₹250 bn+ addressable market—continues to evolve. The company offers high-margin SKUs such as indoor chairs, cabinets, kids' furniture, and storage solutions. It posted 6% YoY growth in FY25, with a shift in portfolio mix from outdoor to indoor categories aiding realisation improvement. Industry growth here is pegged at 5–6% CAGR through FY27, with branded penetration still under 65%. CWL's nationwide retail coverage, low-cost in-house production, and brand trust give it an edge over fragmented peers and regional players. While categories like small kitchen appliances (estimated at ~18% of the total Consumerware TAM, growing at 9% CAGR in FY23–27) remain underpenetrated by CWL, management has articulated a medium-term ambition to selectively expand in this space, leveraging its manufacturing base and distribution muscle. While this segment carries structurally lower gross margins, volume scale and back-end integration can help absorb costs over time.

Peer Comparison

CWL consistently outpaces peers in revenue growth, margins, PAT expansion, and return ratios—despite operating with one of the lowest A&P spends in the sector. Its unique presence across multiple product categories offers scale benefits and de-risking advantages, unlike most peers focused on a single vertical. In our view, this combination of financial strength and category breadth makes CWL one of the most compelling consumer plays in the listed mid-cap space.

Lowest marketing spends among peers



Source: E-commerce Websites, LKP Research

Cello's Pricing Architecture vs Peers – Segment-wise View

Segment	Category	Cello Price Range (₹)	Peer Price Range (₹)	Key Competitors	Comments
Consumerware	Insulated Plastic Bottles	₹100 – ₹150	₹120 – ₹180	Milton, Treo, Tupperware	Competitive mass-market positioning
	Vacuum Steel Bottles	₹500 – ₹1,200	₹600 – ₹1,500	Milton, Borosil, Treo	Affordable premium; backward integration aids cost control
	Opalware Dinner Sets	₹1,200 – ₹2,500	₹1,500 – ₹3,000	La Opala, Treo	Value-for-money premium dinnerware
	Glass Jars, Storage Sets	₹300 – ₹900	₹350 – ₹1,200	Borosil, Treo	Borosil pricing higher; Cello gaining scale advantage
	Copperware, Kitchenware	₹400 – ₹1,800	₹500 – ₹2,000	Bergner, Vinod, Milton	Mid-market appeal
Writing Instruments	Ball/Gel Pens	₹5 – ₹25	₹5 – ₹25	Flair, Reynolds, Luxor	Matches mass peers; volume-led segment
	Executive Pens (Metal/Refill)	₹100 – ₹150	₹120 – ₹200	Parker, Reynolds, Pierre Cardin	Budget executive writing segment
	Art & Craft (Crayons, etc.)	₹20 – ₹150	₹30 – ₹200+	Doms, Faber-Castell, Camlin	Growing presence in ₹40–50 bn market with 10–12% CAGR
Moulded Furniture	Plastic Chairs, Stools	₹800 – ₹1,800	₹1,000 – ₹2,000	Nilkamal, Supreme	Slightly lower pricing; rising indoor portfolio ASP
	Cabinets, Tables, Utility	₹1,500 – ₹3,500	₹1,800 – ₹4,000	Nilkamal, Supreme, Italica	Institutional furniture mix aiding blended realisation

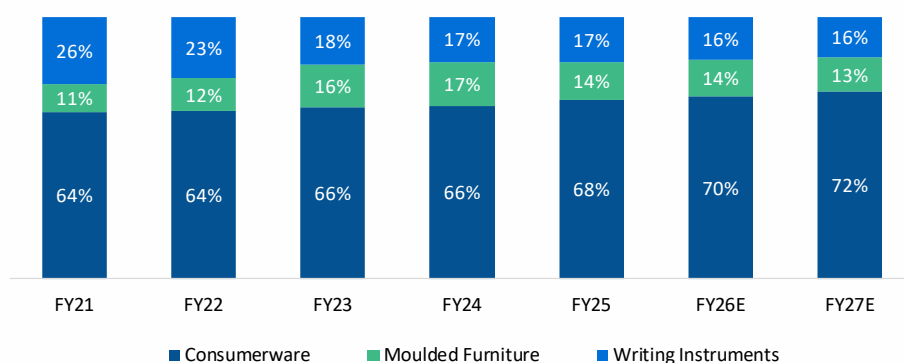
Source: Company, LKP Research:

Financial Analysis

Proven growth resilience with a strong outlook ahead

Over the last 2/4/5 years, CWL's Revenue/EBITDA/PAT has grown at a CAGR of 19%/21%/28%, 16%/15%/18%, and 19%/17%/22% respectively—demonstrating robust performance not just on the low COVID base (FY21), but also over the past two years. FY25 was marked by muted consumer demand, export headwinds, and regulatory disruptions—challenges observed across the broader industry. Despite this, CWL maintained healthy margins through prudent cost control, portfolio rationalization, and a focused shift towards e-commerce and quick commerce channels. Looking ahead, we expect 14% revenue CAGR over FY25–27E, driven by: a) strong volume growth across categories, aided by recovering consumer sentiment, normalization in export markets (particularly for writing instruments), and a continued shift towards branded products under a stable pricing environment; b) capacity expansion, including the ramp-up of the glassware facility (targeting ₹4.5–4.8 bn in revenue by FY26), full utilization of opalware capacity, and the upcoming stainless steel flask manufacturing line; c) the introduction of new products across premium drinkware, art supplies, and differentiated SKUs tailored for digital channels; and d) planned capex of ₹1 bn in FY26, supported by stable raw material costs, which should help sustain strong EBITDA margins of ~25–26% despite initial dilution from newly commissioned capacities. Segment-wise, we estimate a 16% CAGR in Consumerware, and 8% each in Moulded Furniture and Writing Instruments over FY25–27E.

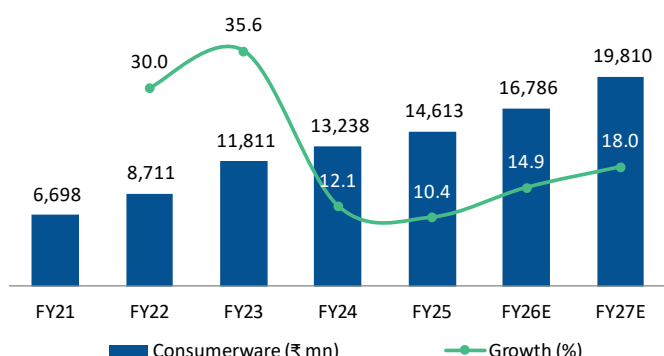
Mix % of Sales



Source: Company, LKP Research

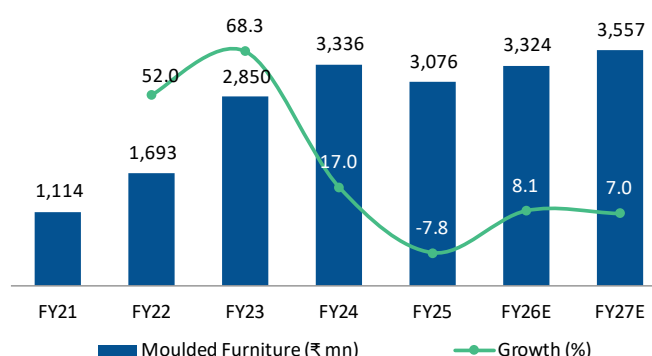
Segmental Growth

Consumerware: Core growth engine with 22% CAGR over FY21–25



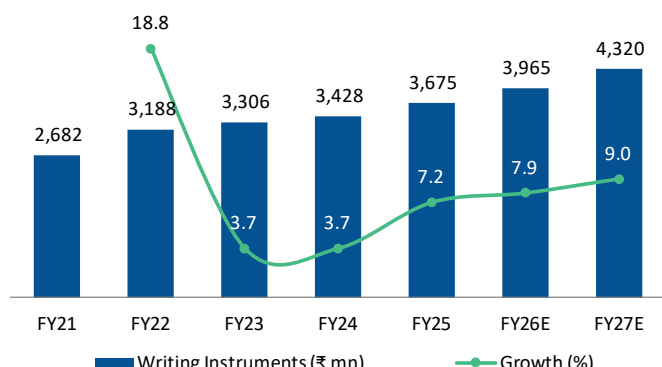
Source: Company, LKP Research

Moulded Furniture: Strong 29% CAGR despite volatility in growth over FY21–25



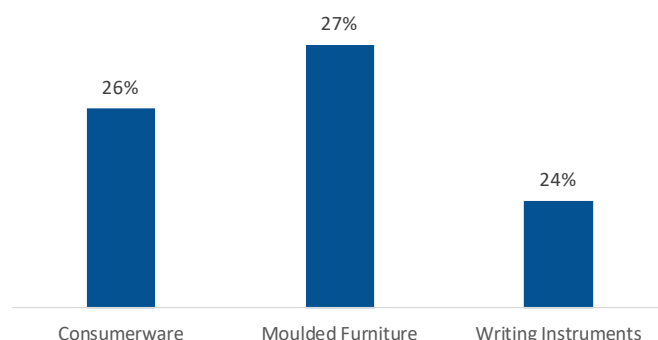
Source: Company, LKP Research

Writing Instruments: Moderate Growth Segment with 8% CAGR over FY21-25



Source: Company, LKP Research

Healthy EBITDA margins across segments; CW & MF leads at 26% & 27%



Source: Company, LKP Research

Efficient capital allocation with healthy cash generation and Return Metrics

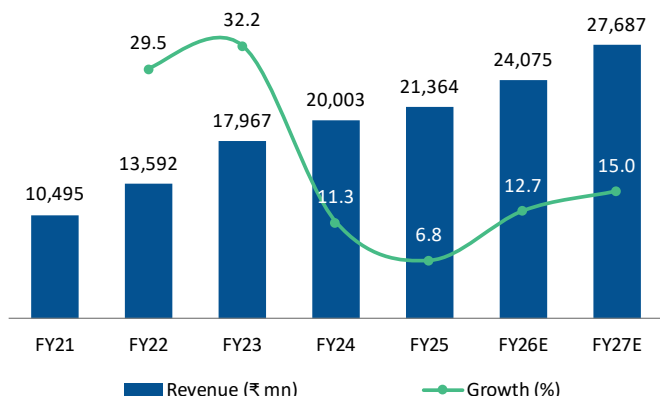
Despite elevated working capital intensity, CWL continues to deliver strong operating cash flows, with an average OCF of ₹2.2 bn over FY21–25, translating to 51% OCF/EBITDA, supported by a stable and profitable core business. Backed by industry-leading margins and a strong focus on asset efficiency, CWL has maintained a gross block-to-sales ratio of ~3.5x over FY22–25, underscoring its capital-light approach in most categories.

During FY25, CWL successfully raised approximately ₹7.1 bn through a QIP, which enabled it to repay the majority of its debt, ~₹3.3 bn and achieve a debt-free status. Supported by strong OCF of ₹2.6 bn in FY25, the company has strategically allocated ₹5.7 bn into fixed deposits and liquid investments. These funds are intended to be deployed towards inorganic growth opportunities, entry into new business segments, and enhanced working capital management, laying a solid foundation for the company's future growth trajectory.

Looking ahead, the company has guided for a capex outlay of ₹1 bn in FY26, largely towards setting up a new stainless-steel vacuum flask facility and ongoing automation initiatives. This follows the ₹1.66 bn capex in FY25, primarily for the glassware plant, which is expected to ramp up significantly in FY26. While the glassware segment is more asset-intensive, its higher margins are expected to support overall returns, even as asset turns may normalize modestly.

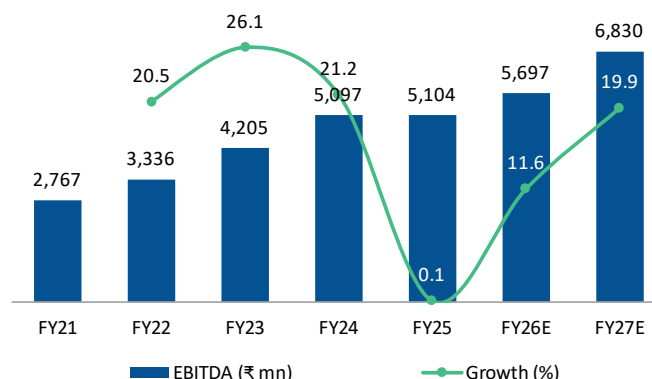
In FY25, return ratios moderated slightly to ROE/ROCE/ROIC of 17%/18%/15%, largely due to the front-loaded nature of capex and temporary under-utilization of new capacities and increase in capital employed post QIP. However, with strong internal accruals, improving asset productivity, and no major capex planned for FY26–27E, we expect these return metrics to remain stable and improve progressively, as operating leverage kicks in and capacity utilization scales up.

2.1x Revenue growth driven by scale-up across core segments



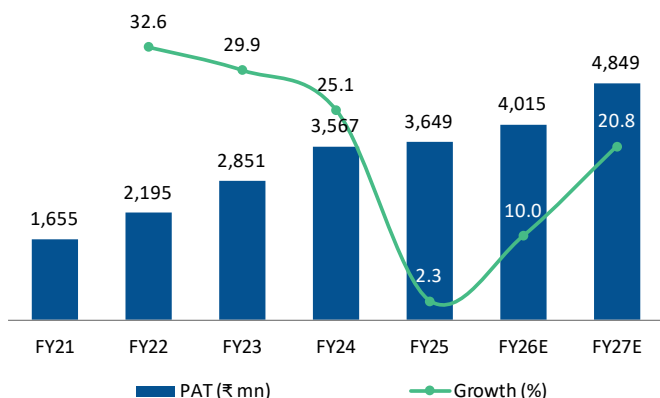
Source: Company, LKP Research

EBITDA doubled with margin stability and operating Discipline



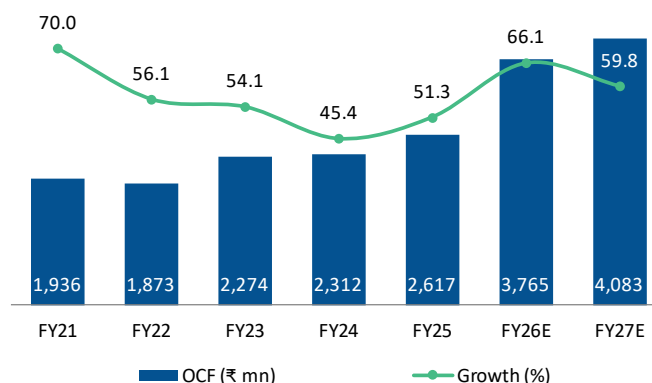
Source: Company, LKP Research

2.4x PAT growth supported by efficient cost management



Source: Company, LKP Research

Stable OCF reflects strong earnings quality & capital discipline



Source: Company, LKP Research

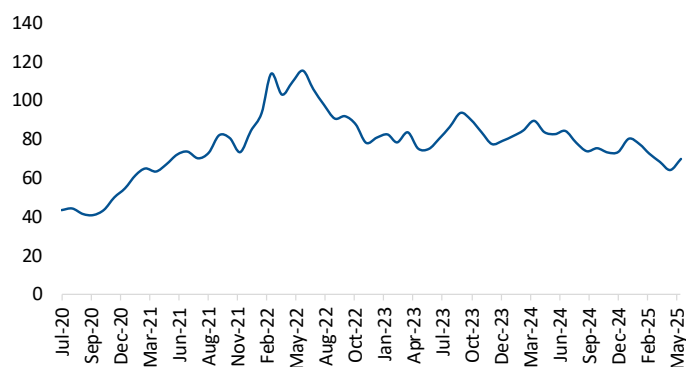
Premium Valuations backed by scalable model & sustainable return metrics

Company	CMP (₹)	Mcap (₹ bn)	Adj. EPS (₹)			P/E (x)			EV/EBITDA (x)		
			F25	F26E	F27E	F25	F26E	F27E	F25	F26E	F27E
Cello World	595	131	16	18	22	38	33	27	27	24	20
La Opala	278	31	9	11	13	32	26	22	24	19	16
Borosil	332	40	6	NA	NA	53	NA	NA	22	NA	NA
Stovekraft	573	19	12	18	24	49	33	24	15	12	10
TTK Prestige	628	86	3	16	20	210	35	30	31	28	23
Flair Writing	321	33	11	13	16	28	25	20	18	16	13
DOMS	2,376	145	33	39	48	71	61	49	41	36	29

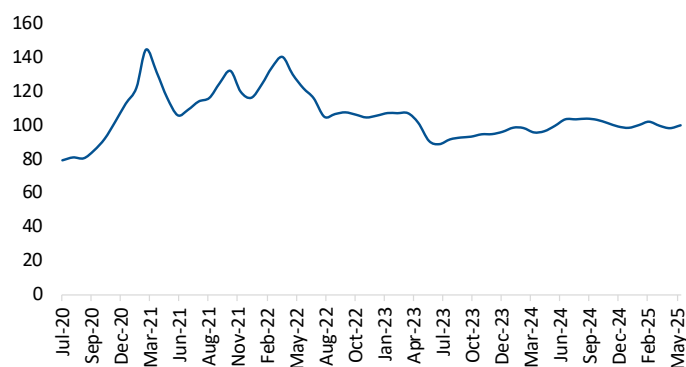
Source: LKP Research

Key Risks

1. A sharp rise in commodity prices (Crude oil backed polypropylene) or heightened competition may squeeze margins and impact earnings estimates.
2. Since key brands are owned by promoter entities (with CWL paying 0.5% of revenues as royalty in FY24), any disruption or reputational issues may impact the company's earnings visibility.

Crude oil prices off highs, easing input cost pressures

Source: Company, LKP Research

Stable polymer prices support margin visibility

Source: Company, LKP Research

Outlook & Valuation

We believe CWL is well-placed to ride the ongoing formalisation in the consumerware market, where the unorganised segment still accounts for ~35%. Backed by its strong brand equity, improving traction in premium segments, and a template of disciplined distribution expansion and differentiated product launches, the company remains structurally ahead. Gradual recovery in urban demand and a ~15% YoY correction in crude oil prices further provide margin tailwinds to support profitability. While demand trends remain inconsistent, as per management commentary, multiple structural levers continue to support the growth story. **a) Category expansion continues to drive growth:** CWL is scaling high-margin verticals like opalware (80% utilization in FY25; full capacity in FY26E), and glassware (FY25 revenue doubled YoY) with breakeven targeted by FY26 and full utilization by FY27E. **b) Favorable steelware dynamics:** BIS ban on Chinese vacuum bottles has created supply gaps; CWL (~12–13% market share) will begin in-house production by H2FY26, aided by pre-built inventory, with strong long-term potential despite short-term stock-outs. **c) Writing instruments stabilizing:** Export-led decline in FY25 is bottoming out, while domestic sales remained steady; new product additions (e.g., art supplies, geometry boxes) to aid recovery and portfolio expansion. **d) Strong fundamentals remain intact:** Industry-best ~26% EBITDA margin, 77% in-house manufacturing, and 1.5L+ retail reach position CWL well to benefit from premiumisation, import substitution, and formalisation trends despite near-term demand volatility. **We forecast 14%/16%/15% revenue growth in FY25–27E, with RoE/RoCE of 17%/18% and average operating cash flows of ₹2.4 bn over FY23–25, reflecting strong internal accruals and balance sheet strength. We value the company at 35x FY27E EPS of ₹21.9, arriving at a Target Price of ₹768, and initiate with a BUY rating.**

Income Statement

(₹ mn)	FY24	FY25	FY26E	FY27E
Revenue	20,003	21,364	24,075	27,687
Change %	11.3%	6.8%	12.7%	15.0%
RM Cost	9,484	10,315	11,661	13,243
Employee Cost	1,895	2,112	2,335	2,686
Other Expense	3,527	3,833	4,382	4,928
Total Expenditure	14,906	16,260	18,378	20,857
% of Sales	74.5%	76.1%	76.3%	75.3%
EBITDA	5,097	5,104	5,697	6,830
Margin%	25.5%	23.9%	23.7%	24.7%
Depreciation	567	620	802	833
EBIT	4,530	4,484	4,895	5,997
Int. & Fin charges	26	15	3	4
Other Income	251	447	481	498
PBT	4,755	4,916	5,373	6,491
Tax	1,188	1,267	1,354	1,636
Reported PAT	3,567	3,649	4,019	4,855
Change %	25%	2%	10%	21%
Margin%	17.8%	17.1%	16.7%	17.5%
EPS (₹)	12.9	13.7	16.1	21.1

Source: Company, LKP Research

Key Ratios

YE Mar	FY24	FY25	FY26E	FY27E
Profitability Ratios				
ROA	18.1%	13.8%	13.2%	13.9%
ROE	31.0%	16.8%	16.0%	16.6%
ROCE	31.9%	18.4%	17.6%	18.8%
ROIC	20.6%	15.1%	14.4%	15.0%
Valuation (x)				
Rep. PE	38.1	38.4	32.7	27.1
EV/Sales	6.5	6.5	5.8	5.0
EV/EBITDA	25.4	27.3	24.4	20.3
P/BV	9.2	5.8	4.8	4.2
Turnover Ratios (x)				
Asset Turnover	0.3	0.2	0.2	0.2
Fixed Assets Turnover	5.0	3.7	3.8	4.2
Efficiency Ratios (x)				
Inventory in days	171.6	174.6	171.1	167.4
Debtor days	97.9	108.4	102.4	95.7
Creditors days	53.6	52.1	48.5	47.0
Liquidity Ratios (x)				
Current	2.4	9.3	8.4	8.7
Leverage Ratios (x)				
Debt/Equity	0.2	0.0	0.0	0.0
Interest Coverage	177	309	1,848	1,444

Source: Company, LKP Research

Balance Sheet

(₹ mn)	FY24	FY25	FY26E	FY27E
Net Block	5,395	6,326	6,609	6,832
Other intangible assets	24	17	14	16
Deferred tax assets	21	17	17	17
Other non-current assets	1,046	638	883	917
Total non-current assets	6,486	6,999	7,523	7,782
Inventories	4,622	5,246	5,687	6,458
Debtors	6,106	6,578	6,926	7,585
Cash & Cash Equivalents	322	517	1,570	2,071
Other current assets	2,183	7,079	8,776	11,115
Total current assets	13,232	19,420	22,959	27,230
Total assets	19,718	26,418	30,481	35,012
Equity				
Equity share capital	1,061	1,104	1,104	1,104
Other equity	10,431	20,570	23,986	28,113
Non-controlling interests	2,206	2,411	2,411	2,411
Total equity	13,699	24,085	27,501	31,628
Long Term Borrowings	277	0	0	0
Deferred tax liabilities (net)	126	152	152	152
Other liabilities	81	95	95	95
Total non-current liabilities	485	247	247	247
Borrowings & Provision	3,366	27	504	715
Trade Payables	1,442	1,502	1,597	1,814
Other current liabilities	727	557	632	608
Total current liabilities	5,535	2,086	2,733	3,136
Total equity and liabilities	19,718	26,418	30,481	35,012

Source: Company, LKP Research

Cash Flow

(₹ mn)	FY24	FY25	FY26E	FY27E
PBT	4,750	4,913	5,373	6,491
Depreciation & amortisation	567	620	802	833
Finance costs	26	15	3	4
Others	-204	-421	0	0
Change in WC	-1,667	-1,309	-1,060	-1,612
Income taxes	-1,160	-1,200	-1,354	-1,636
CFO	2,312	2,617	3,764	4,081
Net CAPEX (PP&E)	-2,528	-1,651	-1,082	-1,058
Others	-28	-3,883	-1,500	-2,000
CFI	-2,556	-5,534	-2,582	-3,058
Issue of equity shares	0	7,131	0	0
Net change in debt	191	-422	477	211
Dividend Paid	-46	-386	-603	-728
Finance cost	-22	-11	-3	-4
Others	138	-3,200	0	0
CFF	260	3,112	-129	-522
C&CE opening balance	306	322	517	1,570
Net CF	16	195	1,053	501
C&CE at the end of the years	322	517	1,570	2,071

Source: Company, LKP Research

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