

INITIATING COVERAGE

Century Plyboards (India) Ltd



Unlocking Operating Leverage and Multi-Segment Scale

We are initiating coverage on Century Plyboards Limited with a **BUY** rating and a target price of Rs 820/share, implying an upside of 18% from the CMP. Established in 1986 and headquartered in Kolkata, India, CenturyPly is one of India's largest integrated interior infrastructure companies, holding a market-leading position across wood panel products.

Investment Thesis

- Expansion into Core Growth Engine:** Century Plyboards is entering its next growth cycle, targeting Rs 12,000 Cr in revenue by FY30–31. Having successfully executed its prior expansion, raising plywood capacity to 3,96,300 CBM and particle board capacity to 2,40,000 CBM, the company is deploying capital into high-return greenfield and brownfield projects. Key upcoming investments include a greenfield plywood unit in Hoshiarpur, Punjab, a massive Rs 1,130 Cr project in Uttar Pradesh for MDF and plywood, and a multi-phase facility in Odisha. Backed by disciplined balance sheet management and a stable net debt-to-equity ratio of 0.61x, CenturyPly is funding this expansion primarily through internal accruals, positioning itself to capture rising national demand while cementing market share.
- Operating Leverage and Asset Sweating Drive Margin Expansion:** Having completed its largest expansion cycle with capital expenditure moderating to Rs 393 Cr in FY25-26, CenturyPly is entering a high-margin asset-sweating phase. Newly commissioned greenfield and brownfield assets, including the Badvel MDF plant and the Chennai particle board facility, are rapidly stabilising. Capacity utilisation for FY26 saw scaling across categories (plywood at peak 94-99%, MDF at 77–85%, particle board at 67%), unlocking powerful operating leverage. This shift is already validated by a dramatic surge in adj. operating cash flows to Rs 457 Cr in FY26. As volume absorption approaches full capacity, fixed overheads dilute, directly driving EBITDA margin expansion and accelerating Return on Capital Employed (RoCE).
- Brand Investments and Premiumisation:** The company continues to transform wood panels from a commodity into an aspiration-driven category behind its signature promise, "Raho Befikar". CenturyPly reinvested Rs 230 Cr into brand building in FY25-26 (4.3% of revenues), featuring high-impact campaigns like "Total Cover" featuring Aamir Khan. This relentless focus on brand equity accelerates product premiumisation across offerings such as Club Prime plywood (featuring 30-year warranties & Firewall technology), and LookBook decorative laminates. By shifting customer preference toward value-added, technology-led products, CenturyPly commands strong pricing power, protects EBITDA margins, reduces reliance on discount-driven sales, and gains disproportionately from unorganised-to-organised market migration.
- Outperformance in Non-Plywood Verticals:** While plywood remains a steady flagship showing growth of ~16% YoY, CenturyPly's strategic diversification into non-plywood segments now accounts for nearly 46% of total revenue. This creates a resilient multi-engine model for the company that further helps in margin expansion. In FY25-26, the MDF vertical surged 26% in value to Rs 1,284 Cr, driven by capacity expansion and rising modular furniture adoption. MDF is expected to be an equal contributor to plywood in the coming 2-3 years. The Laminates business recovered strongly with 14% growth to Rs 743 Cr, expanding into export-oriented HPL formats. Meanwhile, Particle Board operations scaled dramatically, delivering 38% revenue growth to Rs 200 Cr. This broad-based performance ensures strong operational leverage and derisks growth across economic cycles.

Valuation & Recommendation

We initiate coverage on Century Plyboards Ltd. with a **BUY** recommendation, supported by its strong positioning in the core Plywood segment, value-added products and expected asset sweating, translating to higher margins. Over the medium term, key growth levers include a) Expansion in core segments, b) asset sweating driving higher margins, c) Brand investments and premiumisation, and d) outperformance in non-core segments. We expect Revenue/EBITDA/PAT to grow at 17%/24%/35% CAGR over FY26-FY29E. Consequently, we recommend a **BUY** on the stock and confidently award a Forward PE multiple of 27x on FY29E EPS to arrive at a TP of **Rs 820**. The TP implies a robust upside of **18%** from the CMP.

Key Financials (Consolidated)

(Rs Cr)	FY26	FY27E	FY28E	FY29E
Net Sales	5,397	6,366	7,424	8,554
EBITDA	650	878	1,039	1,249
Net Profit	268	406	517	661
EPS (Rs.)	12	18	23	30
PER (x)	57.58	37.62	29.56	23.09
EV/EBITDA (x)	16.62	17.22	17.76	18.23
P/BV (x)	5.87	5.07	4.35	3.68
ROE (%)	10	13	15	16

Source: Company, Axis Securities Research

(CMP as of 25th September, 2026)

CMP (Rs)	694
Upside /Downside (%)	18%
High/Low (Rs)	857/619
Market cap (Rs Cr)	15,876
Avg. daily vol. (1 m) Shrs.	79,487
No. of shares (Cr)	22.2

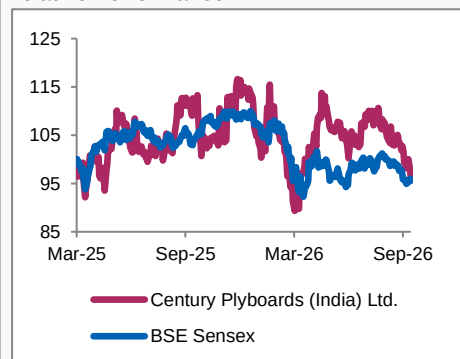
Shareholding Pattern (%)

	Dec-25	Mar-26	Jun-26
Promoter	72.6	71.8	71.8
FII	4.1	4.1	3.9
DII	15.7	16.5	16.6
Public	7.5	7.6	7.7

Financial & Valuations

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Relative Performance



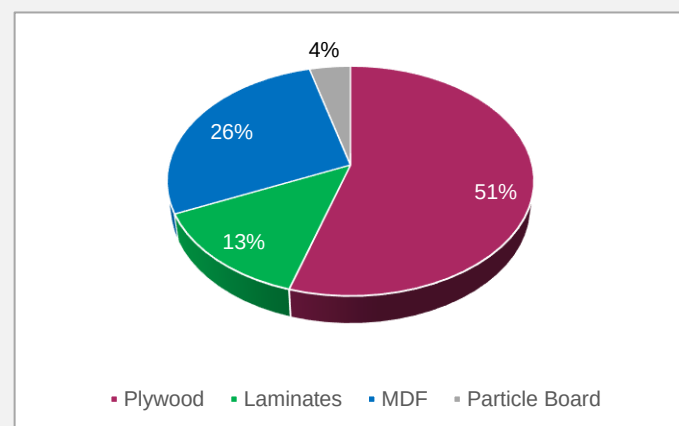
Source: Ace Equity, Axis Securities Research

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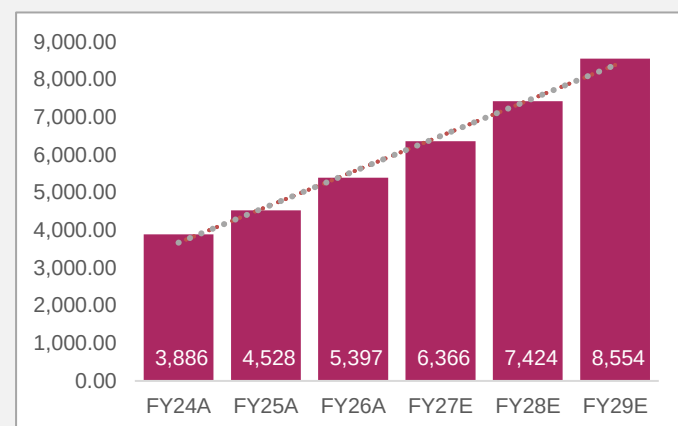
Century Plyboards' Story in Charts

Exhibit 1: Expected Segment-wise Revenue Mix for FY29E...



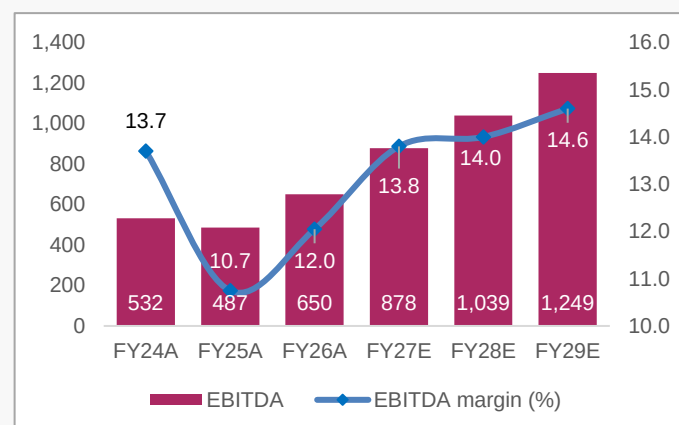
Source: Company, Axis Securities Research

Exhibit 2: ... Leading to Revenue CAGR of 17% FY26-29E



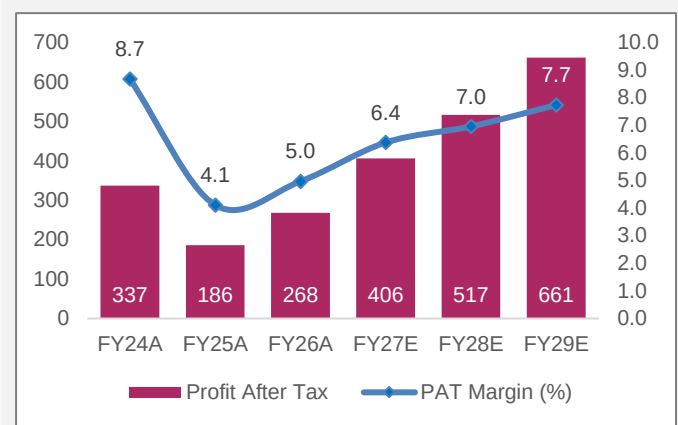
Source: Company, Axis Securities Research

Exhibit 3: Improving EBITDA Margins Led by Operating Leverage (in Rs Cr)



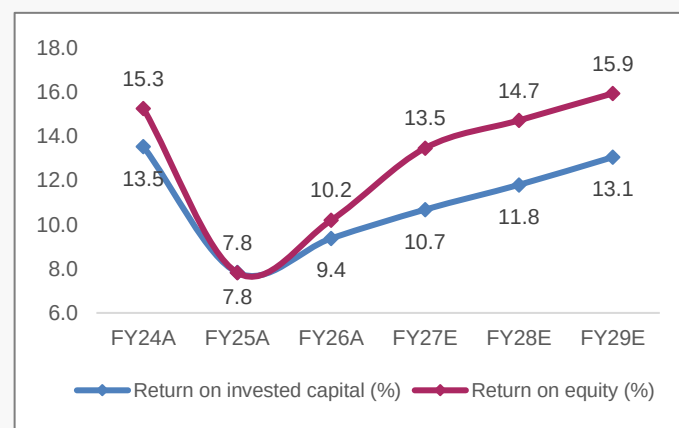
Source: Company, Axis Securities Research

Exhibit 4: PAT Showing a CAGR of 35% from FY26-29E (in Rs Cr)



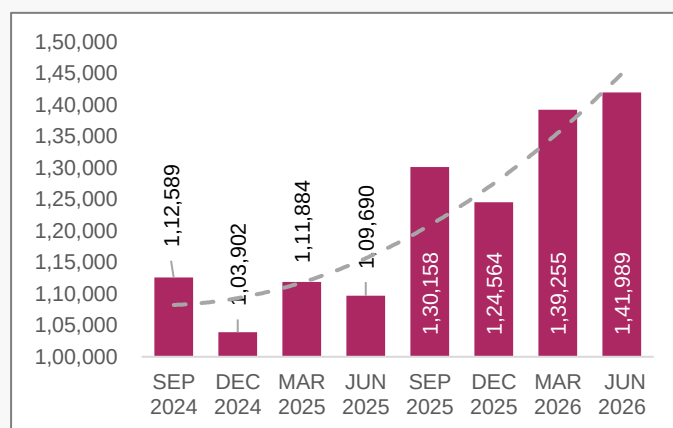
Source: Company, Axis Securities Research

Exhibit 5: Asset Sweating Leading to Improving Return Ratios



Source: Company, Axis Securities Research

Exhibit 6: Growth of Core Segment – Plywood (Quarterly)



Source: Company, Axis Securities Research

Century Plyboards Ltd.

Founded by Sanjay Agarwal, the late Hari Prasad Agarwal, and Sajjan Bhajanka, Century Plyboards (India) Limited is one of India's largest interior infrastructure and wood panel companies. The company offers a diversified portfolio comprising plywood, laminates, medium-density fibreboard (MDF), particle boards, natural veneers, doors, and PVC sheets, catering to trade partners, original equipment manufacturers (OEMs), architects, interior designers, and retail consumers nationwide. CenturyPly's business model is powered by a robust pan-India presence consisting of nine owned and subsidiary plants across West Bengal, Tamil Nadu, Haryana, Assam, Gujarat, Punjab, Uttarakhand, Andhra Pradesh, and an overseas peeling unit in Gabon, Africa.

The company offers a diverse product portfolio spanning plywood, laminates, medium-density fibreboard (MDF), particle boards, veneers, doors, and PVC sheets. Marketed under its flagship brand with the core promise "Raho Befikar", CenturyPly reaches trade partners and retail consumers through a vast pan-India distribution network comprising over 7,000 dealers and 17,000 retailers.

In FY25–26, CenturyPly generated ~Rs 5,400 Cr in revenue, supported by broad-based growth across all its core product verticals. Backed by enterprise-wide digital integration through SAP S/4HANA, the company continues to strengthen its domestic leadership while expanding its international footprint across 34 export countries.

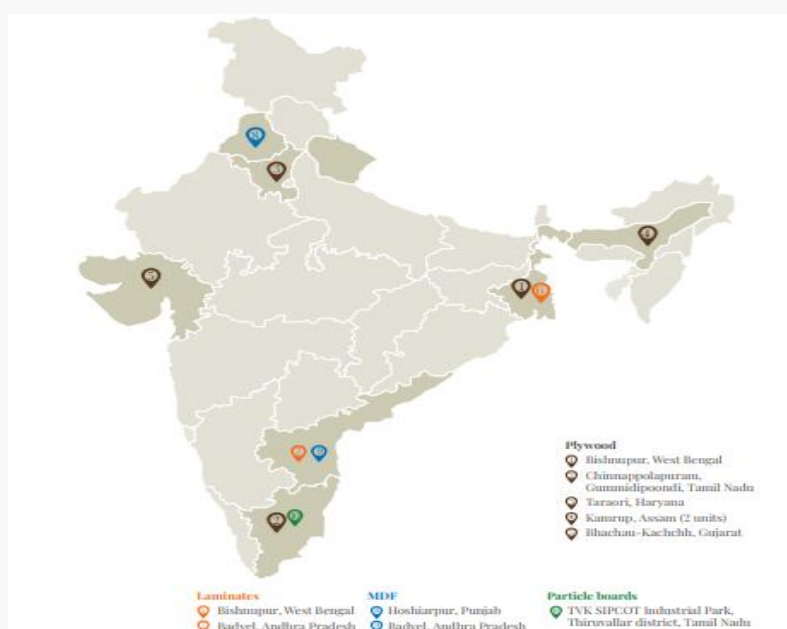
Established in 1986 and headquartered in Kolkata, India, CenturyPly is one of India's largest integrated interior infrastructure companies, holding a market-leading position across wood panel products.

Exhibit 7: Prepared for the Next Phase

Plywood	MDF (Medium Density Fibreboard)	Particle Boards
- Among the largest plywood capacities in India - India's Capacity - ~10 Mn cubic metres vs China's ~200 Mn	- The company's MDF capacity makes it one of the largest players in India - India's Capacity - ~2.5 Mn cubic metres vs China's ~55 Mn	- Capacity places the company in the top three in India - India's PB Capacity - ~1.5 Mn cubic metres vs China's ~35 Mn

Source: Company, Axis Securities Research

Exhibit 8: Pan-India Manufacturing Process



Source: Company, Axis Securities Research

CenturyPly's Business Strategy

Strategy

The company's overarching strategic model is built around accelerating business momentum, safeguarding financial strength, and driving operational excellence. To protect the balance sheet across cyclical industry phases, CenturyPly emphasises cost optimisation, overheads rationalisation, margin improvement, and scalable cost management to secure long-term competitiveness. Growth is driven by expanding market share across all categories, reducing sole reliance on plywood by diversifying into laminates, MDF, and entry-level segments, and maximising distribution potential through strategic product bundling and cross-selling. Furthermore, the company is deepening trade partner relationships—increasing share of shelf, inventory presence, and service speed—while reinforcing brand equity through its "Raho Befikar" promise. Geographically, CenturyPly continues to penetrate Tier 2, Tier 3, and emerging urban markets. To underpin these growth initiatives, the business is executing an enterprise-wide digital transformation by institutionalising governance frameworks, leveraging cloud-based platforms, enabling e-commerce access, and integrating cutting-edge digital and analytics tools to enhance operational efficiency, engagement, and sales performance.

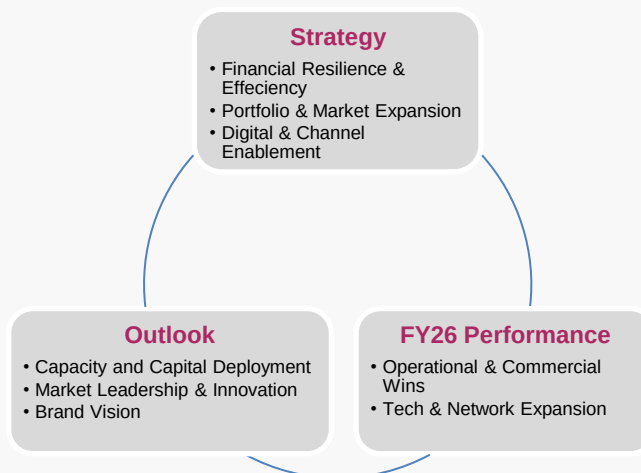
FY26 Performance

During FY26, CenturyPly demonstrated robust financial, operational, and commercial execution. Financial liquidity strengthened significantly, with cash, bank, and liquid funds expanding from Rs 49 Cr as of 31st March, 2025, to Rs 59 Cr by 31st March, 2026. Commercial success was propelled by high-margin growth in value-added laminate and MDF segments, combined with a successful expansion into the price-sensitive laminate tier. Operational efficiency was heavily enhanced by partnering with a global consulting firm for process optimisation, applying the Theory of Constraints to flow and inventory management, and increasing capital productivity. Execution was further empowered through data-driven Sales Force Automation and analytics for precise region- and product-wise performance tracking. Digital infrastructure advanced rapidly via deeper investments in data science, SAP S/4HANA, a strengthened Distribution Management System, and expanded e-commerce partnerships, notably with Flipkart. On the distribution front, channel responsiveness improved markedly, yielding shorter delivery turnaround times and enhanced inventory turnover for trade partners nationwide.

Outlook

Looking ahead, CenturyPly's forward-looking roadmap prioritises capacity growth, tech-led execution, and strong financial discipline. The company plans to accelerate the commissioning of new manufacturing capacities, optimise asset utilisation, and strategically deploy surplus capital toward working capital, expansion, and shareholder returns, while maintaining a strong net cash balance sheet and targeting a zero long-term debt position. Commercially, the business will fast-track research-led, feature-rich product innovations, increase the revenue contribution of value-added segments, expand its presence across urban and regional Tier II/III markets, and capture market share from the unorganised sector. Digitally, CenturyPly aims to embed a digital-first mindset across all functions, expanding Sales Force Automation, analytics visibility, and e-commerce platforms to free up managerial bandwidth. Ultimately, the company seeks to maintain industry-leading Return on Capital Employed (RoCE) for trade partners and solidify its market identity around superior customer experience and total portfolio versatility: "CenturyPly delivers the best overall experience" and "CenturyPly for every space, every need."

Exhibit 9: Century's Performance and Strategic Roadmap



Source: Company, Axis Securities Research

Key Competitive Strengths & Growth Drivers

Plywood Remains Core Earnings Engine; Significant Headroom for Market-Share Gains

Century Ply's biggest strength remains its leadership and brand equity in the organised plywood market, with management repeatedly highlighting that its plywood market share is still only around 9.5–10%, leaving considerable headroom to reach its medium-term aspiration of ~15%. This is important because growth need not be entirely dependent on industry demand; the company can grow through market-share gains, premiumisation and capacity addition. Plywood revenue grew strongly in Q1FY27, while segment EBITDA margin reached 16.9%, the highest among the major organised players during the quarter. Management has indicated a five-year volume growth ambition of roughly 12–15% annually for plywood. The company's strategy of strengthening the dealer network, investing in branding and pushing premium products such as Club Prime should support realisations alongside volumes. The quality-assurance-related restrictions on imports have also structurally improved the competitive environment for organised Indian plywood players.

Century Ply is entering a multi-year capacity-led growth phase, with plywood providing the core earnings engine and MDF emerging as the key incremental growth driver.

Large Plywood Capacity Additions; Showcasing Multi-Year Visibility:

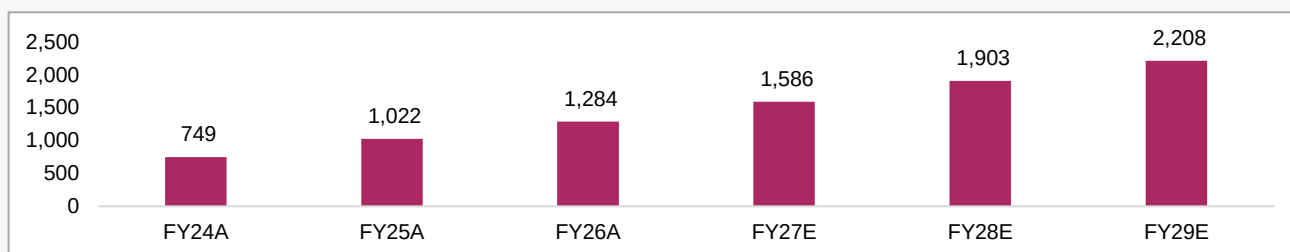
Century has been progressively expanding plywood capacity across its existing facilities, which should materially improve its ability to cater to demand without relying excessively on outsourcing. The company had around 406,000 CBM of plywood capacity as of Mar'26, with additional capacity coming through Hoshiarpur and brownfield expansion at Chennai. The Hoshiarpur greenfield plant, with around 60,000 CBM capacity, is expected to commence operations in Q3FY27, while Chennai is being expanded from roughly 75,000–80,000 CBM towards 150,000 CBM. Additional debottlenecking is also taking place at Kandla, Guwahati and Joka. Management's commentary suggests that the expansion programme is not merely designed to address near-term constraints but forms part of its longer-term plan to substantially increase the company's plywood footprint. Consequently, H2FY27 should begin to see a combination of higher installed capacity, better utilisation and operating leverage, with the full benefit becoming increasingly visible from FY28 onwards.

Facility / Location	Business Segment	Baseline Capacity	Expansion Capacity / Status	Target Timeline
Overall Plywood Base	Plywood	406,000 CBM (as of Mar 2026)	Progressive debottlenecking (Kandla, Guwahati, Joka)	Ongoing
Hoshiarpur	Plywood	Greenfield	+60,000 CBM	Q3FY27 Operational
Chennai	Plywood	75,000–80,000 CBM	Scales to ~150,000 CBM	Near-term
Andhra Pradesh	MDF	700 CBM/day	Expanded to 950 CBM/day	Active
Uttar Pradesh (Proposed)	Plywood	Greenfield	~120,000 CBM	Targeted ~FY28
Uttar Pradesh (Proposed)	MDF	Greenfield	>300,000 CBM	Phased lag after Plywood

MDF Emerging as Potential Earnings Driver

MDF is arguably the most important incremental earnings driver for Century over the next 2–3 years. The segment has already demonstrated strong growth, with Q1FY26 MDF revenue growing 23.7% YoY and EBITDA margin at 14.3%; the subsequent capacity expansion at the Andhra Pradesh plant takes capacity from roughly 700 CBM/day to 950 CBM/day. Management has maintained a long-term objective of achieving 15%+ EBITDA margins in MDF, supported by higher utilisation, product-mix improvement and greater contribution from value-added products. Earlier commentary indicated industry growth expectations of around 15–20% and Century's ambition to grow faster than the industry. The company is also working towards a much larger MDF footprint through the proposed Uttar Pradesh facility. Importantly, Century is not approaching MDF merely as a volume business; management has specifically talked about improving the mix towards value-added MDF and targeting ~20% ROCE from the business.

Exhibit 10: MDF Expected Revenue CAGR of 20% from FY26-29E



Source: Company, Axis Securities Research

Laminates Turning into Margin Recovery Story

The company is consciously moving towards premium products and influencer-led demand generation, targeting architects, interior designers and other decision-makers who can influence specification. The new CenturyLaminates LookBook/Trendz Edit initiative is part of this strategy. Century is also adding a new home press for export-grade manufacturing, which should help increase its ability to address premium/export opportunities. Thus, the laminates business provides Century with a relatively asset-light source of incremental growth, while its improving mix can support realisation and margin expansion.

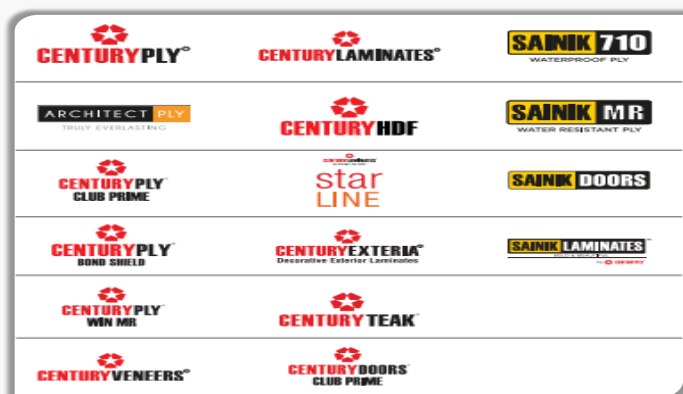
Particle Board - Potential Contributor

While particle board remains a relatively small business for Century, its earnings profile is showing a clear and positive trajectory. The new continuous particle-board line initially operated at low utilisation, resulting in elevated fixed costs and weak margins. Management, however, has consistently indicated that utilisation should improve towards 55–60%, with EBITDA margins expected to move towards approximately 15% over time. The company has also highlighted positive customer feedback regarding the quality of the new facility and has been focused on improving product mix and utilisation rather than immediately undertaking another large capacity expansion.

Strong Brand Investment + Premiumisation Should Protect Margins

A key differentiator for Century is its willingness to invest in the brand even when the industry is facing cost pressure. Management has indicated that branding and marketing expenditure is around 4–4.5% of revenue, with initiatives increasingly focused on premium products and influencers rather than simply expanding distribution. The Club Prime campaign, architect/interior-designer engagement and premium laminate launches are aimed at strengthening Century's ability to command a premium and reduce dependence on pure commodity-led competition. This becomes particularly important given the volatility in timber and chemical costs. In Q1FY27, Century implemented around a 7% plywood price increase to offset higher chemical costs arising from geopolitical developments, while MDF saw a larger increase that was subsequently partly rolled back as input costs moderated.

Exhibit 11: Century's Brand Portfolio, Successful Brand Campaigns



Source: Company, Axis Securities Research

Segment-wise Key Highlights

Plywood & Doors

- Premium Segment - Club Prime, Architect Ply
- Economical/Mass Segment - Sainik 710, Sainik MR

MDF & HDF

- Century HDF/Premium Plus
- FSP (Fire Retardant MDF)
- Cenboil & Cenwood

Laminates & Decorative Surfaces

- High-Pressure Laminates - Lucida, Starline
- Value/Budget Segment - Sainik Laminates
- Exterior Surfaces - CenturyExteria
- Decorative Veneers - NatzuraWoods, SenzuraStyles

Particle Boards

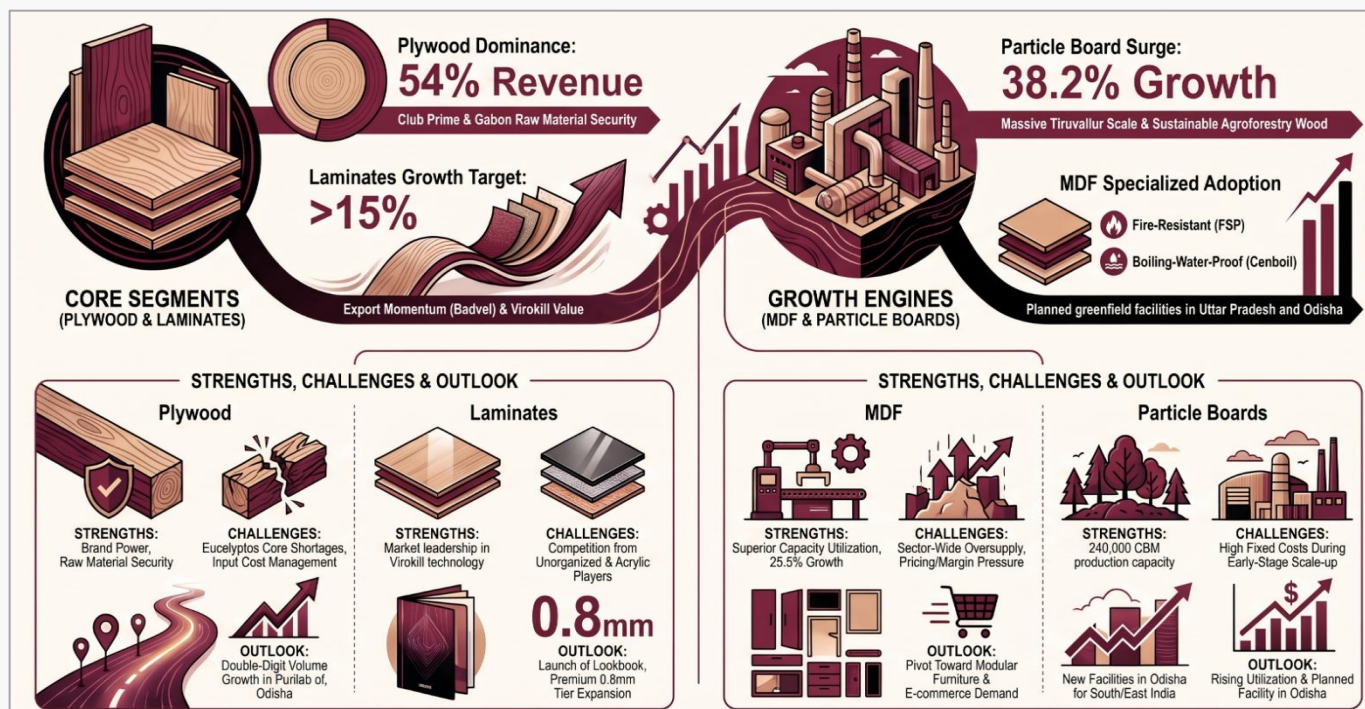
- Century ParticleBoard (Eco- Friendly)

Allied Products

- PVC Sheets
- Furniture Fittings
- CFS & Logistics

Source: Company, Axis Securities Research

Segment-wise Strengths, Challenges & Outlook



Source: Company, Axis Securities Research

Outlook & Valuation

Century Plyboards is positioned for sustained, multi-year growth, targeting a revenue benchmark of Rs 12,000 Cr by FY30-mul (representing a 17%+ CAGR) from its FY25–26 base. This trajectory is powered by a new phase of strategic capacity build-outs, including a major Rs 1,130 Cr greenfield project in Uttar Pradesh, a 60,000 CBM unit in Hoshiarpur, Punjab, and expansion in Odisha. Supported by structural tailwinds in Indian housing and urbanisation, the company leverages its strong brand equity ("Raho Befikar"), expanding non-plywood categories, digital core (SAP S/4HANA), and an AA Stable credit profile to capture market share while maintaining strict balance sheet discipline.

Over the medium term, key growth levers include a) Expansion in core segments, b) Asset sweating driving higher margins, c) Brand investments and premiumisation, and d) Outperformance in non-core segments. **We expect Revenue/EBITDA/PAT to grow at 17%/24%/35% CAGR over FY26-FY29E. Consequently, we recommend a BUY on the stock and confidently award a Forward PE multiple of 27x on FY29E EPS to arrive at a TP of Rs 820/share. The TP implies a robust upside of 18% from the CMP.**

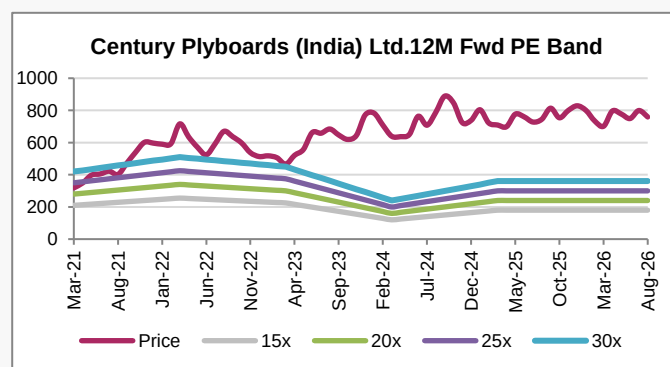
Driven by strategic capacity expansions, housing tailwinds, and premiumization- Revenue/EBITDA/PAT are set to grow at 17%/24%/35% CAGR over FY25–FY29E

Exhibit 12: Century Plyboards' Valuation*

FY29E	EPS	P/E multiple	Value (Rs/share)
Target Price	30	27	820
CMP			694
Upside/(Downside) %			18%

*Fwd PE Multiple

Exhibit 13: 1 YR FWD PE Band Chart



Source: Company, Axis Securities Research

Exhibit 14: Peer Comparison

Company	Price	Mkt Cap	PE (x)				EV / EBITDA (x)				ROE (%)			
	Rs		FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E
Century Plyboards (India) Ltd.	694	15,473	57.6	37.6	29.6	23.1	16.6	17.2	17.8	18.2	10.2	13.5	14.7	16.0
Greenply Industries Ltd.	294	3,672	25.1	22.6	17.8	13.8	10.1	12.0	10.2	8.7	10.5	16.4	17.5	18.9
Greenpanel Industries Ltd.	166	2,037	NA	31.6	14.7	11.1	24.1	11.1	7.9	6.5	-2.1	4.6	9.0	11.1
Greenlam Industries Ltd.	227	5,791	92.8	37.9	24.1	18.9	19.3	16.4	13.0	11.3	4.9	12.2	16.9	18.1

Source: Bloomberg, Priced as of 4th Sep'26., Axis Securities Research. (Figures as of FY26, approximate numbers used.)

Key Risks

Risks	Description
Macro-economic risk	The plywood business remains exposed to national and global economic fluctuations that lie outside the Company's control.
Political risk	Shifts in government leadership may result in policy changes that could influence business operations and overall profitability.
Regulatory risk	The Company's ability to secure raw materials depends on obtaining required permits and adhering to regulatory guidelines, creating potential operational exposure.
Locational risk	Selecting an unsuitable manufacturing site can be both costly and difficult to reverse, creating significant challenges for the Company's operations and profitability.
Demand risk for emerging products	There is a significant possibility that demand for new product categories may fall short of initial projections, which could affect revenue generation and overall growth prospects.
Competition risk	Heightened competition from rival players, particularly in cargo shipments, poses a potential threat to the Company's revenue streams and market share.

Management Team

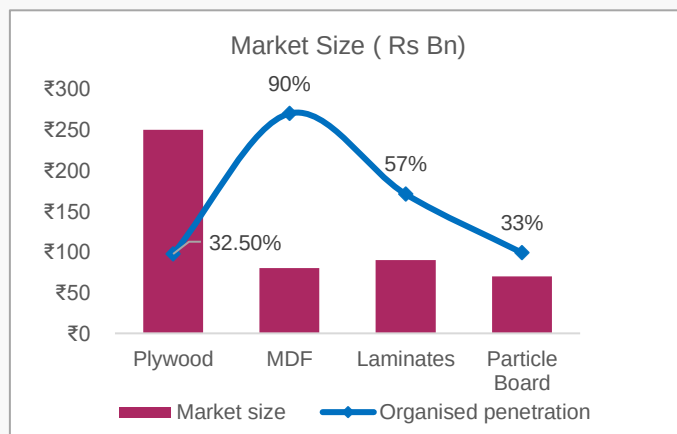
Name	Experience
Mr. Sajjan Bhajanka <i>Chairman & Managing Director</i>	Mr. Sajjan Bhajanka, aged 74 years, is a commerce graduate from Dibrugarh University, Assam. He has business and industrial experience of more than 47 years in the fields of plywood, Ferro Silicon, Cement and others. He is the Chairman & Managing Director of CPIL. He is responsible for the overall strategic direction, production, finance & treasury. He is also the Chairman & Managing Director of Star Cement Ltd., which has set up the largest cement plant in the North East region. He has been associated with the company since 1986 and has played a key role in the diversification and growth of the company.
Mr. Sanjay Agarwal <i>CEO & Managing Director</i>	Mr. Sanjay Agarwal, aged 65 years, is a commerce graduate from Calcutta University and has more than 39 years of rich experience in diverse fields. Mr. Sanjay Agarwal is the Managing Director and Chief Executive Officer of CPIL. He is the driving force behind the successful making of the 'Century Ply' brand. He is looking after Sales, Marketing, IT and HR activities.
Mr. Prem Kumar Bhajanka <i>Managing Director</i>	Mr. Prem Kumar Bhajanka, aged 68 years, is a commerce graduate. He is Managing Director of CPIL and has been instrumental in setting up the company's Haryana, Assam, Gujarat and Myanmar Units. He has over 46 years of experience in the plywood industry and is well known for his expertise in setting up units in difficult locations. He is looking after timber procurement and operations of four units, including Myanmar.
Mr. Vishnu Khemani, <i>Managing Director</i>	Mr. Vishnu Khemani, aged 74 years, is a commerce graduate. Mr. Khemani is a Managing Director of the company and has set up CPIL's plywood and veneer manufacturing unit at Chennai. He created and nurtured the 'Sharon Ply' brand, which is the most popular plywood brand in South India. Mr. Khemani is looking after the company's South India operations. Mr. Khemani is also instrumental in conceiving and planning the company's Particle Board and MDF ventures.
Mr. Keshav Bhajanka, <i>Executive Director</i>	Mr. Keshav Bhajanka, aged 36 years, is a meritorious graduate from Warwick University, UK, with a Bachelor's in Accounts and Finance in 2010. He is the man behind the stellar growth of the decorative vertical in the company, which includes successful implementation of new supply chain projects and foray into new businesses such as MDF, Exteria and Flooring. He is a member of 'Round Table India', a charitable organisation that promotes freedom to education and also a member of 'Friends of Tribal Society'.
Mrs. Nikita Bansal, <i>Executive Director</i>	Mrs. Nikita Bansal, aged 36 years, is the daughter of Mr. Sanjay Agarwal, Chief Executive Officer and Managing Director of CPIL, and she has already been working with the company in an executive capacity before she was appointed Director on the Board. Mrs. Bansal is a graduate in Economics and is also a Minor in Business and Mathematics from New York University. Mrs. Bansal has been heading the Century door product line, and she has also been instrumental in leading change management efforts within the company, like vision and goal setting, internal communication, employee engagement, travel desk, etc.
Mr. Rajesh Kumar Agarwal, <i>Executive Director</i>	Mr. Rajesh Kumar Agarwal, aged 55 years, son of Late Hari Prasad Agarwal, is a commerce graduate and a diploma holder in computer science. He has also completed Strategic Sourcing & Supply Chain Management from IIM Bangalore and is also a Certified Global Negotiation Executive Training (CCNA) from The Institute of Supply Chain Management. He is a competent, results-oriented professional with 34 years of experience in Administration, Logistics, Information Technology and Procurement (Entire P to P/S to P Cycle) Material Management in the corporate sector as well as plants with SAP Environment. Mr. Agarwal is a keen strategist, adept at creating innovative strategies and formulating administrative policies for accelerated growth of the organisation. He deftly manages activities like Materials Management, Project Procurement, Budgets and Contracts, Logistics, IT, Insurance & IPR.
Mr. Ajay Baldawa, <i>Executive Director (Technical)</i>	Mr. Ajay Baldawa, aged 69 years, is a well-known name in the plywood industry. Mr. Ajay Baldawa has done his B.E. (Met. Engg.) from Bengal Engineering College and M.Tech. (Met) from IIT, Kanpur. Mr. Baldawa has 44 years of experience in the Plywood Industry. In 1981, he joined Sarda Plywood Industries Ltd. as Dy. Production Manager and moved up to the rank of General Manager in March 1994. He then joined CPIL as Executive Director.

Industry Dynamics

Building Materials Outlook -

Premiunisation & Shift to Organised Remain Key Drivers

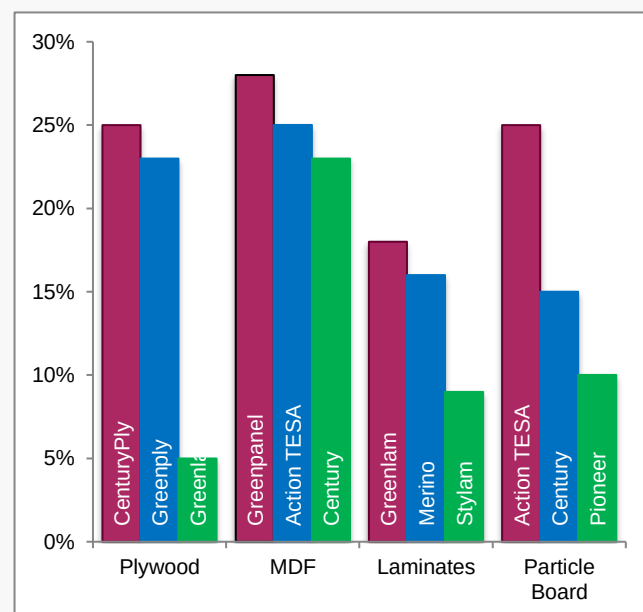
- The Indian building materials industry is undergoing a significant transformation, with premiunisation playing a pivotal role in shifting consumer preferences. Despite its strong growth trajectory, the Indian wood panel market remains starkly underpenetrated relative to global benchmarks, especially when compared to countries with a similar population scale like China. Historically, the Indian panel market has been highly unorganised and fragmented, dominated by small regional producers of variable quality. However, the landscape is undergoing formalisation. The implementation of GST narrowed the historical price gap between unorganised and organised players. Concurrently, consumer preferences have shifted toward reliable quality, gapless structural integrity, termite/borer protection, and fire-retardant properties.



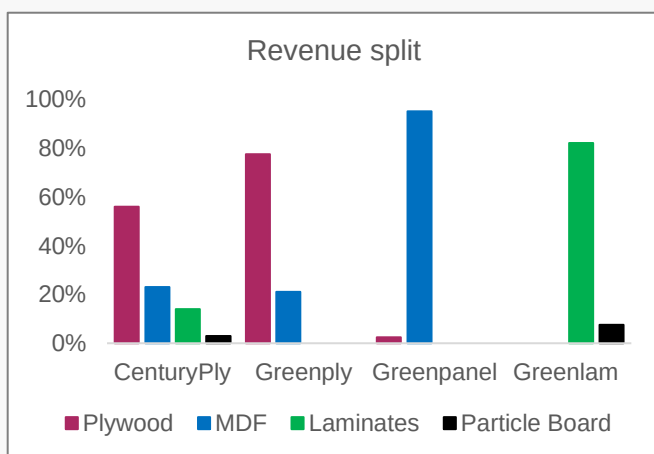
Source: Company, Axis Securities Research

Wood Panels: Shift in Mix

- The broader wood panel and interior infrastructure industry in India is undergoing a structural expansion, underpinned by strong domestic macroeconomic fundamentals. Driven by national GDP growth of 7% or higher, rising disposable incomes, urbanisation, and increasing nuclearisation of families, consumer spending is evolving rapidly beyond basic needs toward lifestyle upgrades and higher-quality housing. The sector is directly benefiting from a massive boom in residential real estate, commercial infrastructure investments (such as airports, hotels, and corporate offices), and a vibrant home-renovation market.
- Simultaneously, a fundamental shift is taking place in how furniture is produced across India, transitioning from traditional on-site carpentry to factory-based modular manufacturing and standardised, ready-to-install solutions. This trend is further amplified by the rapid expansion of e-commerce platforms and organised retail, which require consistent, machine-ready panel materials. On the global front, international supply chains are realigning, positioning India as a credible alternative manufacturing hub for wood panel and furniture exports. Domestically, the industry's raw material security is increasingly supported by structured agro-forestry and farm-forestry initiatives, establishing a sustainable, eco-friendly resource base for long-term growth.



Source: Company, Axis Securities Research



Source: Company, Axis Securities Research

Current Market Leaders

- The domestic building materials panel landscape spans four primary categories with distinct market dynamics, market sizes, and competitive concentration levels. Plywood represents the largest category with an estimated market size of ~Rs 250 Bn, though organised penetration remains low at 30–35%, led by CenturyPly (~25%) and Greenply (~23%). In contrast, the MDF market—valued at ~Rs 80 Bn—is highly organised at ~90% penetration, where Greenpanel (~28%), Action TESA (~25%), and CenturyPly (~23%) together control the bulk of the market. The Laminates segment sits at ~Rs 90 Bn in market size with ~57% organised penetration, led by Greenlam (~18%), Merino (~15–17%), and Stylam (~8–10%). Lastly, the Particle Board segment stands at ~Rs 70 Bn with a lower organised penetration of ~33%, where Action TESA holds the top spot, followed by CenturyPly (#2) and Pioneer (#3).

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY25A	FY26A	FY27E	FY28E	FY29E
Total operating revenues	4,528	5,397	6,366	7,424	8,554
Growth (%)	16.5	19.2	17.9	16.6	15.2
EBITDA	487	650	878	1,039	1,249
EBITDA margin (%)	10.7	12.0	13.8	14.0	14.6
Growth (%)	-9	34	35	17	15
Depreciation & amortization	137	182	234	257	279
EBIT	360	478	655	802	995
EBIT margin (%)	7.9	8.9	10.3	10.8	11.6
Interest	69	113	113	113	113
Other income	10	10	10	20	25
Profit before tax	277	357	541	689	882
Total Tax	91	89	135	172	220
Profit After Tax	186	268	406	517	661
PAT Margin (%)	4.1	5.0	6.4	7.0	7.7
EPS (Rs)	8	12	18	23	30
Growth (%)	-44.76	44.12	53.05	27.28	28.01

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E March	FY25A	FY26A	FY27E	FY28E	FY29E
EQUITY & LIABILITIES					
EQUITY					
Equity share capital	22	22	22	22	22
Other equity	2,357	2,608	2,991	3,486	4,125
Total Equity	2,379	2,630	3,014	3,508	4,147
Non-Current Liabilities					
Financial Liabilities	533	548	548	548	548
Other Non-current liabilities	55	57	57	57	57
Total Non-Current Liabilities	588	606	606	606	606
Current Liabilities					
Financial Liabilities	1,570	1,783	2,424	2,598	2,784
Other Current Liabilities	46	67	67	67	67
Total Current Liabilities	1,625	1,868	2,509	2,683	2,869
Total Equity & Liabilities	4,593	5,103	6,128	6,796	7,621
APPLICATION OF FUNDS					
Non-Current Assets					
Net Fixed Assets	2,772	2,992	3,158	3,271	3,342
Financial Assets	88	154	154	154	154
Total Non Current Assets	2,860	3,146	3,312	3,425	3,496
Current Assets					
Inventories	987	1,087	1,134	1,241	1,430
Financial Assets	598	726	1,538	1,987	2,551
Other current assets	144	141	141	141	141
Total Current Assets	1,733	1,957	2,816	3,371	4,125
Total Assets	4,593	5,103	6,128	6,796	7,621

Source: Company, Axis Securities Research

Cash Flow
(Rs Cr)

Y/E March	FY25A	FY26A	FY27E	FY28E	FY29E
PBT	277	357	541	689	882
Depreciation	137	182	234	257	279
Others	77	150	0	0	0
Tax Paid	-110	-101	-135	-172	-220
Changes in Working Capital	-398	-131	514	-49	-127
Net Cash from Operations	-3	457	1,154	725	813
Capex	-664	-410	-400	-370	-350
Change in Investment	-19	-21	0	0	0
Others	4	5	0	0	0
Net Cash from Investing	-678	-425	-400	-370	-350
Change in debt	750	100	0	0	0
Change in Equity	0	0	0	0	0
Others	-90	-122	-22	-22	-22
Net Cash from Financing	660	-22	-22	-22	-22
Net Change in Cash	-21	10	732	332	441
Free cash flow (FCF)	-667	47	754	355	463

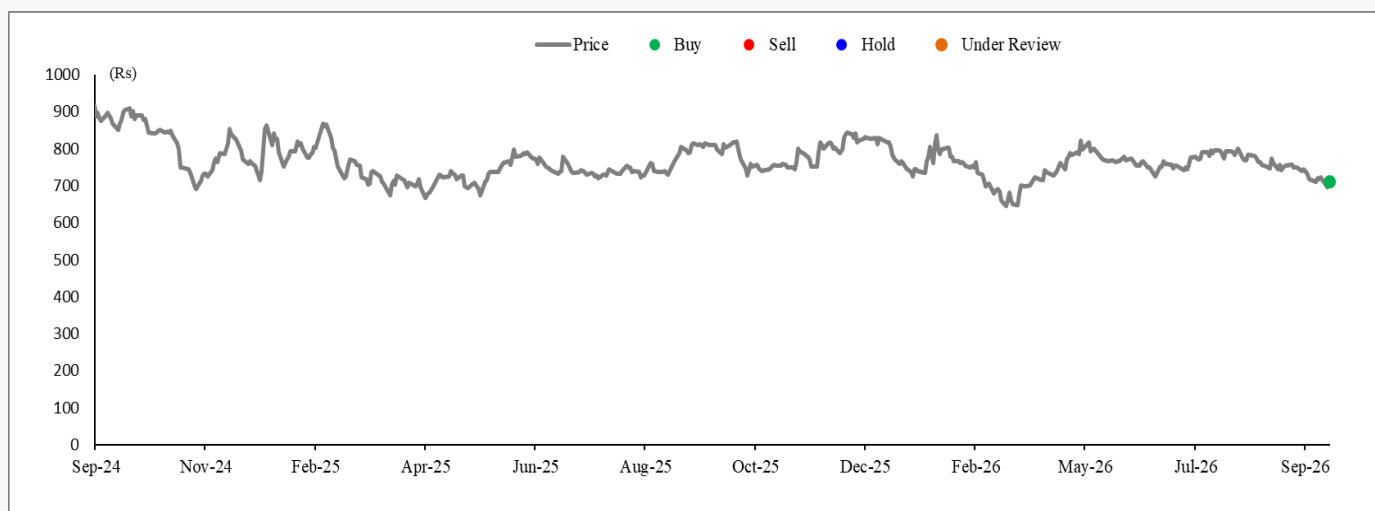
Source: Company, Axis Securities Research

Ratio Analysis
(%)

Y/E March	FY25A	FY26A	FY27E	FY28E	FY29E
PROFITABILITY RATIOS					
EBITDA Margin (%)	11	12	14	14	14.6
Net margin (%)	4	5	6	7	8
Return on invested capital (%)	8	9	11	12	13
Return on equity (%)	8	10	13	15	16
EFFICIENCY RATIOS					
Fixed Asset Turnover	1.63	1.80	2.02	2.27	2.56
Net Debt to equity	0.61	0.61	0.28	0.14	0.02
Interest coverage	5.21	4.22	5.77	7.07	8.77
Debtor days	37	38	38	37	37
Inventory days	122	136	122	110	107
Payable days	48	50	80	105	106
PER SHARE DATA					
EPS (Rs)	8.36	12.05	18.45	23.48	30.06
Book value per share (Rs)	107	118	137	159	189
DPS (Rs)					
VALUATION RATIOS					
P/E	82.86	57.50	37.62	29.56	23.09
P/BV	6.48	5.86	5.07	4.35	3.68
EV/EBITDA	16.42	16.60	17.22	17.76	18.23

Source: Company, Axis Securities Research

Century Plyboards (India) Ltd Price Chart and Recommendation History



Date	Reco	TP	Research
28-Sep-26	BUY	820	Initiating Coverage

Source: Axis Securities Research

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