

Century Plyboard (I) (CPBI IN)

Rating: HOLD | CMP: Rs738 | TP: Rs702

August 8, 2025

Q1FY26 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current FY26E	Previous FY27E	Current FY26E	Previous FY27E
Rating	HOLD	HOLD		
Target Price	702	775		
Sales (Rs. m)	50,957	58,171	50,965	58,062
% Chng.	-	0.2		
EBITDA (Rs. m)	6,472	7,737	6,804	8,158
% Chng.	(4.9)	(5.2)		
EPS (Rs.)	15.5	19.8	16.9	21.9
% Chng.	(8.5)	(9.3)		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	38,860	45,278	50,957	58,171
EBITDA (Rs. m)	5,319	4,866	6,472	7,737
Margin (%)	13.7	10.7	12.7	13.3
PAT (Rs. m)	3,375	1,994	3,441	4,409
EPS (Rs.)	15.2	9.0	15.5	19.8
Gr. (%)	(12.0)	(40.9)	72.6	28.1
DPS (Rs.)	0.1	0.1	0.2	0.2
Yield (%)	0.0	0.0	0.0	0.0
RoE (%)	16.4	8.7	13.7	15.4
RoCE (%)	18.7	10.6	13.2	15.7
EV/Sales (x)	4.4	3.9	3.5	3.0
EV/EBITDA (x)	32.1	36.7	27.5	22.6
PE (x)	48.7	82.4	47.7	37.3
P/BV (x)	7.4	6.9	6.2	5.4

Key Data

	CNTP.BO CPBI IN
52-W High / Low	Rs.939 / Rs.630
Sensex / Nifty	79,858 / 24,363
Market Cap	Rs.164bn/ \$ 1,871m
Shares Outstanding	222m
3M Avg. Daily Value	Rs.59.35m

Shareholding Pattern (%)

Promoter's	72.64
Foreign	4.42
Domestic Institution	17.92
Public & Others	5.02
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(0.3)	(14.7)	2.6
Relative	4.5	(16.8)	1.4

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Plywood segment continues to drive growth

We downward revise Century Plyboard (CPBI) FY26E/FY27E earnings by 8.5%/9.3% due to major disappointment in the Particle Board segment in Q1FY26 and expectations of continued underperformance. CPBI has guided for revenue growth of 10%/20%/20%/40% in FY26 across its Plywood/Laminate/MDF/Particle Board segments with EBITDA margin expected at 12-14%/8-10%/15%/low single digits. We believe Plywood will continue to see healthy volume growth and better realizations as the company took a price hike of 2% in Q1FY26. Also the company highlighted during the call that Jul'25 saw the highest volume growth in its history, and improvement in Laminate and MDF segments. We expect overall revenue/EBITDA/PAT CAGR of 13.2%/26.1%/47.8% with Plywood/Laminate/MDF/Particleboard volume CAGR of 11.1%/14.0%/19.0%/15.6% over FY25-27E. We maintain our rating of 'HOLD' with TP of Rs702 (earlier Rs775), valuing at 35x FY27E.

Revenue up 16.3% YoY, PAT up 55.2% YoY: Revenue increased 16.3% YoY to Rs11.7bn (PLe: Rs11.1bn). Plywood/Laminate/MDF/Particle Board (contributed 55.6%/14.9%/22.2%2.9%) revenue at Rs6.5bn/Rs1.7bn/Rs2.6bn/Rs0.3bn (+14.5%/12.8%/+23.7%/-6.8% YoY), was above our estimates of Rs6.0bn/Rs1.8bn/Rs2.5bn/Rs0.5bn. GM expanded by ~200bps YoY to 48.5% (PLe: 48.8%). EBITDA was Rs1.3bn (PLe: Rs1.3bn) up 15.3% YoY. EBITDA margin stood at 11.0% remained flat YoY (PLe: 11.9%). EBITDA margin of Plywood/Laminate/MDF/Particle Board was 14.1%/6.3%/15.3%/flat (-40bps/-450bps/+770bps/-1880bps YoY). PBT remained flat YoY at Rs711mn (PLe: Rs891mn). PAT stood at Rs529mn (up 55.2% YoY, PLe: Rs666mn).

Concall highlights: **1)** The management has guided Plywood/Laminate/MDF/PB sales growth at 10%/20%/20%/40% with EBITDA margin of 12-14%/8-10%/15%/low single digits in FY26. **2)** The company achieved a milestone in Jul'25, recording the highest ever plywood sales volume in its history. **3)** Plywood currently has a capacity of 366k CBM with a utilization of 91%; the company is expected to add 30k in H2FY26. The Hoshiarpur plant is expected to come up by 2QFY27. **4)** MDF business continued its strong trajectory with 23.7% revenue growth and 14.3% EBITDA margin, among the highest in the industry. The improved performance reflects better capacity utilization and cost optimization. **5)** The company had taken 2% price hikes in the Plywood segment and 2.5% in the Laminate segment in Q1FY26. **6)** Particle Board remains in the recovery phase, but showed sequential improvement over Q4, with the new Tamil Nadu facility commencing commercial production. **7)** In Q1FY26, timber prices were Rs6.3/kg in North India and ~Rs5.8/kg in South India. **8)** Working capital management showed improvement, with the cycle reducing from 76 to 71 days, driven by better raw material inventory management. **9)** Ad spends were higher in Q1FY26 at 5.5% (normally ~4%) due to branding expenses in IPL. **10)** The management emphasized its strategy of capturing market share from unorganized players, rather than solely depending on overall market growth. **11)** CPBI has formed a senior team to explore and asses the opportunity for manufacturing of furniture fittings. The decision will be taken in next 6-9 months.

Exhibit 1: Q1FY26 Result Overview: Revenue up 16.3% YoY, PAT up 55.2% YoY

Y/e March (Rs mn)	Q1FY26	Q1FY25	YoY gr. (%)	Q1FY26E	% Var.	Q4FY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Net Sales	11,694	10,054	16.3	11,119	5.2	11,983	(2.4)	50,957	45,278	12.5
Expenditure										
Operating & Manufacturing Expenses	6,023	5,382	11.9	5,693	5.8	6,378	(5.6)	27,338	24,338	12.3
% of Net Sales	51.5	53.5	(2.0)	51.2	0.3	53.2		53.7	53.8	(0.1)
Gross Profit	5,671	4,672	21.4	5,426	4.5	5,605	1.2	23,618	20,940	12.8
% of Net Sales	48.5	46.5	2.0	48.8	(0.3)	46.8	1.7	46.4	46.2	0.1
Personnel Cost	1,919	1,596	20.3	1,751	9.6	1,816	5.7	7,644	6,913	10.6
% of Net Sales	16.4	15.9	0.5	15.7	0.7	15.2		15.0	15.3	(0.3)
Other Expenses	2,470	1,964	25.7	2,355	4.9	2,444	1.1	9,172	9,162	0.1
% of Net Sales	21.1	19.5	1.6	21.2	(0.1)	20.4		18.0	20.2	(2.2)
Total Expenditure	10,412	8,942	16.4	9,799	6.3	10,638	(2.1)	44,154	40,413	9.3
EBITDA	1,282	1,112	15.3	1,320	(2.9)	1,346	(4.8)	6,803	4,866	39.8
Margin (%)	11.0	11.1	(0.10)	11.9	(0.91)	11.2	(0.3)	13.4	10.7	2.6
Depreciation	367	336	9.1	360	2.0	360	2.0	1,410	1,372	2.8
EBIT	915	776	17.9	960	(4.7)	986	(7.2)	5,393	3,494	54.4
Other income	19	84		80		20	(6.9)	150	103	
Interest	222	150	48.4	150	48.4	190	17.0	620	690	(10.2)
PBT	711	710	0.2	891	(20.1)	817	(12.9)	4,923	2,906	69.4
Total Taxes	182	235	(22.6)	224	(18.7)	285	(36.1)	1,239	912	35.9
ETR (%)	25.6	33.2	(7.6)	25.2	0.4	34.9		25.2	31.4	(6.2)
PAT	529	341	55.2	666	(20.6)	466	13.5	3,684	1,994	84.7

Source: Company, PL

Exhibit 2: Segmental Breakup: Plywood (56.0% of rev) reports vol growth of 9.5% with EBIT margin of 14.7%

Y/e March (Rs mn)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Revenue								
Plywood	6,503	5,679	14.5	6,707	(3.0)	26,872	24,559	9.4
Laminate	1,737	1,540	12.8	1,704	1.9	7,600	6,529	16.4
MDF	2,591	2,095	23.7	2,709	(4.4)	12,367	10,224	21.0
Particle Board	342	367	(6.8)	326	4.7	1,661	1,450	14.6
EBIT								
Plywood	953	860	10.9	884	7.8	3,383	2,592	30.5
Laminate	43	106	(59.1)	(49)	(188.8)	90	730	(87.7)
MDF	138	31	344.8	153	(10.0)	451	1,351	(66.6)
Particle Board	(9)	61	(115.1)	(3)	174.6	77	281	(72.7)
EBIT margin (%)								
Plywood	14.7	15.1		13.2		12.6	10.6	
Laminate	2.5	6.9		-2.9		1.2	11.2	
MDF	5.3	1.5		5.7		3.6	13.2	
Particle Board	-2.7	16.8		-1.0		4.6	19.4	

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	38,860	45,278	50,957	58,171
YoY gr. (%)	6.6	16.5	12.5	14.2
Cost of Goods Sold	22,337	24,338	27,517	31,063
Gross Profit	16,522	20,940	23,440	27,108
Margin (%)	42.5	46.2	46.0	46.6
Employee Cost	5,398	6,913	7,796	8,900
Other Expenses	3,972	9,162	9,172	10,471
EBITDA	5,319	4,866	6,472	7,737
YoY gr. (%)	(4.8)	(8.5)	33.0	19.6
Margin (%)	13.7	10.7	12.7	13.3
Depreciation and Amortization	947	1,372	1,403	1,545
EBIT	4,372	3,494	5,069	6,192
Margin (%)	11.3	7.7	9.9	10.6
Net Interest	308	690	620	550
Other Income	439	103	150	250
Profit Before Tax	4,502	2,906	4,599	5,892
Margin (%)	11.6	6.4	9.0	10.1
Total Tax	1,138	912	1,157	1,483
Effective tax rate (%)	25.3	31.4	25.2	25.2
Profit after tax	3,364	1,994	3,441	4,409
Minority interest	(11)	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	3,375	1,994	3,441	4,409
YoY gr. (%)	(12.0)	(40.9)	72.6	28.1
Margin (%)	8.7	4.4	6.8	7.6
Extra Ord. Income / (Exp)	(111)	(133)	-	-
Reported PAT	3,264	1,861	3,441	4,409
YoY gr. (%)	(14.8)	(43.0)	84.9	28.1
Margin (%)	8.4	4.1	6.8	7.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,264	1,861	3,441	4,409
Equity Shares O/s (m)	223	223	223	223
EPS (Rs)	15.2	9.0	15.5	19.8

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	24,943	27,544	30,946	33,446
Tangibles	24,926	27,524	30,927	33,427
Intangibles	17	19	19	19
Acc: Dep / Amortization	5,809	7,181	8,584	10,128
Tangibles	5,809	7,181	8,584	10,128
Intangibles	-	-	-	-
Net fixed assets	19,134	20,363	22,363	23,318
Tangibles	19,117	20,344	22,344	23,299
Intangibles	17	19	19	19
Capital Work In Progress	2,666	7,299	8,433	8,433
Goodwill	-	-	-	-
Non-Current Investments	246	374	439	339
Net Deferred tax assets	(398)	(179)	(179)	(179)
Other Non-Current Assets	741	318	318	318
Current Assets				
Investments	-	-	-	-
Inventories	6,456	9,866	9,800	10,298
Trade receivables	4,168	5,000	5,627	6,424
Cash & Bank Balance	642	491	306	249
Other Current Assets	1,430	1,972	1,771	1,052
Total Assets	35,565	45,928	49,303	50,677
Equity				
Equity Share Capital	223	223	223	223
Other Equity	21,894	23,429	26,458	30,340
Total Networth	22,117	23,651	26,681	30,563
Non-Current Liabilities				
Long Term borrowings	1,570	4,282	3,782	1,782
Provisions	113	121	121	121
Other non current liabilities	4	2	2	2
Current Liabilities				
ST Debt / Current of LT Debt	5,612	10,455	10,455	8,955
Trade payables	2,856	3,572	4,010	4,579
Other current liabilities	2,418	2,228	2,507	2,862
Total Equity & Liabilities	35,565	45,928	49,303	50,677

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	4,392	2,773	4,599	5,892
Add. Depreciation	947	1,372	1,403	1,545
Add. Interest	308	690	620	550
Less Financial Other Income	439	103	150	250
Add. Other	5	217	(150)	(250)
Op. profit before WC changes	5,652	5,052	6,472	7,737
Net Changes-WC	(1,958)	(3,978)	484	417
Direct tax	(1,177)	(1,101)	(1,157)	(1,483)
Net cash from Op. activities	2,517	(27)	5,798	6,670
Capital expenditures	(8,501)	(6,653)	(4,537)	(2,500)
Interest / Dividend Income	315	42	150	250
Others	2,404	(170)	(65)	100
Net Cash from Inv. activities	(5,781)	(6,781)	(4,452)	(2,150)
Issue of share cap. / premium	-	-	-	-
Debt changes	4,049	7,501	(500)	(3,500)
Dividend paid	(222)	(222)	(412)	(527)
Interest paid	(254)	655	(620)	(550)
Others	(44)	(1,331)	-	-
Net cash from Fin. activities	3,530	6,603	(1,532)	(4,577)
Net change in cash	266	(205)	(185)	(57)
Free Cash Flow	(5,984)	(6,681)	1,261	4,170

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS		15.2	9.0	15.5
CEPS		19.4	15.1	21.8
BVPS		99.4	106.3	119.9
FCF		(26.9)	(30.0)	5.7
DPS		0.1	0.1	0.2
Return Ratio(%)				
RoCE		18.7	10.6	13.2
ROIC		13.0	7.2	9.6
RoE		16.4	8.7	13.7
Balance Sheet				
Net Debt : Equity (x)		0.3	0.6	0.5
Net Working Capital (Days)		73	91	82
Valuation(x)				
PER		48.7	82.4	47.7
P/B		7.4	6.9	6.2
P/CEPS		38.0	48.8	33.9
EV/EBITDA		32.1	36.7	27.5
EV/Sales		4.4	3.9	3.5
Dividend Yield (%)		0.0	0.0	0.0

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Net Revenue	11,836	11,405	11,983	11,694
YoY gr. (%)	18.7	21.7	13.0	16.3
Raw Material Expenses	6,508	6,070	6,378	6,023
Gross Profit	5,328	5,335	5,605	5,671
Margin (%)	45.0	46.8	46.8	48.5
EBITDA	1,113	1,295	1,346	1,282
YoY gr. (%)	(22.9)	22.1	(9.3)	15.3
Margin (%)	9.4	11.4	11.2	11.0
Depreciation / Depletion	336	340	360	367
EBIT	777	955	986	915
Margin (%)	6.6	8.4	8.2	7.8
Net Interest	172	179	190	222
Other Income	(25)	23	20	19
Profit before Tax	580	799	817	711
Margin (%)	4.9	7.0	6.8	6.1
Total Tax	181	211	285	182
Effective tax rate (%)	31.1	26.4	34.9	25.6
Profit after Tax	400	588	532	529
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	400	588	466	529
YoY gr. (%)	(58.7)	(6.1)	(53.6)	55.2
Margin (%)	3.4	5.2	3.9	4.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	400	588	466	529
YoY gr. (%)	(58.7)	(6.1)	(53.6)	55.2
Margin (%)	3.4	5.2	3.9	4.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	400	588	466	529
Avg. Shares O/s (m)	223	223	223	223
EPS (Rs)	1.8	2.6	2.1	2.4

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	02-Jul-25	Hold	775	749
2	03-Jun-25	Hold	775	784
3	08-Apr-25	BUY	806	668
4	12-Feb-25	Hold	811	804
5	08-Jan-25	Hold	811	823
6	18-Nov-24	Hold	784	749
7	08-Oct-24	Hold	881	851

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Astral Ltd.	Accumulate	1,630	1,494
2	Avalon Technologies	Accumulate	943	878
3	Bajaj Electricals	Accumulate	656	615
4	Cello World	BUY	746	621
5	Century Plyboard (I)	Hold	775	749
6	Cera Sanitaryware	Accumulate	7,178	6,244
7	Crompton Greaves Consumer Electricals	BUY	423	350
8	Cyient DLM	Accumulate	540	480
9	Finolex Industries	Accumulate	217	197
10	Greenpanel Industries	BUY	374	280
11	Havells India	Accumulate	1,645	1,532
12	Kajaria Ceramics	Hold	1,192	1,242
13	Kaynes Technology India	Hold	6,367	6,326
14	KEI Industries	BUY	4,527	3,970
15	Polycab India	BUY	8,091	6,926
16	R R Kabel	Accumulate	1,516	1,337
17	Supreme Industries	Hold	4,346	4,243
18	Syrma SGS Technology	Hold	705	706
19	Volta	Hold	1,350	1,367

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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