

Century Plyboard (I) (CPBI IN)

Rating: ACCUMULATE | CMP: Rs798 | TP: Rs843

February 6, 2026

Q3FY26 Result Update

Change in Estimates | Target | Reco

Change in Estimates

Rating	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	ACCUMULATE		HOLD	
Target Price	843		842	
Sales (Rs. m)	60,186	69,184	58,586	67,318
% Chng.	2.7	2.8		
EBITDA (Rs. m)	8,185	9,686	7,792	8,953
% Chng.	5.0	8.2		
EPS (Rs.)	18.3	24.1	19.2	23.0
% Chng.	(4.8)	4.7		

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	45,278	51,981	60,186	69,184
EBITDA (Rs. m)	4,866	6,576	8,185	9,686
Margin (%)	10.7	12.7	13.6	14.0
PAT (Rs. m)	1,994	2,816	4,069	5,366
EPS (Rs.)	9.0	12.7	18.3	24.1
Gr. (%)	(40.9)	41.2	44.5	31.9
DPS (Rs.)	0.1	0.2	0.2	0.3
Yield (%)	0.0	0.0	0.0	0.0
RoE (%)	8.7	11.3	14.6	16.7
RoCE (%)	10.6	12.4	15.9	18.9
EV/Sales (x)	4.2	3.7	3.1	2.7
EV/EBITDA (x)	39.4	29.2	23.0	19.1
PE (x)	89.0	63.0	43.6	33.1
P/BV (x)	7.5	6.8	6.0	5.2

Key Data

	CNTP.BO CPBI IN
52-W High / Low	Rs.897 / Rs.630
Sensex / Nifty	83,580 / 25,694
Market Cap	Rs.177bn/ \$ 1,955m
Shares Outstanding	222m
3M Avg. Daily Value	Rs.88.81m

Shareholding Pattern (%)

Promoter's	72.64
Foreign	4.10
Domestic Institution	18.36
Public & Others	4.91
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(2.3)	6.5	(7.3)
Relative	(0.5)	2.6	(13.5)

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Capacity Expansion to Drive Next-Leg Growth

CPBI has maintained its revenue growth guidance of 13%+/15-17%/25%/40% in FY26 across its Plywood/Laminate/MDF/PB segments with expected EBITDA margin of 12-14%/8-10%/15%/low single digit for Plywood/Laminate/MDF/PB. CPBI is adding plywood capacity via debottlenecking to ~4.3kCBM by Q4FY26, with Hoshiarpur (60k CBM) and Chennai (~1L total capacity) expansions by Q3FY27 and a scalable ~90k CBM UP plant planned, while MDF capacity will rise by ~70k CBM through the AP line extension by Q1FY27 (to ~6.25L CBM) along with a 3L+ CBM greenfield UP plant over the next 2-2.5 years. We expect overall Revenue/EBITDA/PAT CAGR of 15.4%/21.4%/38.0% with Plywood/Laminate/MDF volume CAGR of 12.2%/11.0%/17.3%. We downward revised Century Plyboards (CPBI) FY27E earnings by 4.8% and upward revised FY28E estimate by 4.7% and upgraded our rating to 'Accumulate' from 'HOLD' due to recent correction in the stock prices rating with TP of Rs 843, valuing at 40x Mar'28E.

Q3FY26 financial performance: Rev. up 18.4% YoY to Rs 13.5bn (PLe: Rs 13.2bn). Plywood/Laminate/MDF/Particle boards (contributed 52.6%/13.6%/24.1%/4.8%) revenue at Rs 7.1bn/1.8bn/3.3bn/0.6bn (+14.9%/9.6%/+19.1%/+83.5% YoY), was above our est. of Rs 6.9bn/1.9bn/3.5bn/0.4bn respectively. Gross margin expanded by ~250bps YoY to 49.3%, (PLe: 48.5%). EBITDA stood at Rs1.7bn up 31.5% YoY (PLe: Rs1.6bn). EBITDA margin expanded by 130bps YoY to 12.6% (Ple: 12.0%). EBITDA margin of Plywood/Laminate/MDF/Particle board was 14.9%/9.3%/11.8%/-3.0 (~-310bps/+350bps/-370bps/+1580bps YoY). PBT grew by 15.6% YoY to 924mn, (PLe: Rs 947mn). Adj. PAT stood at Rs 650mn up 10.6% YoY, (PLe: Rs 709mn).

9MFY26 financial performance: Rev. up 17.3% YoY to Rs 39.0bn. Plywood/laminate/MDF/Particleboards segment grew by +14.7%/+13.0%/+23.5%/+17.9% YoY to Rs 21.2bn/5.5bn/9.3bn/1.3bn respectively. EBITDA stood at Rs 4.7bn up 34.4% YoY. EBITDA margin expanded by 150bps YoY to 12.1%. PBT grew by 25.1% YoY to Rs 2.6bn. Adj. PAT stood at Rs 1.9bn up 42.1% YoY.

Concall highlights: 1) Mgmt has maintained its sales growth guidance of 13%/25%/15-17%/40% for plywood/MDF/Laminate/Particleboard with EBITDA margin of 12-14%/15% for Plywood/MDF, for FY26 and long term target of Rs 120bn topline in coming years. 2) The plywood industry is growing at an estimated 6-7%, with its market share rising from ~4-4.5% pre-COVID to ~8.5% currently, and the company aims to double its market share again over the medium term. 3) CPBI highlighted that plywood capacity is being expanded through internal debottlenecking at Kandla, Guwahati, and Joka, with capacity expected to reach ~4.30k CBM by Q4FY26. The Hoshiarpur plant (60kCBM) and Chennai expansion (~1lakh CBM total capacity) are both expected to be operational by Q3FY27, while the company is also planning a plywood facility in Uttar Pradesh, with ~90kCBM capacity, which will be scalable over time. 4) MDF margins got impacted by flood disruptions in North India and lower operating leverage. The company plans to add ~70,000 CBM MDF capacity via a line extension in Andhra Pradesh by Q1FY27,

taking total capacity to ~6.25lakh CBM, and is also planning a 3lakh+ CBM greenfield MDF plant in Uttar Pradesh, expected to be operational in 2–2.5 years, while industry demand is projected to grow at ~20% CAGR. **5)** Laminate segment margins improved due to better cost absorption and a favorable product mix, with a higher export share of larger-size laminates supporting realizations, while domestic demand is expected to revive from Q4FY26. **6)** The Particle Board segment operated at EBITDA breakeven, with performance improving on the back of higher capacity utilization and volume ramp-up. **7)** The MDF capacity gap between FY25 and FY26 is due to the delayed ~70k CBM South plant expansion; the planned-UP plant targets strong raw material access and market opportunity, while higher plywood capex reflects new-plant infrastructure and scalability, and MDF margins are expected to improve with better utilization despite near-term forex and operating leverage impact.

Exhibit 1: Q3FY26 Result Overview: Revenue up 18.4% YoY, PAT up 10.6% YoY

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr. (%)	Q3FY26E	% Var.	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Net Sales	13,501	11,405	18.4	13,179	2.4	13,855	(2.6)	39,050	33,295	17.3
Expenditure										
Operating & Manufacturing Expenses	6,849	6,070	12.8	6,784	1.0	7,177	(4.6)	20,048	17,960	11.6
% of Net Sales	50.7	53.2	(2.5)	51.5	(0.7)	51.8		51.3	53.9	(2.6)
Gross Profit	6,652	5,335	24.7	6,395	4.0	6,679	(0.4)	19,001	15,335	23.9
Gross Margin (%)	49.3	46.8	2.5	48.5	0.7	48.2	1.1	48.7	46.1	2.6
Personnel Cost	2,078	1,767	17.6	2,006	3.6	2,056	1.0	6,054	5,097	18.8
% of Net Sales	15.4	15.5	(0.1)	15.2	0.2	14.8		15.5	15.3	0.2
Other Expenses	2,871	2,272	26.3	2,806	2.3	2,876	(0.2)	8,217	6,719	22.3
% of Net Sales	21.3	19.9	1.3	21.3	(0.0)	20.8		21.0	20.2	0.9
Total Expenditure	11,798	10,110	16.7	11,597	1.7	12,109	(2.6)	34,320	29,775	15.3
EBITDA	1,702	1,295	31.5	1,583	7.6	1,746	(2.5)	4,730	3,520	34.4
Margin (%)	12.6	11.4	1.25	12.0	0.60	12.6	0.0	12.1	10.6	1.5
Depreciation	483	340	42.1	476	1.5	476	1.5	1,326	1,012	31.0
EBIT	1,219	955	27.7	1,107	10.2	1,270	(4.0)	3,404	2,508	35.8
Other income	17	23		19		19	(11.1)	55	83	
Interest	313	179	74.6	179	74.6	311	0.5	845	501	68.8
PBT	924	799	15.6	947	(2.4)	979	(5.6)	2,614	2,090	25.1
Total Taxes	197	211	(6.5)	238	(17.2)	269	(26.7)	649	627	3.5
ETR (%)	21.4	26.4	(5.0)	25.2	(3.8)	27.5		24.8	30.0	(5.2)
Extraordinary items	(76)	-		238		-		(76)	(133)	(42.9)
PAT	650	588	10.6	709	(8.2)	709	(8.3)	1,889	1,329	42.1

Source: Company, PL

Exhibit 2: Segmental Breakup: Plywood (52.6% rev) reported vol growth of 17.1% with EBIT margin of 14.6%

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr. (%)	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Revenue								
Plywood	7,102	6,181	14.9	7,636	(7.0)	21,241	18,511	14.7
Laminate	1,830	1,669	9.6	1,883	(2.8)	5,450	4,825	13.0
MDF	3,258	2,736	19.1	3,432	(5.1)	9,282	7,515	23.5
Particle Board	654	356	83.5	329	98.5	1,325	1,123	17.9
EBIT								
Plywood	1,038	729	42.4	1,117	(7.1)	3,108	2,498	24.4
Laminate	82	20	308.5	126	(34.9)	252	139	81.3
MDF	228	323	(29.3)	445	(48.7)	811	298	172.3
Particle Board	(105)	6	(1,845.0)	(146)	(28.1)	(260)	80	(425.9)
EBIT margin (%)								
Plywood	14.6	11.8	2.8	14.6	(0.0)	14.6	13.5	
Laminate	4.5	1.2	3.28	6.7	(2.2)	4.6	2.9	
MDF	7.0	11.8	(4.8)	13.0	(6.0)	8.7	4.0	
Particle Board	(16.1)	1.7	(17.8)	(44.4)	28.3	(19.7)	7.1	

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	45,278	51,981	60,186	69,184
YoY gr. (%)	16.5	14.8	15.8	15.0
Cost of Goods Sold	24,338	27,992	31,959	36,460
Gross Profit	20,940	23,989	28,227	32,724
Margin (%)	46.2	46.2	46.9	47.3
Employee Cost	6,913	7,953	9,208	10,585
Other Expenses	7,363	9,460	10,833	12,453
EBITDA	4,866	6,576	8,185	9,686
YoY gr. (%)	(8.5)	35.1	24.5	18.3
Margin (%)	10.7	12.7	13.6	14.0
Depreciation and Amortization	1,372	1,809	1,928	1,915
EBIT	3,494	4,767	6,257	7,770
Margin (%)	7.7	9.2	10.4	11.2
Net Interest	690	1,158	1,020	800
Other Income	103	105	200	200
Profit Before Tax	2,906	3,714	5,437	7,170
Margin (%)	6.4	7.1	9.0	10.4
Total Tax	912	898	1,369	1,805
Effective tax rate (%)	31.4	24.2	25.2	25.2
Profit after tax	1,994	2,816	4,069	5,366
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,994	2,816	4,069	5,366
YoY gr. (%)	(40.9)	41.2	44.5	31.9
Margin (%)	4.4	5.4	6.8	7.8
Extra Ord. Income / (Exp)	(133)	(8)	-	-
Reported PAT	1,861	2,808	4,069	5,366
YoY gr. (%)	(43.0)	50.9	44.9	31.9
Margin (%)	4.1	5.4	6.8	7.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,861	2,808	4,069	5,366
Equity Shares O/s (m)	223	223	223	223
EPS (Rs)	9.0	12.7	18.3	24.1

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	27,563	30,904	33,404	35,904
Tangibles	27,544	30,885	33,385	35,885
Intangibles	19	19	19	19
Acc: Dep / Amortization	7,139	8,948	10,876	12,791
Tangibles	7,139	8,948	10,876	12,791
Intangibles	-	-	-	-
Net fixed assets	20,424	21,957	22,528	23,113
Goodwill	-	-	-	-
Non-Current Investments	313	378	278	178
Net Deferred tax assets	(179)	(179)	(179)	(179)
Other Non-Current Assets	318	318	318	318
Current Assets				
Investments	-	-	-	-
Inventories	9,866	9,970	10,595	12,087
Trade receivables	5,000	5,740	6,646	7,640
Cash & Bank Balance	491	60	499	1,436
Other Current Assets	1,972	1,807	1,088	651
Total Assets	45,928	48,908	50,631	54,101
Equity				
Equity Share Capital	223	223	223	223
Other Equity	23,429	25,908	29,490	34,214
Total Networth	23,651	26,130	29,713	34,437
Non-Current Liabilities				
Long Term borrowings	4,282	3,782	1,782	782
Provisions	121	121	121	121
Other non current liabilities	2	2	2	2
Current Liabilities				
ST Debt / Current of LT Debt	10,455	10,455	9,455	7,955
Trade payables	3,572	4,090	4,738	5,447
Other current liabilities	2,228	2,558	2,962	3,405
Total Equity & Liabilities	45,928	48,908	50,631	54,101

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	2,773	3,714	5,437	7,170
Add. Depreciation	1,372	1,809	1,928	1,915
Add. Interest	690	1,158	1,020	800
Less Financial Other Income	103	105	200	200
Add. Other	217	(105)	(200)	(200)
Op. profit before WC changes	5,052	6,576	8,185	9,686
Net Changes-WC	(3,978)	321	329	(802)
Direct tax	(1,101)	(898)	(1,369)	(1,805)
Net cash from Op. activities	(27)	5,999	7,145	7,079
Capital expenditures	(6,653)	(4,476)	(2,500)	(2,500)
Interest / Dividend Income	42	105	200	200
Others	(170)	(65)	100	100
Net Cash from Inv. activities	(6,781)	(4,436)	(2,200)	(2,200)
Issue of share cap. / premium	-	-	-	-
Debt changes	7,501	(500)	(3,000)	(2,500)
Dividend paid	(222)	(337)	(487)	(642)
Interest paid	655	(1,158)	(1,020)	(800)
Others	(1,331)	-	-	-
Net cash from Fin. activities	6,603	(1,995)	(4,507)	(3,942)
Net change in cash	(205)	(432)	439	937
Free Cash Flow	(6,681)	1,523	4,645	4,579

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	9.0	12.7	18.3	24.1
CEPS	15.1	20.8	26.9	32.7
BVPS	106.3	117.4	133.5	154.8
FCF	(30.0)	6.8	20.9	20.6
DPS	0.1	0.2	0.2	0.3
Return Ratio(%)				
RoCE	10.6	12.4	15.9	18.9
ROIC	7.2	9.2	11.7	14.3
RoE	8.7	11.3	14.6	16.7
Balance Sheet				
Net Debt : Equity (x)	0.6	0.5	0.4	0.2
Net Working Capital (Days)	91	82	76	75
Valuation(x)				
PER	89.0	63.0	43.6	33.1
P/B	7.5	6.8	6.0	5.2
P/CEPS	52.7	38.4	29.6	24.4
EV/EBITDA	39.4	29.2	23.0	19.1
EV/Sales	4.2	3.7	3.1	2.7
Dividend Yield (%)	0.0	0.0	0.0	0.0

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	11,983	11,694	13,855	13,501
YoY gr. (%)	13.0	16.3	17.1	18.4
Raw Material Expenses	6,378	6,023	7,177	6,849
Gross Profit	5,605	5,671	6,679	6,652
Margin (%)	46.8	48.5	48.2	49.3
EBITDA	1,346	1,282	1,746	1,702
YoY gr. (%)	(9.3)	15.3	56.9	31.5
Margin (%)	11.2	11.0	12.6	12.6
Depreciation / Depletion	360	367	476	483
EBIT	986	915	1,270	1,219
Margin (%)	8.2	7.8	9.2	9.0
Net Interest	190	222	311	313
Other Income	20	19	19	17
Profit before Tax	817	711	979	924
Margin (%)	6.8	6.1	7.1	6.8
Total Tax	285	182	269	197
Effective tax rate (%)	34.9	25.6	27.5	21.4
Profit after Tax	532	529	709	727
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	466	529	709	650
YoY gr. (%)	(53.6)	55.2	77.4	10.6
Margin (%)	3.9	4.5	5.1	4.8
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	466	529	709	650
YoY gr. (%)	(53.6)	55.2	77.4	10.6
Margin (%)	3.9	4.5	5.1	4.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	466	529	709	650
Avg. Shares O/s (m)	223	223	223	223
EPS (Rs)	2.1	2.4	3.2	2.9

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-26	Hold	842	811
2	13-Nov-25	Hold	845	799
3	06-Oct-25	Hold	818	808
4	08-Aug-25	Hold	702	738
5	02-Jul-25	Hold	775	749
6	03-Jun-25	Hold	775	784
7	08-Apr-25	BUY	806	668
8	12-Feb-25	Hold	811	804

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Amber Enterprises India	BUY	8,263	6,712
2	Astral Ltd.	BUY	1,736	1,487
3	Avalon Technologies	BUY	1,100	908
4	Bajaj Electricals	BUY	597	476
5	Cello World	BUY	732	533
6	Century Plyboard (I)	Hold	842	811
7	Cera Sanitaryware	BUY	7,372	5,177
8	Crompton Greaves Consumer Electricals	BUY	362	263
9	Cyient DLM	Accumulate	418	364
10	Finolex Industries	Accumulate	199	175
11	Greenpanel Industries	BUY	369	229
12	Havells India	Accumulate	1,634	1,447
13	Kajaria Ceramics	BUY	1,056	902
14	Kaynes Technology India	BUY	5,542	3,998
15	KEI Industries	BUY	5,573	3,853
16	LG Electronics India	BUY	1,920	1,456
17	Polycab India	BUY	9,744	7,122
18	Premier Energies	BUY	892	683
19	R R Kabel	BUY	1,844	1,356
20	Supreme Industries	BUY	4,566	3,349
21	Syrma SGS Technology	BUY	929	755
22	Vikram Solar	BUY	326	215
23	Voltas	Hold	1,442	1,349
24	Waaree Energies	BUY	3,600	2,599

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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