



Duroply Industries Limited

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Ref: 5404/25-26/0051

November 19, 2025

Department of Corporate Services

BSE Limited
25th Floor, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: BSE: 516003

Sub: Transcript of the Earnings Webinar held with respect to the Unaudited Financial Results for the quarter and half year ended September 30, 2025

Dear Sir/Madam,

With reference to our letter no. 5404/25-26/0044 dated 7th November, 2025 regarding intimation of the Q2 FY26 Earnings Webinar, held on 17th November, 2025, post declaration of the Unaudited Financial Results for the quarter and half year ended September 30, 2025, we are enclosing herewith the copy of transcript of the said webinar.

The transcript of the webinar is also available on Company's website at www.duroply.in.

This is for your information and record.

Thanking you,

Yours faithfully,

For DUROPLY INDUSTRIES LIMITED

KOMAL DHRUV
Company Secretary

Encl: a/a

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TRANSCRIPT

Q2FY26 Earnings Webinar of



Duroply Industries Limited

on Monday, November 17, 2025

Represented by

Mr. Akhilesh Chitlangia, MD & CEO

Mr. Vijay Kumar Yadav, CFO



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- **Mr. Chirag Pachisia - Equity Research Associate, SKP Securities Ltd.:**
- Good morning, ladies and gentlemen. I am pleased to welcome you on behalf of Duroply Industries Limited and SKP Securities to Duroply Industries Limited's Q2 FY26 Result Webinar. We have with us Mr. Akhilesh Chitlangia - MD and CEO and Mr. Vijay Kumar Yadav - CFO.
- This webinar is being recorded for compliance reasons. During the discussion, certain forward-looking statements must be viewed in conjunction with the risks that the company faces. We will have Mr. Chitlangia's opening remarks and a Q&A session. Thank you and over to you, Mr. Chitlangia.
- **Mr. Akhilesh Chitlangia :**
- Good Morning, everyone. Thank you, Chirag, and a warm welcome to everyone today for our Earnings Webinar for Q2 FY26. On this call, I am joined by Mr. Vijay Kumar Yadav who is also our CFO.
- On the Business front –
- Duroply closed its Q2 Revenue at Rs.104.4 crores, a 15% growth over the same period last year and up by 11.6% from the previous quarter. The business reported a Profit Before Tax of Rs.2.67 crores, up by 133% from the same period last year. For the quarter, Revenue from in-house manufactured goods stood at Rs.52.8 crores, down by 6.1% over same period last year and up by 6.8% on quarter-on-quarter basis. Revenue from contract manufacturing stood at Rs.51.58 crores, a 49.4% growth on year-on-year basis and up by 17.1% on quarter-on-quarter basis. Gross margin this quarter stood at 34.8%, marginally down from 35.6% during the same period last year and up from 34.1% in Q1 FY26. This shift was largely due to higher growth rate in contract manufactured goods. Our EBITDA margin for the quarter stood at Rs.6.46 crores, a 61.5% increase from the same quarter last year and a 20% growth over the previous quarter. In margin terms, EBITDA margin stood at 6.2% of sales as compared to 4.4% in the same period last year, up from 5.8% in Q1 FY26.
- If we look at the half-yearly performance, our Revenue stood at Rs.197.96 crores, up by 12.7% in the same period. The business reported a Profit Before Tax of Rs.4.55 crores as compared to Rs.2.41 crores in the same period last year. Revenue from in-house manufactured goods stands at Rs.102.3 crores, down by 3.3% from the same period last year. Revenue from contract manufacturing stands at Rs.95.65 crores, marking a 37% growth over the same period. Gross margins in HY FY26 stood at 34.8% as compared to 35.2%.
- On the Product mix –
- For the quarter, Duro segment saw a 5% growth rate on a year-on-year basis and a 16% growth on a quarter-on-quarter basis. Our mid-segment brand Tower continued to showcase robust growth with a 61% growth on a year-on-year basis and a 9% growth on a quarter-on-quarter basis.
- On a half-yearly basis, Duro products saw a growth of 3.8% whereas Tower grew by 53%.
- We are re-looking at some of our marketing efforts to ensure that the growth in our premium product starts growing faster and we expect to see results of the same in the near future.

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- We are quite pleased with how this quarter turned out for us. The demand side has been soft in the first half of the year and we are still growing faster than the industry average and our growth rate is consistent in the mid-teens. Our focus is to keep driving operational and strategic efficiencies. So, that's what our aim is.
- We have also hired very aggressively increasing our talent pool and this is an investment which we are confident that will bear results for us in the near future.
- I now request Vijay to take you through some of our other financial metrics. Vijay, you are not audible.
- **Mr. Vijay Kumar Yadav :**
- Hello? Hello?
- **Mr. Akhilesh Chitlangia :**
- Yes, you are now audible.
- **Mr. Vijay Kumar Yadav :**
- Good Morning, everyone, and let me take you through some of the key financials during H1 2026 with the completion of H1 2025.
 - Employee cost is at 12% of sales as compared to 11% during H1 2025.
 - Marketing expenses is 2.5% of sales as compared to 3.6% of sales during the same period.
 - Finance expenses is 2.3% of sales as compared to 2% during the same financial period H1 2025.
 - Debtor holding days is 44 days of sales as compared to 47 days.
 - Inventory holding period is 166 days of consumption against 165 days of H1 2025.
 - Creditors day is 107 days as compared to 117 days.
 - Cash conversion cycle is 103 days.
 - Return on Capital Employed on annualized basis is 9.8%.
- So, these are the key financials during this period. Thank you, Sir.
- **Mr. Chirag Pachisia :**
- Anyone who wishes...
- **Mr. Akhilesh Chitlangia :**
- Yeah, let's open the floor to the questions please. Yeah, thank you.
- **Mr. Chirag Pachisia :**

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- Sure. Anyone who wishes to ask a question, may please raise your hand and we will enable your mic to take your question.
- We have the first question from Nishita. Nishita, kindly unmute yourself and go ahead.
- **Ms. Nishita – Participant:**
- Yes, hello. Yes, so I just wanted to understand that you mentioned that our own manufacturing is down by 6.1%, so is there any reason for that? What is our capacity utilization currently? And if there is any CapEx plan in the future?
- **Mr. Akhilesh Chitlangia :**
- Okay. So, Nishita, our own manufacturing goods are down this year because our premium product offering hasn't grown as aggressively as it should have. And that's one of the key reasons. So, I think in the second half of the year we'll see a big improvement on that side as the premium product offering starts to grow. In Q2 there was some positive movement on the premium product side as compared to the first quarter.
- The factory is standing at about 68%-70% utilization and we are doing some rebalancing, continuous improvements, etc. So, without major CapEx, I think annualized capacity which stands at about ₹260 crores per annum can go up to about ₹300-₹320 crores. So, that's the focus on that side.
- **Ms. Nishita – Participant:**
- Okay. So, like when do you see that happening, the annual capacity going from ₹260 crores to ₹300-₹320 crores? Will it be done by FY26 end?
- **Mr. Akhilesh Chitlangia :**
- I think by mid of FY26 we should be in a position to be in that direction, yes.
- **Ms. Nishita – Participant:**
- Mid of FY27, you mean?
- **Mr. Akhilesh Chitlangia :**
- Sorry. Yes, mid of FY27.
- **Ms. Nishita – Participant:**
- Okay-okay, understood. Also my next question was, you mentioned that we are doing marketing initiatives to grow our premium segment and currently our marketing expense is 2.5% of the sales. So, do you see that expense increasing? And if it is, then by how much is it going to increase?
- **Mr. Akhilesh Chitlangia :**
- So, Nishita, if you look over the last few years, we've been spending close to 3.84% of sales on marketing. A large part of our brand awareness that we wanted to do, particularly was to give confidence to the trade that we are back. We've gone through a very tough

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phase, so we are now out of that phase. So, that part of our marketing strategy is over. We expect our total marketing spend to be about 3%-3.3% of sales. So, there would be a slight uptick towards later in this year but not more than that.

- We are focusing on getting our influencers, the right quality of influencers, onboarded. I think that's more critical for us. And a lot of manpower has been pushed into the market. So, the training and development is happening right now, as we speak. So, both of those combined should help the movement in the premium segment offering to happen.

– **Ms. Nishita – Participant:**

- Okay. And what is our employee expense currently? And is that going to increase?

– **Mr. Akhilesh Chitlangia :**

- Our employee expense, as Vijay mentioned, was at 12% of sales, which is on the higher side. And in the near future, it should come down.

– **Ms. Nishita – Participant:**

- Okay, understood. And my last question is, if you would like to give any guidance on the revenue growth and if the margins are sustainable at 6%?

– **Mr. Akhilesh Chitlangia :**

- Our revenue growth is for a mid-teens growth. So, anywhere in the range of 13%-16% is what we're aiming for this year and we're on track for that. And I think margin at about this 6% probably might even go up further to about 6.5% in the coming quarters, especially fourth quarter. That's what we're looking for.

– **Ms. Nishita – Participant:**

- Okay. And anything for FY27, if you can give any guidance?

– **Mr. Akhilesh Chitlangia :**

- Nishita, I think again a mid-teens growth and then another 0.5%-1% point improvement in the operating margins.

– **Ms. Nishita – Participant:**

- Okay-okay, understood. Thank you so much.

– **Mr. Chirag Pachisia :**

- Thank you. Anyone who wishes to ask a question, may please raise your hand. I repeat, anyone who wishes to ask a question, may please raise your hand.

- We have the next question from Sourav Khara.

– **Mr. Sourav Khara – Participant:**

- Hi. Good morning, Sir. Hello?

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- **Mr. Akhilesh Chitlangia :**
- Good morning.
- **Mr. Sourav Khara – Participant:**
- Sir, what is your current assessment of the Indian plywood industry?
- **Mr. Akhilesh Chitlangia :**
- In what terms, Sourav? In terms of demand or...?
- **Mr. Sourav Khara – Participant:**
- Yes, demand or structural changes happening?
- **Mr. Akhilesh Chitlangia :**
- So, as we are aware, there was the implementation of the quality control order by the Government of India, which has restricted a large amount of imports that used to come into this industry. And because of that a lot of importers had hoarded months and months of inventory. Now, we're towards the end of that hoarding of inventory and we expect demand for the domestic manufacturers now in the second half of the year to improve.
- Having said that, the industry is currently growing at 5%-5.5%, maybe 6%. So, that's the growth rate that the overall industry is at. I think this growth rate would stick to maybe 6%-7% in the coming years. We are looking to grow at about double the industry growth rate. I mean, 2.5X-3X the industry growth rate. So, if we take 5% as the industry growth rate, then we are on track to grow at about 15%.
- From a consumption perspective, we don't see any major slowdown. I hope that answers your question.
- **Mr. Sourav Khara – Participant:**
- Okay. Sir, what percentage of imports contribute to the domestic industry?
- **Mr. Akhilesh Chitlangia :**
- Sourav, now import has become virtually impossible because of the quality control order. So, previous year, I think, 15% would have been imported.
- **Mr. Sourav Khara – Participant:**
- This will drive the industry growth?
- **Mr. Akhilesh Chitlangia :**
- I think so. See, there are two things. One, there's a very big uptick in construction activities which has happened. I think the changes in GST, though not impacted our industry, but it has made other industries for construction much more attractive. The way there is urbanization or from rural to semi-urbanization happening, all of that is going to drive growth for home interiors. And people are now preferring plywood, especially in

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the premium segment or the mid-segment, because of its longevity as a product solution. So, there will be a growth in this industry that will continue.

– **Mr. Sourav Khara – Participant:**

– What is the industry size already?

– **Mr. Akhilesh Chitlangia :**

– The Plywood industry size is estimated at about ₹30,000-₹35,000 crores.

– **Mr. Sourav Khara – Participant:**

– ₹30,000-₹35,000 crores. Out of this, organized and unorganized?

– **Mr. Akhilesh Chitlangia :**

– 70% is unorganized. 70% is unorganized. The unorganized stood at about 80% about 7-8 years ago, which has now become 70%. So, there is a shift towards the organized.

– **Mr. Sourav Khara – Participant:**

– Sir, in terms of raw material risk, do you face price volatility risk?

– **Mr. Akhilesh Chitlangia :**

– So, India is overall short on timber and that is one of the major inflationary pressures we have faced. Currently, raw material in India from timber is coming from plantations, farmer plantations, happening in various parts of the country and also from imported timber. So, imported timber or imported raw material, that has a risk on the US dollar side and how global trade wars develop and the freight shipping industry how that develops. But the Indian timber supply, there's a lot of competition or there's a lot of demand for that and we don't have enough plantations happening. Though in the recent 3-4 years various industries including the Wood panel industry, the Paper industry, all have taken various initiatives working with the Government of India to boost the plantation of timber in India.

– **Mr. Sourav Khara – Participant:**

– Sir, do you have 3-5 years growth plan where we want to reach our company?

– **Mr. Akhilesh Chitlangia :**

– Sourav, our aim is to grow at about 15% CAGR for the next 4 years, 3-4 years. 15%-18%, yeah. But let's take 15% on the safer side.

– **Mr. Sourav Khara – Participant:**

– Are you trying to diversify into any other segment more?

– **Mr. Akhilesh Chitlangia :**

– Not for another year, year and a half.

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- **Mr. Sourav Khara – Participant:**
- Okay, thank you, Sir. Thank you.
- **Mr. Akhilesh Chitlangia :**
- Thank you.
- **Mr. Chirag Pachisia :**
- Thank you. We have the next question from Nishita. Nishita, kindly unmute yourself.
- **Ms. Nishita – Participant:**
- Hello. Yes, thank you for the follow-up question. So, I just wanted to understand about the product mix, I actually missed your opening commentary for the product mix. How much does the premium segment contribute to the overall product mix?
- **Mr. Akhilesh Chitlangia :**
- The premium segment currently stands at north of 50% but it's actually close to 66%.
- **Ms. Nishita – Participant:**
- Okay. And do we plan to increase this contribution?
- **Mr. Akhilesh Chitlangia :**
- So, the premium segment is growing, right. It's still growing at a modest rate but it is growing. So, in terms of our focus, that is to get the growth rate up. But our mid-segment offering, which is something we started only 3-4 years ago, the base is small and so the growth rate of that will be much faster as we've seen over the last 2-3 years.
- But I think over the next 2-3 years the 66% of premium will eventually settle down at 50-50 simply because the base on the mid-segment is much lower.
- **Ms. Nishita – Participant:**
- So, 50% will be from premium segment and 50% from the mid-segment?
- **Mr. Akhilesh Chitlangia :**
- Correct. But that will take 2-3 years for it to reach that ratio. 2 years.
- **Ms. Nishita – Participant:**
- Okay-okay, understood. And how much does the premium segment has higher margin than mid-segment? How much is the margin gap? What is the margin gap between the two segments?
- **Mr. Akhilesh Chitlangia :**
- At a gross level? See, the entire 100% of the mid-segment is coming through our contract manufacturers. Some part of the premium segment does come from, like very small, some

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part of it also comes from the contract manufacturers. But on average the Gross Profit margin on the contract manufacturing side stands at about 22% and the own in-house manufacturing stands about 44%.

– **Ms. Nishita – Participant:**

– 44%?

– **Mr. Akhilesh Chitlangia :**

– Yeah.

– **Ms. Nishita – Participant:**

– Okay, understood. Thank you so much.

– **Mr. Chirag Pachisia :**

– Anyone who wishes to ask a question, please raise your hand and we will enable your mic.

– **Mr. Akhilesh Chitlangia :**

– Nishita, would request you to mute yourself, please.

– **Mr. Chirag Pachisia :**

– Yeah, the next question from Sourav Khara. Sourav, please enable your mic.

– **Mr. Sourav Khara – Participant:**

– Hello?

– **Mr. Chirag Pachisia :**

– Yeah, sure. Go ahead.

– **Mr. Sourav Khara – Participant:**

– Sir, what is the market size of premium segment?

– **Mr. Akhilesh Chitlangia :**

– Premium segment market size, let's say ₹30,000 crores is there, so then about ₹5,000-₹6,000 crores would be the premium segment. 15%.

– **Mr. Sourav Khara – Participant:**

– 15%?

– **Mr. Akhilesh Chitlangia :**

– 15%-20%.

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- **Mr. Sourav Khara – Participant:**
- 15%-20%. And what is our addressable market, total addressable market?
- **Mr. Akhilesh Chitlangia :**
- Total addressable market, if we remove the bottom end of the unorganized segment, would then be about ₹20,000 crores odd.
- **Mr. Sourav Khara – Participant:**
- Okay, Sir. Are you planning for any export?
- **Mr. Akhilesh Chitlangia :**
- No, Sourav. As I mentioned earlier, till the quality control order didn't come in place, India was importing a quite a large amount of its plywood requirement. That can only happen when export countries have access to cheaper raw material.
- Even in India, today a large part of our raw material base is imported. So, on the export side, as a country, we're still very uncompetitive and exports is not a clear focus area for us.
- **Mr. Sourav Khara – Participant:**
- Okay.
- **Mr. Chirag Pachisia :**
- Thank you. Anyone who wishes to ask a question, may please raise your hand. I repeat, anyone who wishes to ask a question, may please raise your hand.
- Thank you very much, that was the last question in queue. As there are no further questions, I would like to hand the conference over to Mr. Chitlangia for the closing remarks.
- **Mr. Akhilesh Chitlangia :**
- Thank you. Thank you, everyone, for joining our Earnings Webinar for Q2 FY2026. Our growth rate this quarter was at 15%. And the investments that we've been doing, the improvement and performance, the company is moving in the right direction. Our focus is to build a robust organization that can deliver long term results on a consistent basis. And we continue to keep offering high quality products to our customers and drive shareholder value.
- I look forward to seeing everyone at the next earning calls. Thank you.
- **Mr. Chirag Pachisia :**
- Thank you very much. On behalf of SKP Securities Limited, I would like to thank Mr. Chitlangia for the time and we look forward to hosting you again.
- Thank you for joining us, ladies and gentlemen, and have a wonderful day ahead.



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- **Mr. Akhilesh Chitlangia :**
- Thank you.

END OF TRANSCRIPT