

Century Ply Laos plan

A STAFF REPORTER

Calcutta, Nov. 23: Century Plyboards is looking to expand its overseas operations. The company is planning to set up a veneer manufacturing plant in Laos in Southeast Asia, its second overseas plant after Myanmar.

“We have stabilised our operations in Myanmar having commissioned the unit last year and are now looking to expand to Laos. We will form a joint venture with a local partner and source veneer into India,” said Sanjay Agarwal, managing director of Century Ply.

Agarwal said the expansion was in line with the company’s plan to secure the supply of timber, a key raw material for making plywood.



Agarwal: Smart move

With regulations restricting the export of timber, the company decided to set up manufacturing units in these locations and import veneer, or the thin-layered wood used in plyboards, into India.

Securing large tracts of land and growing plantation

in India is a challenge. So, the plywood companies depend on Southeast Asian countries to source timber.

Plywood makers are also increasingly looking to import from Papua New Guinea, Malaysia and Vietnam.

In Myanmar, the Century Ply is producing 6 lakh square metres of veneer per month and the Laos plant is likely to be of similar size.

“We have an investment commitment of \$20 million for operations in Myanmar and Laos,” Agarwal said.

The company also plans to invest another \$6 million in these two locations in the second phase, when it wants to manufacture plywood.

The company operates six units in India, including one in Bengal.