

Rating: BUY | CMP: Rs1,504 | TP: Rs1,794

February 6, 2026

Q3FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current	Previous		
	FY27E	FY28E	FY27E	FY28E
Rating	BUY	BUY		
Target Price	1,794	1,736		
Sales (Rs. m)	74,915	86,595	74,524	86,139
% Chng.	0.5	0.5		
EBITDA (Rs. m)	12,586	14,894	12,520	14,816
% Chng.	0.5	0.5		
EPS (Rs.)	28.1	34.3	27.7	33.9
% Chng.	1.3	1.2		

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	58,324	64,425	74,915	86,595
EBITDA (Rs. m)	9,459	10,566	12,586	14,894
Margin (%)	16.2	16.4	16.8	17.2
PAT (Rs. m)	5,189	5,775	7,547	9,231
EPS (Rs.)	19.3	21.5	28.1	34.3
Gr. (%)	(4.9)	11.3	30.7	22.3
DPS (Rs.)	3.7	3.7	3.7	3.7
Yield (%)	0.2	0.2	0.2	0.2
RoE (%)	15.3	15.0	17.1	17.9
RoCE (%)	20.8	20.3	22.7	23.8
EV/Sales (x)	6.9	6.1	5.2	4.4
EV/EBITDA (x)	42.4	37.5	30.9	25.5
PE (x)	77.9	70.0	53.6	43.8
P/BV (x)	11.2	9.9	8.5	7.3

Key Data

	ASTL.BO ASTRA IN
52-W High / Low	Rs.1,595 / Rs.1,232
Sensex / Nifty	83,314 / 25,643
Market Cap	Rs.404bn/ \$ 4,471m
Shares Outstanding	269m
3M Avg. Daily Value	Rs.986.8m

Shareholding Pattern (%)

Promoter's	54.22
Foreign	15.21
Domestic Institution	19.19
Public & Others	11.38
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	0.7	5.4	(1.1)
Relative	3.3	2.1	(7.1)

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Healthy volume growth, despite weak demand

Quick Pointers:

- Decent 16.8% YoY volume growth in P&F despite weak demand.
- EBITDA per Kg stood at Rs 31.7 in P&F segment.

Astral Ltd (ASTRA) reported healthy volume growth of 16.8% in the plastic pipe segment despite a weak demand environment. The company delivered a plumbing EBITDA margin of 18.2% even after absorbing an inventory loss of Rs200–250mn. EBITDA per kg for the plastic pipes segment stood at Rs31.7 (₹~35/kg excluding inventory loss). Company maintained its double-digit volume growth guidance in the piping segment with EBITDA margin of 16-18%. We expect ASTRA will achieve 15.0% volume CAGR in its P&F business over FY26-28. Astral has appointed a new CEO for its UK adhesives business and expects a gradual recovery going forward. Additionally, the company expects the removal of China's VAT rebate, which could lead to a Rs7-10/kg increase in PVC prices (already Rs7/kg PVC price hike during Jan–Feb'26), potentially supporting higher volumes. We estimate sales/EBITDA/PAT CAGR of 15.9%/18.7%/26.4% over FY26-28E. We tweaked ASTRA FY27/28E earnings by 1.3%/1.2%. Maintain 'BUY' rating with revised DCF-based TP of Rs1,794 (Rs1,736 earlier).

Q3FY26 financial performance: Revenues grew by 10.3% YoY to Rs15.4bn (PLe: Rs15.6bn) led by decent volume growth of 16.8% YoY in plumbing segment in to weak demand environment. Gross margin remained flat at 40.0%, (PLe: 39.2%). EBITDA stood at Rs 2.4bn (up 8.1% YoY) (PLe. Rs2.4bn). EBITDA margin contracted by 30bps YoY to 15.4%, (Ple: 15.3%). EBITDA per Kg (incl. OI) for Plastic pipe segment at Rs 31.7 vs Rs 35.0 in Q3FY25 Plumbing EBITDA margin contracted by ~30bps to 18.2% and Paint & Adhesives at 11.0% (contracted by ~90bps YoY). PAT stood at Rs 1.1bn (remained flat YoY).

9MFY26 financial performance: Revenue grew by 7.9% to Rs 44.8bn. Plumbing segment grew by 7.8% YoY to Rs 31.4bn. Paints & Adhesive segment grew by 21.5% YoY to Rs 13.4bn in 9MFY26. Gross margin remained flat at ~40.0%. EBITDA stood at Rs 6.8bn (up 5.4% YoY). EBITDA margin contracted by 40bps YoY to 15.2%. PAT declined by 5.6% to Rs 3.2bn

Concall Highlights: 1) The management has maintained its double-digit volume growth guidance in the piping segment for FY26 with 16-18% EBITDA margin. 2) Pipe industry volumes grew in single digits with market share gains for larger players, while weak JJM execution kept demand subdued, as FY26 spending was only Rs170bn out of Rs660bn allocation. In Union Budget 2026-27, Rs670bn has again been earmarked for JJM. 3) The company highlighted that despite uncertainty in Q3FY26, polymer prices appear to have bottomed out with early signs of an uptrend from Jan–Feb'26 and ~Rs7/kg PVC price hike largely passed through, though sharp PVC (~Rs11/kg) and CPVC declines led to Rs200–250mn inventory losses and margin pressure. However, in Q4FY26, the company expects inventory gain if prices are sustained. 4) Domestic Adhesives segment revenue

grew by 14% YoY to Rs31.9bn; ASTRA is expecting revenue to grow 15% in FY26. Further, ASTRA has guided for EBITDA margin of 14-16% in FY26 for the Paints & Adhesives segment. **5)** The UK adhesives business revenue grew by 16% YoY to Rs900mn, with EBITDA turning positive from flattish levels last year. ASTRA expects high single-digit revenue growth in FY27, with margins likely to improve to mid-high single digits over time. **6)** Paints expansion is progressing across Gujarat, Rajasthan and Maharashtra, while strengthening its presence in South India (Karnataka, Kerala, Tamil Nadu); the management reiterated 20%+ growth guidance, with margins expected to improve over the next 2-3 quarters driven by scale and manpower rationalization. **7)** ASTRA stated that CPVC backward integration is progressing well with machinery fully ordered, trial runs expected in Q3FY27 and commercial operations from Q4FY27 with Phase-1 capacity of 40k MT, and margins likely to be superior to peers due to absence of marketing and royalty costs. **8)** PEX-AI-PEX pipes are expected to be launched in Q4FY26, while the segment reported 36.5% YoY revenue growth in Q3 with improving order book and project traction, operating near breakeven EBITDA and likely to contribute meaningfully from FY27. **9)** ASTRA highlighted that after incurring Rs14-15bn capex over the past 3-4 years, it is witnessing strong traction in newer verticals such as water tanks, valves & fittings (including PTMT), fire sprinklers, OPVC pipes, electro-fusion fittings and low-noise plumbing systems, with FY26 capex planned at ~Rs3.5bn (Rs2.9bn spent in 9M).

Exhibit 1: Q3FY26 Result Overview: Sales up by 10.3% YoY, PAT declines by 4.4% YoY

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr. (%)	Q3FY26 E	YoY gr. (%)	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Net Sales	15,415	13,970	10.3	15,631	-1.4	15,774	-2.3	44,801	41,510	7.9
Expenditure										
Operating & Manufacturing Expenses	9,248	8,400	10.1	9,503	-2.7	9,530	-3.0	27,029	25,004	8.1
% of Net SAGes	60.0	60.1		60.8		60.4		60.3	60.2	
Gross Profit	6,167	5,570	10.7	6,128	0.6	6,244	-1.2	17,772	16,506	7.7
Gross Margin (%)	40.0	39.9	0.14	39.2	0.80	39.6		39.7	39.8	-0.1
Personnel Cost	1,477	1,298	13.8	1,469	0.5	1,466	0.8	4,362	3,848	13.4
% of Net SAGes	9.6	9.3		9.4		9.3		9.7	9.3	
Other Expenses	2,317	2,077	11.6	2,266	2.2	2,210	4.8	6,620	6,218	6.5
% of Net SAGes	15.0	14.9		14.5		14.0		14.8	15.0	
Total Expenditure	13,042	11,775	10.8	13,238	-1.5	13,206	-1.2	38,011	35,070	8.4
EBITDA	2,373	2,195	8.1	2,392	-0.8	2,568	-7.6	6,790	6,440	5.4
Margin (%)	15.4	15.7	-0.32	15.3	0.09	16.3		15.2	15.5	-0.36
Depreciation	734	631	16.3	710	3.4	723	1.5	2,176	1,786	21.8
EBIT	1,639	1,564	4.8	1,682	-2.6	1,845	-11.2	4,614	4,654	-0.9
Other income	95	118	-19.5	120	-20.8	114	-16.7	300	325	-7.7
Interest	126	139	-9.4	160	-21.3	160	-21.3	409	317	29.0
PBT	1,608	1,543	4.2	1,642	-2.1	1,799	-10.6	4,505	4,662	-3.4
Total Taxes	366	416	-12.0	412	-11.1	451	-18.8	1,123	1,253	-10.4
ETR (%)	22.8	27.0		25.1		25.1		24.9	26.9	
Extra-ordinary income / (exp)	-165	-				-		-165	-	
PAT	1,077	1,126	-4.4	1,231	-12.5	1,348	-20.1	3,217	3,409	-5.6

Source: Company, PL

Exhibit 2: Segmental Breakup: Plumbing revenue grows by 8.3% YoY with EBIT margin of 12.9%

Y/e March	Q3FY26	Q3FY25	YoY gr. (%)	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Revenues								
Plumbing/Plastics	10,720	9,901	8.3	11,186	-4.2	31,445	29,168	7.8
Paints & Adhesives	4,695	4,069	15.4	4,588	2.3	13,356	10,995	21.5
EBIT								
Plumbing/Plastics	1,386	1,405	-1.4	1,571	-11.8	3,946	3,950	-0.1
<i>EBIT margin (%)</i>	<i>12.9</i>	<i>14.2</i>		<i>14.0</i>		<i>12.5</i>	<i>13.5</i>	
Paints & Adhesives	297	235	26.4	313	-5.1	806	1,052	-23.4
<i>EBIT margin (%)</i>	<i>6.3</i>	<i>5.8</i>		<i>6.8</i>		<i>6.0</i>	<i>9.6</i>	

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	58,324	64,425	74,915	86,595
YoY gr. (%)	3.4	10.5	16.3	15.6
Cost of Goods Sold	35,192	38,784	45,099	51,784
Gross Profit	23,132	25,641	29,816	34,811
Margin (%)	39.7	39.8	39.8	40.2
Employee Cost	5,179	5,863	6,518	7,534
Other Expenses	-	-	-	-
EBITDA	9,459	10,566	12,586	14,894
YoY gr. (%)	3.0	11.7	19.1	18.3
Margin (%)	16.2	16.4	16.8	17.2
Depreciation and Amortization	2,434	2,866	3,026	3,168
EBIT	7,025	7,700	9,560	11,727
Margin (%)	12.0	12.0	12.8	13.5
Net Interest	413	495	415	371
Other Income	413	560	940	980
Profit Before Tax	7,025	7,765	10,085	12,336
Margin (%)	12.0	12.1	13.5	14.2
Total Tax	1,836	1,990	2,538	3,105
Effective tax rate (%)	26.1	25.6	25.2	25.2
Profit after tax	5,189	5,775	7,547	9,231
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	5,189	5,775	7,547	9,231
YoY gr. (%)	(4.9)	11.3	30.7	22.3
Margin (%)	8.9	9.0	10.1	10.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	5,189	5,775	7,547	9,231
YoY gr. (%)	(4.9)	11.3	30.7	22.3
Margin (%)	8.9	9.0	10.1	10.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	5,189	5,775	7,547	9,231
Equity Shares O/s (m)	269	269	269	269
EPS (Rs)	19.3	21.5	28.1	34.3

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	39,113	41,613	43,613	45,613
Tangibles	39,113	41,613	43,613	45,613
Intangibles	-	-	-	-
Acc: Dep / Amortization	11,997	14,863	17,889	21,056
Tangibles	11,997	14,863	17,889	21,056
Intangibles	-	-	-	-
Net fixed assets	27,116	26,750	25,725	24,557
Goodwill	27,116	26,750	25,725	24,557
Non-Current Investments	-	-	-	-
Net Deferred tax assets	(469)	(469)	(469)	(469)
Other Non-Current Assets	714	714	714	714
Current Assets				
Investments	-	-	-	-
Inventories	10,111	11,169	12,987	14,235
Trade receivables	4,353	4,808	5,591	6,463
Cash & Bank Balance	6,083	10,527	17,051	25,666
Other Current Assets	928	1,025	1,192	1,378
Total Assets	50,560	56,250	64,518	74,274
Equity				
Equity Share Capital	269	269	269	269
Other Equity	35,901	40,669	47,208	55,432
Total Networth	36,170	40,938	47,477	55,701
Non-Current Liabilities				
Long Term borrowings	1,563	1,363	1,163	963
Provisions	86	95	110	128
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	769	769	769	769
Trade payables	8,589	9,487	11,032	12,337
Other current liabilities	2,075	2,290	2,658	3,069
Total Equity & Liabilities	50,560	56,250	64,518	74,274

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	7,025	7,765	10,085	12,336
Add. Depreciation	2,434	2,866	3,026	3,168
Add. Interest	413	495	415	371
Less Financial Other Income	413	560	940	980
Add. Other	(157)	9	15	17
Op. profit before WC changes	9,715	11,135	13,541	15,892
Net Changes-WC	(1,718)	(498)	(857)	(592)
Direct tax	(1,701)	(1,990)	(2,538)	(3,105)
Net cash from Op. activities	6,296	8,647	10,146	12,194
Capital expenditures	(5,394)	(2,500)	(2,000)	(2,000)
Interest / Dividend Income	47	-	-	-
Others	221	-	-	-
Net Cash from Inv. activities	(5,126)	(2,500)	(2,000)	(2,000)
Issue of share cap. / premium	-	-	-	-
Debt changes	166	(200)	(200)	(200)
Dividend paid	(1,007)	(1,007)	(1,007)	(1,007)
Interest paid	(342)	(495)	(415)	(371)
Others	-	-	-	-
Net cash from Fin. activities	(1,183)	(1,702)	(1,622)	(1,578)
Net change in cash	(13)	4,444	6,523	8,616
Free Cash Flow	902	6,147	8,146	10,194

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E	
Per Share(Rs)					
EPS		19.3	21.5	28.1	34.3
CEPS		28.3	32.1	39.3	46.1
BVPS		134.5	152.2	176.5	207.1
FCF		3.4	22.8	30.3	37.9
DPS		3.7	3.7	3.7	3.7
Return Ratio(%)					
RoCE		20.8	20.3	22.7	23.8
ROIC		17.5	18.9	24.5	31.6
RoE		15.3	15.0	17.1	17.9
Balance Sheet					
Net Debt : Equity (x)	(0.1)	(0.2)	(0.3)	(0.4)	
Net Working Capital (Days)	37	37	37	35	
Valuation(x)					
PER		77.9	70.0	53.6	43.8
P/B		11.2	9.9	8.5	7.3
P/CEPS		53.1	46.8	38.3	32.6
EV/EBITDA		42.4	37.5	30.9	25.5
EV/Sales		6.9	6.1	5.2	4.4
Dividend Yield (%)		0.2	0.2	0.2	0.2

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	16,814	13,612	15,774	15,415
YoY gr. (%)	3.5	(1.6)	15.1	10.3
Raw Material Expenses	10,188	8,251	9,530	9,248
Gross Profit	6,626	5,361	6,244	6,167
Margin (%)	39.4	39.4	39.6	40.0
EBITDA	3,019	1,849	2,568	2,373
YoY gr. (%)	3.6	(13.8)	22.2	8.1
Margin (%)	18.0	13.6	16.3	15.4
Depreciation / Depletion	648	719	723	734
EBIT	2,371	1,130	1,845	1,639
Margin (%)	14.1	8.3	11.7	10.6
Net Interest	96	123	160	126
Other Income	88	91	114	95
Profit before Tax	2,363	1,098	1,799	1,608
Margin (%)	14.1	8.1	11.4	10.4
Total Tax	583	306	451	366
Effective tax rate (%)	24.7	27.9	25.1	22.8
Profit after Tax	1,780	792	1,348	1,242
Minority interest	-	-	-	-
Share Profit from Associates	1	-	-	-
Adjusted PAT	1,781	792	1,348	1,242
YoY gr. (%)	(1.8)	(33.7)	24.0	10.3
Margin (%)	10.6	5.8	8.5	8.1
Extra Ord. Income / (Exp)	-	-	-	(165)
Reported PAT	1,781	792	1,348	1,077
YoY gr. (%)	(1.8)	(33.7)	24.0	(4.4)
Margin (%)	10.6	5.8	8.5	7.0
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,781	792	1,348	1,077
Avg. Shares O/s (m)	269	269	269	269
EPS (Rs)	6.6	2.9	5.0	4.6

Source: Company Data, PL Research

Price Chart

Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-26	BUY	1,736	1,487
2	06-Nov-25	BUY	1,778	1,566
3	06-Oct-25	BUY	1,727	1,384
4	13-Aug-25	BUY	1,503	1,269
5	02-Jul-25	Accumulate	1,630	1,494
6	22-May-25	BUY	1,630	1,378
7	08-Apr-25	BUY	1,532	1,288

Analyst Coverage Universe

Sr. No.	CompanyName	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	Volta	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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