

January 6, 2026

Exhibit 1: PL Universe

Companies	Rating	CMP (Rs)	TP (Rs)
Astral Ltd.	BUY	1,487	1,736
Century Plyboard (I)	HOLD	811	842
Cera Sanitaryware	BUY	5,177	7,372
Finolex Industries	Acc	181	211
Greenpanel Industries	BUY	229	400
Kajaria Ceramics	HOLD	1,003	1,053
Supreme Industries	BUY	3,625	4,726

Source: PL Acc=Accumulate

### ***Demand Softness Persists; Margins Offer Cushion***

*Building Material companies under our coverage universe are expected to report single digit revenue growth due to weak demand and extended monsoon, however margins are expected to expand due to cost reduction measures and because of cooling of timber cost. We anticipate moderate volume growth of 10.0% YoY in plastic pipe sector. Tiles and bathware sectors are likely to experience single digit growth expecting demand to pick up in coming years. Wood panel segment CPBI is expecting good revenue growth mainly driven from plywood segment (contributes 55% to the topline). We expect coverage companies to register sales/EBITDA/PAT growth of 8.3%/19.5%/19.5% YoY. We expect Astral (ASTRA) and Century plyboards (CPBI) to outperform in the BM space.*

- **Plastic Pipe - Moderate vol. growth continue:** The coverage plastic pipe companies are expected to report moderate volume growth of 10.0% YoY, primarily due to delays in ADD implementation, extension of BIS for PVC resin, subdued demand and due to extended monsoon. We estimate revenue growth of +7.6% YoY. However, EBITDA and PAT are expected to increase by 9.8% and 8.1% YoY, respectively, mainly due to margin expansion of ~25bps YoY, Supreme Industries and Astral are expected to post moderate sales growth of +9.3% and +11.9% YoY, respectively, with volume growth in the Pipes & Fittings (P&F) segment at 12.0% for Supreme and 15.0% for Astral. We are expecting Inventory loss of Rs 200/250mn for Astral/Supreme in Q3FY26.
- **Tiles & Bathware – soft performance for KJS & CRS:** Kajaria is expected to report soft revenue growth of 5.7% YoY in the quarter, primarily driven by modest tile volume growth of 3.7% YoY. Domestic demand remains moderate, due to extended monsoon also competitive intensity increased due to reduced exports from Morbi players, leading to increased domestic supply. However, as export-related challenges begin to ease, Morbi exports are expected to pick. Despite steady volumes, EBITDA margin for Kajaria is expected to expand to 18.0%, due to cost rationalization measures and closure of the low-margin plywood business. Cera Sanitaryware (CRS) is expected revenue to increase by 6.2% YoY. Faucets segment is expected to grow by 12.0% and sanitaryware by 2.0% YoY. EBITDA margin is expected to expand by ~60bps YoY to 13.8%, with PAT likely to grow by 17.7% YoY.
- **Woodpanel – plywood continue to outperform:** Century Plyboards (CPBI) is expected to sustain volume growth in the plywood segment, driven by market share gains. CPBI is expected to deliver healthy sales growth of 15.6% YoY, with EBITDA margin of 12.0%. We expect MDF volume growth of +20.0% YoY for CPBI and +7.3% YoY for Greenpanel (GP). Plywood volume growth is estimated at +14.5% YoY for CPBI and 2.0% YoY for GP. Additionally, CPBI's laminate segment expected volume growth of 12.0% YoY, aided by an improvement in export business. Overall, the wood panel coverage universe is expected to report revenue growth of +13.1% YoY, while EBITDA and PAT increase by 38.7% and 31.5% YoY, respectively, due to estimated EBITDA margin expansion of ~220 bps YoY.

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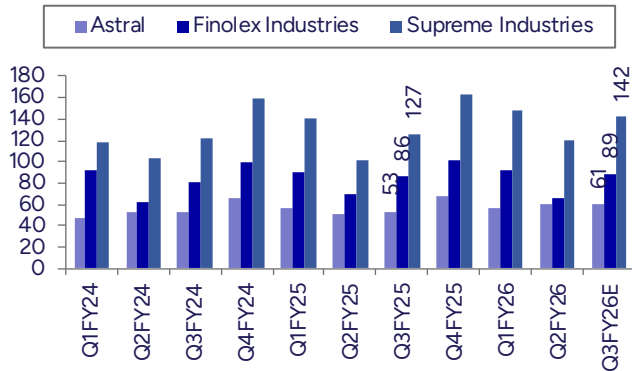
- **Coverage target price changes:** As we roll forward our target prices to Mar'28E, we have revised the target prices for all the companies, while maintaining our ratings for all the coverage companies.

## Exhibit 2: Q3FY26 Result Preview

Company Name		Q3FY26E	Q3FY25	YoY gr. (%)	Q2FY26	QoQ gr. (%)	Remark
Astral Ltd.	Sales	15,631	13,970	11.9	15,774	(0.9)	We expect sales to grow by 11.9% YoY, led by 15% volume growth in Q3FY26. Plumbing segment is expected to grow by 10.7%, sanitaryware expects to grow at 25.0% YoY. Paints/Adhesives segment expected 20.0%/13.0% YoY growth. We expect Plumbing EBITDA margin of 17.8%, and P&A business expected EBITDA margin of 12.0%.
	EBITDA	2,392	2,195	9.0	2,568	(6.8)	
	Margin (%)	15.3	15.7	-41 bps	16.3	-97 bps	
	PBT	1,642	1,543	6.4	1,799	(8.7)	
	Adj. PAT	1,231	1,126	9.3	1,348	(8.7)	
Century Plyboard (I)	Sales	13,179	11,405	15.6	13,855	(4.9)	We expect sales growth of 15.6% YoY mainly with Plywood/MDF revenue growth of 11.1%/28.6% YoY with volume growth of 14.5%/20.0%. We expect EBITDA to expand by 65bps YoY to 12.0%. PAT is expected to increase by 20.4% YoY.
	EBITDA	1,583	1,295	22.2	1,746	(9.4)	
	Margin (%)	12.0	11.4	65 bps	12.6	-60 bps	
	PBT	947	799	18.5	979	(3.2)	
	Adj. PAT	709	588	20.4	709	(0.1)	
Cera Sanitaryware	Sales	4,769	4,493	6.2	4,879	(2.2)	We expect sales to increase by 6.2% YoY. Faucets business sales to increase by 12.0% and sanitary business expected to increase by 2.0% YoY. We expect EBITDA margin of 13.8% . We expect PAT to grow by 17.7% YoY.
	EBITDA	658	594	10.8	671	(2.0)	
	Margin (%)	13.8	13.2	58 bps	13.8	4 bps	
	PBT	689	599	14.9	722	(4.7)	
	Adj. PAT	540	459	17.7	566	(4.7)	
Finolex Industries	Sales	9,758	10,012	-2.5	8,587	13.6	We expect sales to decline by 2.5% YoY, vol. to increase by ~4.0% YoY in P&F segment, However realisation is expected to decline by 5.4% YoY. We expect EBITDA margin of 9.6%, and PAT to increase by 6.5%.
	EBITDA	936	834	12.1	1,302	(28.1)	
	Margin (%)	9.6	8.3	125 bps	15.2	-557 bps	
	PBT	1,196	945	26.5	1,562	(23.4)	
	Adj. PAT	1,001	940	6.5	1,236	(19.0)	
Greenpanel Industries	Sales	3,779	3,594	5.2	3,960	(4.6)	We expect sales to grow by 5.2%. MDF segment expected sales volume to increase by 7.3%, while plywood volumes to grow by 2.0% YoY. We expect EBITDA margin of 12.0% YoY (~720bps expansion). We expect PAT grow by 108.1% YoY.
	EBITDA	455	173	162.0	326	39.5	
	Margin (%)	12.0	4.8	720 bps	8.2	380 bps	
	PBT	236	52	354.0	35	570.6	
	Adj. PAT	177	85	108.1	-61	(389.2)	
Kajaria Ceramics	Sales	12,220	11,556	5.7	11,860	3.0	We expect sales to grow by 5.7% mainly with tiles volume growth of 3.7% YoY. Sanitaryware segment to grow by 5.0% YoY. We expect EBITDA margin to expand by ~470bps to 18.0%. We expect PAT to grow by 63.6% YoY.
	EBITDA	2,200	1,533	43.4	2,135	3.1	
	Margin (%)	18.0	13.3	473 bps	18.0	0 bps	
	PBT	1,886	1,166	61.7	1,813	4.0	
	Adj. PAT	1,384	846	63.6	1,330	4.1	
Supreme Industries	Sales	27,444	25,099	9.3	23,939	14.6	We expect sales to grow by 9.3% YoY with Plastic Pipe/Packing Products/Industrial products/consumer product volume growth of 12%/7%/3%/4% YoY. We expect EBITDA margin of 12.3%, remain flat YoY and PAT to grow by 8.3% YoY.
	EBITDA	3,388	3,088	9.7	2,974	13.9	
	Margin (%)	12.3	12.3	4 bps	12.4	-8 bps	
	PBT	2,359	2,235	5.6	2,028	16.4	
	Adj. PAT	2,024	1,870	8.3	1,647	22.9	

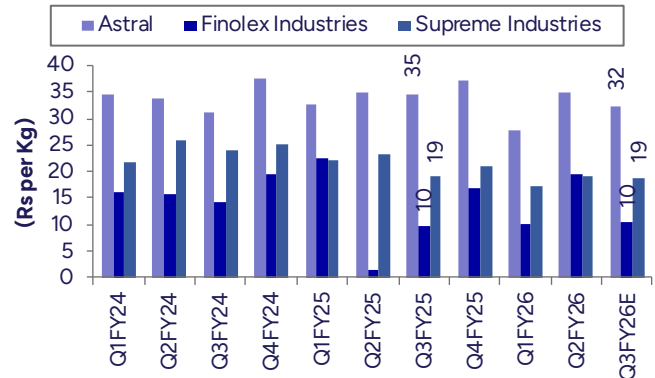
Source: Company, PL

Exhibit 3: Pipe Vol. growth est. 10.0% YoY



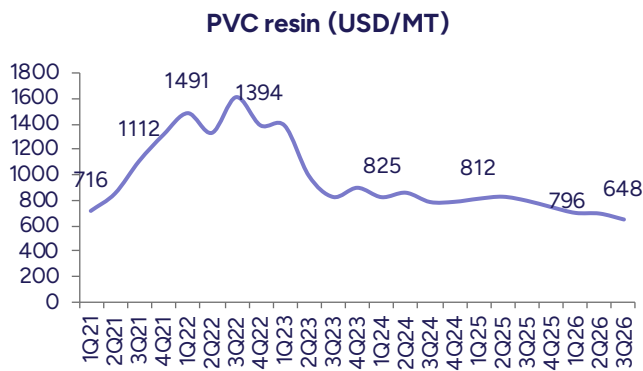
Source: Company, PL

Exhibit 4: Pipe EBITDA/Kg expected to decline by ~3.0% YoY



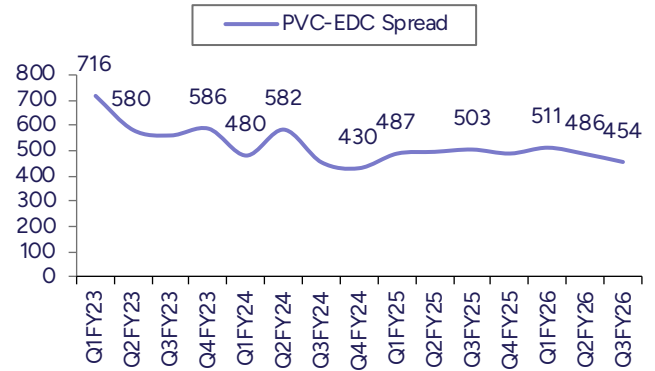
Source: Company, PL

Exhibit 5: PVC resin prices down ~19%/7% YoY/QoQ in Q3



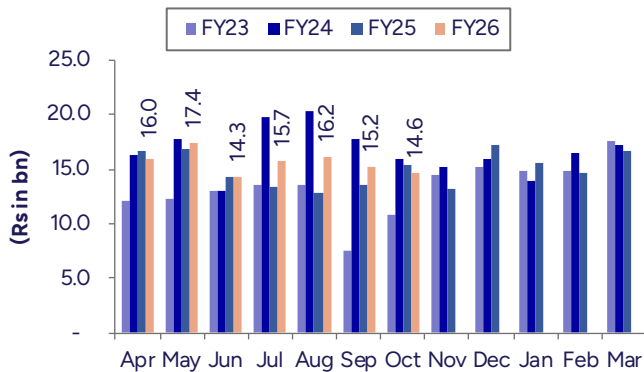
Source: Industry, PL

Exhibit 6: PVC-EDC spread decline by ~10.0% YoY in Q3FY26



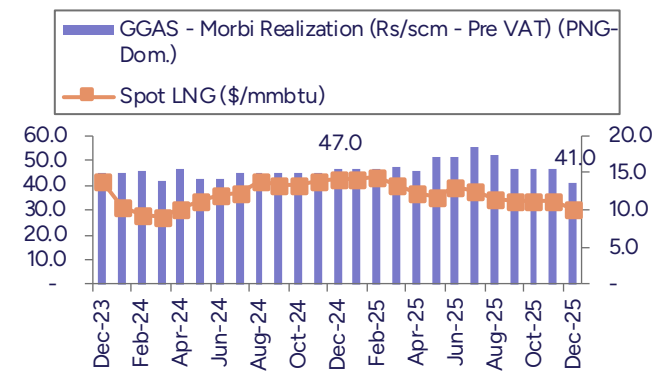
Source: Industry, PL

Exhibit 7: Tiles export up by 6% YoY from Apr-Oct'25



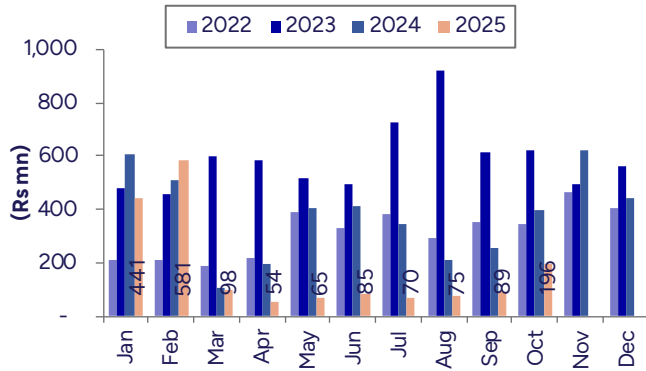
Source: Ministry of Commerce, PL

Exhibit 8: GGAS (Morbi) prices range bound at Rs41/SCM



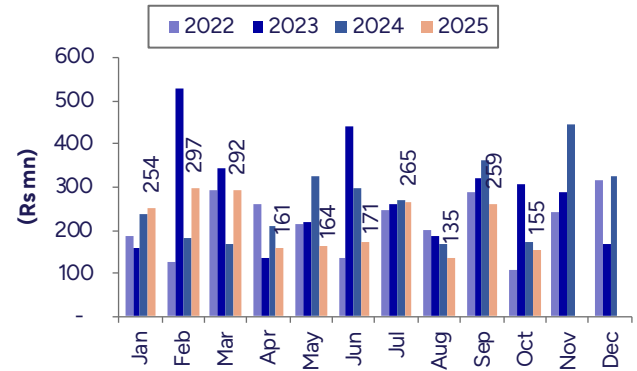
Source: Ministry of Commerce, PL

**Exhibit 9: MDF import down 72% YoY from Apr-Oct'25**



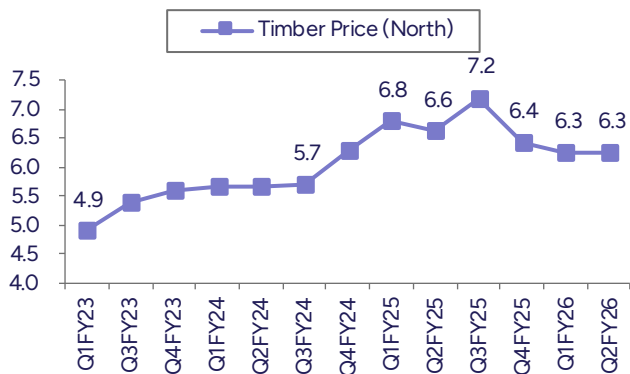
Source: Ministry of Commerce, PL

**Exhibit 10: MDF exports down by 27% YoY from Apr-Oct'25**



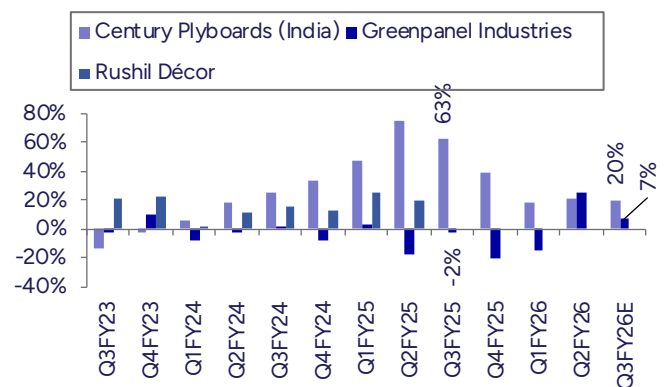
Source: Ministry of Commerce, PL

**Exhibit 11: Timber price was down by 5.6%YoY in Q2FY26**



Source: Company, PL

**Exhibit 12: MDF segment volume growth – Player-wise**



Source: Company, PL

**Exhibit 13: Valuation Summary**

Company Names	S/ C	Rating	CMP (Rs)	TP (Rs)	MCap (Rs bn)	Sales (Rs bn)				EBITDA (Rs bn)				PAT (Rs bn)				EPS (Rs)				RoE (%)				PE (x)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Astral Ltd.	C	BUY	1,487	1,736	400.1	58.3	64.1	74.5	86.1	9.5	10.5	12.5	14.8	5.2	5.7	7.4	9.1	19.3	21.1	27.7	33.9	15.3	14.8	16.9	17.8	77.1	70.4	53.7	43.9
Century Plyboard (I)	C	HOLD	811	842	180.5	45.3	51.5	58.6	67.3	4.9	6.5	7.8	9.0	2.0	3.3	4.3	5.1	9.0	15.0	19.2	23.0	8.7	13.3	15.0	15.7	90.5	54.2	42.2	35.2
Cera Sanitaryware	C	BUY	5,177	7,372	66.8	19.2	20.1	22.7	25.4	2.9	3.0	3.5	4.0	2.4	2.4	2.8	3.2	189.9	185.1	215.8	246.8	18.2	16.7	17.4	17.5	27.3	28.0	24.0	21.0
Finolex Industries	C	Acc	181	211	111.7	41.4	42.0	46.8	52.0	4.8	5.1	5.9	6.9	4.8	4.9	5.7	6.6	7.8	8.0	9.2	10.7	8.3	8.0	9.0	10.1	23.1	22.6	19.6	16.8
Greenpanel Industries	C	BUY	229	400	28.0	14.4	15.1	18.9	21.7	1.3	1.6	3.4	4.0	0.7	0.7	2.0	2.4	5.9	5.7	16.0	19.8	5.3	5.0	13.0	14.1	38.9	40.2	14.3	11.5
Kajaria Ceramics	C	HOLD	1,003	1,053	159.8	46.4	47.7	51.6	56.5	6.3	8.1	8.8	9.6	3.4	4.7	5.3	6.0	21.5	29.3	33.6	37.9	12.8	16.0	16.4	16.4	46.6	34.3	29.9	26.5
Supreme Industries	C	BUY	3,625	4,726	460.6	104.5	111.2	126.8	144.5	14.3	15.6	18.4	21.7	9.6	9.9	12.5	15.0	75.6	77.6	98.3	118.1	17.8	16.5	18.6	19.5	47.9	46.7	36.9	30.7

Source: Company, PL

Acc=Accumulate / S=Standalone / C=Consolidated

**Exhibit 14: Change in Estimates**

	Rating		Target Price			Sales						PAT						EPS					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Astral Ltd.	BUY	BUY	1,736	1,778	-2.4%	74,524	75,843	-1.7%	86,139	87,673	-1.7%	7,447	7,613	-2.2%	9,121	9,319	-2.1%	27.7	28.3	-2.2%	33.9	34.6	-2.1%
Century Plyboard (I)	HOLD	HOLD	842	845	-0.4%	58,586	58,767	-0.3%	67,318	67,528	-0.3%	4,272	4,290	-0.4%	5,126	5,147	-0.4%	19.2	19.3	-0.4%	23.0	23.1	-0.4%
Cera Sanitaryware	BUY	BUY	7,372	7,178	2.7%	22,732	23,365	-2.7%	25,411	26,139	-2.8%	2,783	2,916	-4.6%	3,183	3,298	-3.5%	215.8	226.1	-4.6%	246.8	255.7	-3.5%
Finolex Industries	Acc	Acc	211	228	-7.8%	46,827	48,433	-3.3%	52,011	54,656	-4.8%	5,703	5,965	-4.4%	6,646	6,995	-5.0%	9.2	9.6	-4.4%	10.7	11.3	-5.0%
Greenpanel Industries	BUY	BUY	400	399	0.2%	18,937	18,918	0.1%	21,691	21,632	0.3%	1,964	1,961	0.1%	2,434	2,425	0.4%	16.0	16.0	0.1%	19.8	19.8	0.4%
Kajaria Ceramics	HOLD	HOLD	1,053	1,083	0.0%	51,599	51,599	0.0%	56,528	56,528	0.0%	5,345	5,345	0.0%	6,032	6,032	0.0%	33.6	33.6	0.0%	37.9	37.9	0.0%
Supreme Industries	BUY	BUY	4,726	4,723	0.1%	126,832	137,452	-7.7%	144,519	157,300	-8.1%	12,492	13,678	-8.7%	15,006	16,422	-8.6%	98.3	107.7	-8.7%	118.1	129.3	-8.6%

Source: Company, PL

Acc=Accumulate / C=Current / P=Previous

## 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	1,778	1,566
3	Avalon Technologies	BUY	1,100	908
4	Bajaj Electricals	BUY	600	514
5	Cello World	BUY	732	611
6	Century Plyboard (I)	Hold	845	799
7	Cera Sanitaryware	BUY	7,178	5,761
8	Crompton Greaves Consumer Electricals	BUY	375	279
9	Cyient DLM	Accumulate	439	416
10	Finolex Industries	Accumulate	228	188
11	Greenpanel Industries	BUY	399	270
12	Havells India	Accumulate	1,653	1,487
13	Kajaria Ceramics	Hold	1,083	1,049
14	Kaynes Technology India	BUY	5,542	3,998
15	KEI Industries	BUY	4,926	4,173
16	LG Electronics India	BUY	1,920	1,618
17	Polycab India	BUY	8,808	7,440
18	Premier Energies	BUY	1,106	886
19	R R Kabel	BUY	1,634	1,391
20	Supreme Industries	BUY	4,723	4,001
21	Syrma SGS Technology	Accumulate	860	750
22	Vikram Solar	Accumulate	275	241
23	Voltas	Hold	1,411	1,351
24	Waaree Energies	BUY	4,086	3,077

## PL's Recommendation Nomenclature

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

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