

Apr-June'26
Earnings
Preview

Building Materials

October 06, 2026

Coverage Universe

Name of the Company	Rating	CMP (INR)	TP (INR)
Astral	BUY	1,362	1,593
Century Plyboard (I)	BUY	678	871
Cera Sanitaryware	BUY	5,057	7,548
Finolex Industries	BUY	149	226
Greenpanel Industries	BUY	160	271
Kajaria Ceramics	BUY	1,215	1,458
Supreme Industries	BUY	3,399	4,414

Pipes in the Lead; Woodpanel Faces Export Headwinds

Quick Pointers

- Building material companies under coverage are expected to report healthy revenue growth of 16.6% YoY and EBITDA margin are likely to expand by ~80bps.
- Plastic pipes sector is anticipated healthy volume growth of 15.6% YoY.

Building material companies under coverage are expected to report healthy revenue growth of 16.6% YoY, primarily driven by the pipes and Tiles segment. Margins are likely to expand by ~80bps, supported by rising PVC resin prices, enabling larger players to pass on costs, price hike across Tile & bathware segments. The plastic pipes sector is anticipated to deliver healthy volume growth of 15.6% YoY. Tiles sectors are likely to experience double digit growth. 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 16.6%/22.9%/33.4% YoY. We expect Pipes players to outperform in the BM space.

Plastic Pipe - Healthy volumes and higher realizations to drive margin expansion: The plastic pipe companies under our coverage are expected to report healthy volume growth in Q2FY27, supported by strong demand and channel restocking amid rising PVC resin prices. Astral, Supreme Industries and Finolex Industries are estimated to report Pipes & Fittings volume growth of 17.0%/5.5%/20.5% YoY, respectively. Finolex Industries is likely to see relatively softer growth, given its higher exposure to the agri segment. Realisations are expected to increase by ~4%/4.5%/3% YoY, respectively,. Consequently, EBITDA margins across the coverage universe are estimated to expand by ~110bps YoY to 15.3%, aided by better realisations and inventory gains during the quarter.

Tiles & Bathware segment: Kajaria Ceramics is expected to report revenue growth of 17.1% YoY, primarily driven by price hikes implemented to offset higher gas costs. Tile volumes are expected to grow by 7.5% YoY, supported by continued market share gains amid disruptions in the Morbi cluster. Cera Sanitaryware is expected to deliver revenue growth of 18.1% YoY, led by 15.0% growth in the faucets segment and 14.0% growth in sanitaryware. EBITDA margins are likely to remain under pressure, declining ~110bps YoY to 12.7%, due to lower fixed-cost absorption and higher contribution from old-price projects. Margins are expected to normalise from Q3FY27 as these one-offs fade and price hikes get fully absorbed.

Woodpanel – Export headwinds to weigh on volumes; margins likely to remain under pressure: CPBI is expected to deliver decent sales growth of 13.3% YoY, with EBITDA margin of 11.8%. We expect MDF volume growth of 13.0% YoY, In contrast, Greenpanel's MDF volumes are estimated to decline 9.8% YoY, primarily due to elevated freight rates amid geopolitical tensions, which continue to hamper exports, alongside sustained competitive intensity. CPBI's laminate volumes are also expected to remain subdued, growing ~2.0% YoY due to export-related headwinds. Overall, the wood-panel coverage universe is expected to report 9.4% YoY revenue growth, while EBITDA is likely to increase 6.7% YoY, implying ~30bps YoY margin contraction to 11.3%.

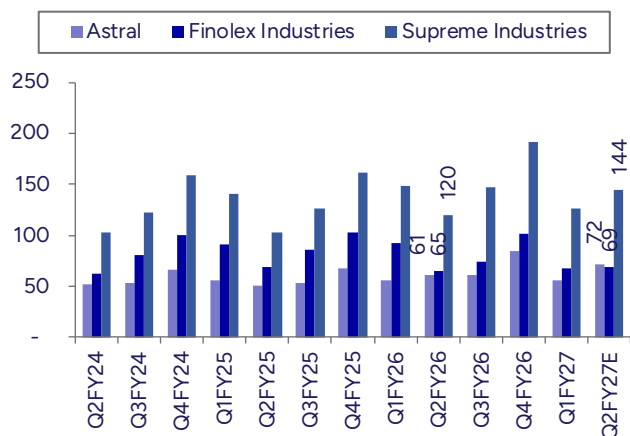
Coverage target price changes: As we roll forward our TP to Sep'28E and introduce FY29 numbers, we revise our TP for all the coverage companies. Further, we upgrade our rating for FNXP and CPBI to 'BUY' from 'ACCUMULATE'.

Exhibit 1: Q2FY27 Result Preview (INR mn)

Company Name		Q2FY27E	Q2FY26	YoY gr. (%)	Q1FY27	QoQ gr. (%)	Remark
Astral Ltd.	Sales	19,113	15,774	21.2	15,780	21.1	We expect sales to grow by 21.2% YoY, led by healthy volume growth of 17%. Plumbing segment is expected to grow by 21.4%. Paints/Adhesives segment expected 35%/18.5% YoY growth. We expect EBITDA margin to contract by 40bps to ~16%. PAT is expected to grow by ~27%.
	EBITDA	3,039	2,568	18.3	2,312	31.4	
	Margin (%)	15.9	16.3	-38 bps	14.7	125 bps	
	PBT	2,286	1,799	27.0	1,628	40.4	
	Adj. PAT	1,710	1,348	26.8	1,202	42.2	
Century Plyboard (I)	Sales	15,702	13,855	13.3	15,614	0.6	We expect sales growth of 13.3% YoY mainly with Plywood/MDF revenue growth of 15.7%/14.2% YoY with volume growth of 16.0%/13.0%. We expect EBITDA to contract by 80bps YoY to 11.8%. PAT is expected to increase by 17.2% YoY.
	EBITDA	1,852	1,746	6.1	1,978	(6.4)	
	Margin (%)	11.8	12.6	-81 bps	12.7	-87 bps	
	PBT	1,111	979	13.5	1,163	(4.5)	
	Adj. PAT	831	709	17.2	833	(0.2)	
Cera Sanitaryware	Sales	5,762	4,879	18.1	4,860	18.6	We expect sales to increase by 18.1% YoY. Faucets business sales to increase by 15.0% and sanitary business expected to increase by 14.0% YoY. We expect EBITDA margin of 12.7% . We expect PAT to grow by 5.3% YoY.
	EBITDA	732	671	9.0	555	31.8	
	Margin (%)	12.7	13.8	-106 bps	11.4	128 bps	
	PBT	797	722	10.3	661	20.5	
	Adj. PAT	596	566	5.3	453	31.6	
Finolex Industries	Sales	9,291	8,587	8.2	8,836	5.2	We expect sales to grow by 8.2% YoY, vol. to increase by 5.5% YoY in P&F segment, with the increase in realization by 3.0% YoY. We expect EBITDA margin of 14.5%, and PAT to increase by 13.1%.
	EBITDA	1,347	1,302	3.5	1,066	26.4	
	Margin (%)	14.5	15.2	-66 bps	12.1	244 bps	
	PBT	1,588	1,562	1.6	1,476	7.6	
	Adj. PAT	1,397	1,236	13.1	1,145	22.0	
Greenpanel Industries	Sales	3,783	3,960	(4.5)	3,498	8.1	We expect sales to decline by 4.5%. MDF segment expected sales volume to decline by ~10.0%, while plywood volumes to decline by 3.4% YoY. We expect EBITDA margin of 9.5% YoY.
	EBITDA	359	326	10.2	299	20.1	
	Margin (%)	9.5	8.2	126 bps	8.5	95 bps	
	PBT	80	35	127.6	21	276.4	
	Adj. PAT	70	-61	NA	12	465.4	
Kajaria Ceramics	Sales	13,891	11,860	17.1	13,281	4.6	We expect sales to grow by 17.1% mainly with tiles volume growth of 7.5% YoY. Sanitaryware segment to grow by 8.0% YoY. We expect EBITDA margin to expand by 130bps to 19.3%. We expect PAT to grow by 29.3% YoY.
	EBITDA	2,681	2,135	25.6	2,604	3.0	
	Margin (%)	19.3	18.0	130 bps	19.6	-30 bps	
	PBT	2,320	1,813	28.0	2,303	0.7	
	Adj. PAT	1,720	1,330	29.3	1,684	2.2	
Supreme Industries	Sales	29,106	23,939	21.6	27,177	7.1	We expect sales to grow by 21.6% YoY with Plastic Pipe/Packing Products/Industrial products/consumer product volume growth of 20.5%/10.0%/1.0%/1.0% YoY. We expect EBITDA margin of 15.1%, expand by 270 bps YoY and PAT to grow by 64.6% YoY.
	EBITDA	4,395	2,974	47.8	3,980	10.4	
	Margin (%)	15.1	12.4	268 bps	14.6	46 bps	
	PBT	3,280	2,028	61.8	2,806	16.9	
	Adj. PAT	2,712	1,647	64.6	2,807	(3.4)	

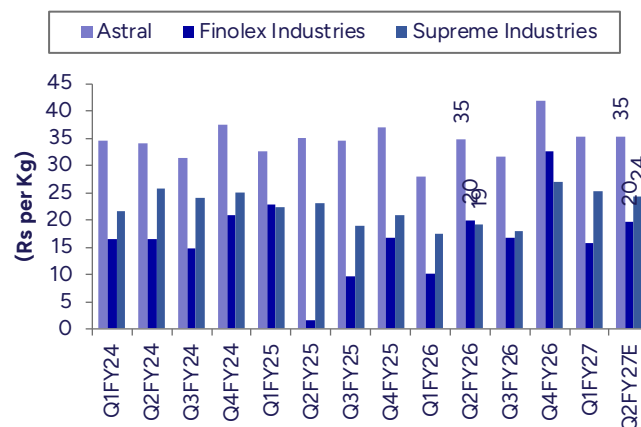
Source: Company, PL

Exhibit 2: Pipe segment to report healthy vol. growth est. 15.6% YoY



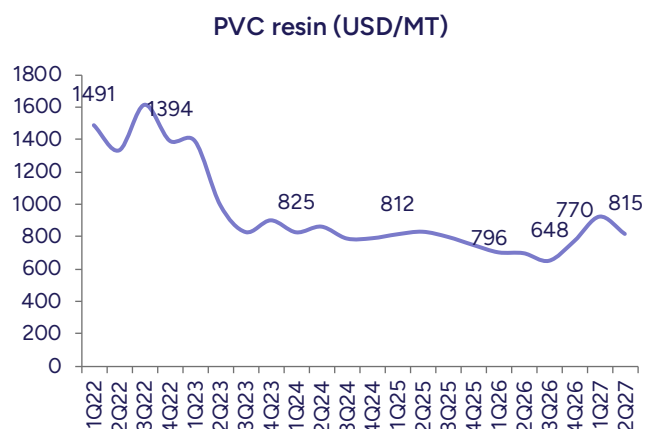
Source: Company, PL

Exhibit 3: Pipe EBITDA/Kg expected to grow by 7.0% YoY



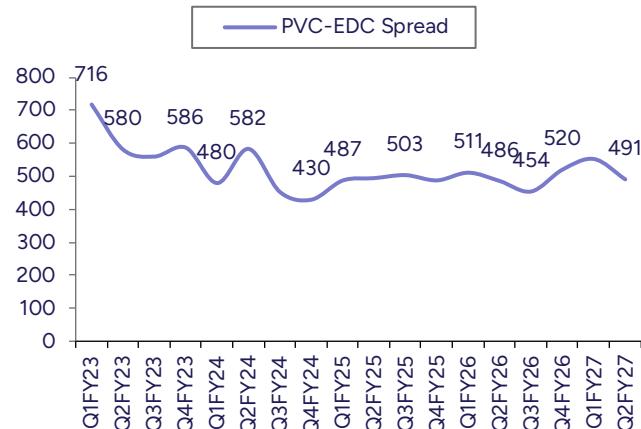
Source: Company, PL

Exhibit 4: Global PVC resin prices up by +16%/-12% YoY/QuQ in Q2



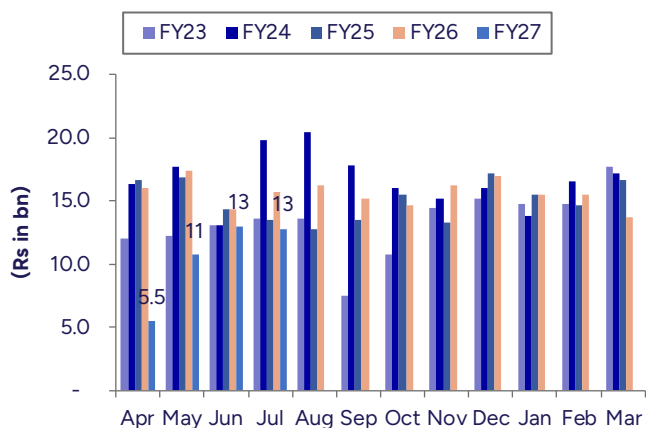
Source: Company, PL

Exhibit 5: PVC-EDC spread remained flat YoY in Q2FY27



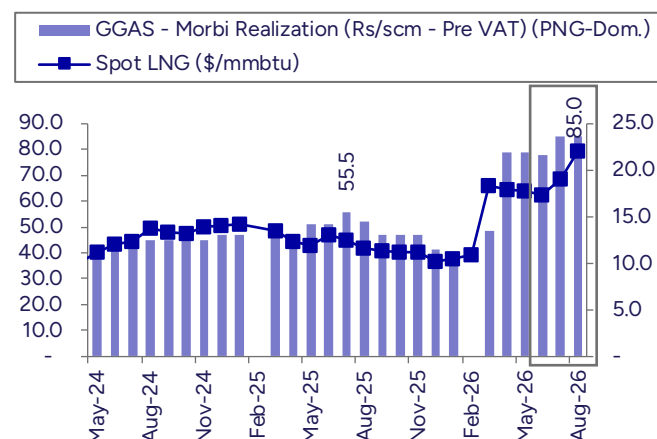
Source: Company, PL

Exhibit 6: Tiles exports declined by 21 % YoY from Jan-July'26



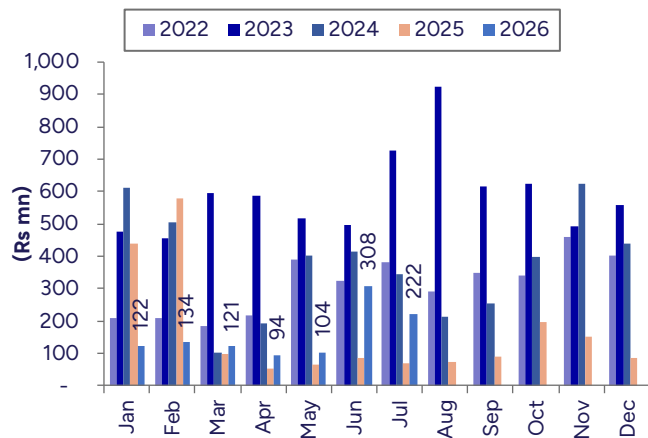
Source: Company, PL

Exhibit 7: GGAS (Morbi) prices range bound at Rs 85/SCM



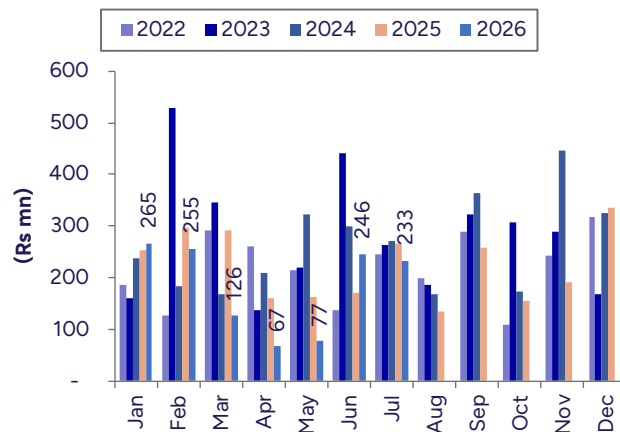
Source: Company, PL

Exhibit 8: MDF imports declined by 21% YoY from Jan-July'26



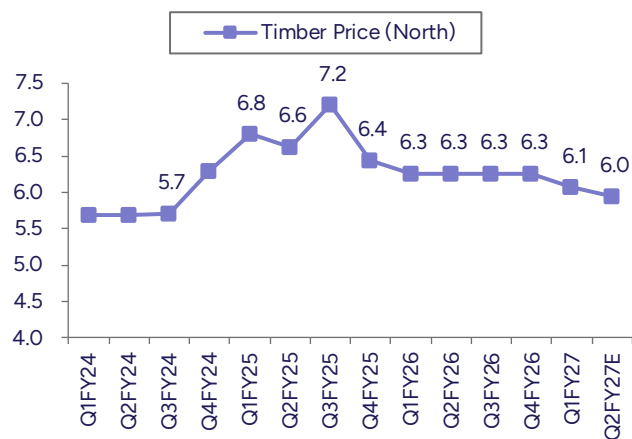
Source: Company, PL

Exhibit 9: MDF exports declined by 21% YoY from Jan-July'26



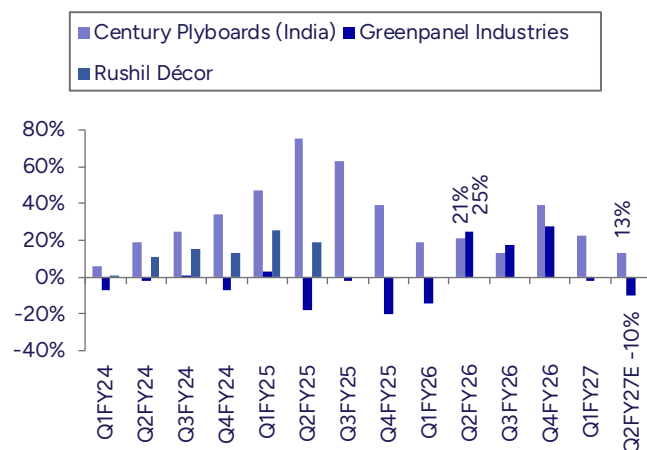
Source: Company, PL

Exhibit 10: Timber prices are expected to correct by 5% YoY in Q2FY27



Source: Company, PL

Exhibit 11: MDF segment volume growth – Player-wise



Source: Company, PL

Exhibit 6: Valuation Summary

Company Name	C/S	Rating	CMP (INR)	TP (INR)	Mcap (INR bn)	Sales (INR mn)				EBITDA (INR mn)				Adj. PAT (INR mn)				EPS (INR)				RoE (%)				PE (x)			
						FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E
Astral Ltd.	C	BUY	1,362	1,593	366.4	65,686	79,281	92,913	1,07,064	10,619	13,216	15,786	18,297	5,573	7,627	9,527	11,241	20.7	28.4	35.4	41.8	14.5	17.4	18.6	18.4	65.7	48.0	38.5	32.6
Century Plyboard (I)	C	BUY	678	871	150.9	53,972	63,663	72,477	81,984	6,915	8,595	10,364	11,724	3,333	4,191	5,545	6,462	15.0	18.8	24.9	29.0	13.4	15.0	17.1	17.0	45.3	36.0	27.2	23.4
Cera Sanitaryware	C	BUY	5,057	7,548	65.2	20,501	24,033	27,184	30,669	2,692	3,365	3,806	4,294	2,120	2,636	3,059	3,447	164.4	204.4	237.1	267.2	15.0	16.8	17.1	18.1	30.8	24.7	21.3	18.9
Finolex Industries	C	BUY	149	206	92.3	41,134	42,020	44,905	49,249	6,789	5,647	6,278	7,082	5,991	5,380	5,832	6,526	9.7	8.7	9.4	10.6	9.7	8.4	8.7	9.2	15.4	17.2	15.8	14.1
Greenpanel Industries	C	BUY	160	271	19.6	15,394	17,056	20,341	23,002	1,126	1,924	2,783	3,143	199	806	1,517	1,819	1.6	6.6	12.4	14.8	1.5	5.8	10.1	10.9	98.4	24.3	12.9	10.8
Kajaria Ceramics	C	BUY	1,215	1,458	193.5	48,304	55,414	58,012	61,892	8,650	10,386	10,326	11,017	4,885	6,626	6,579	7,021	30.7	41.6	41.3	44.1	16.8	20.0	17.3	16.3	39.6	29.2	29.4	27.6
Supreme Industries	C	BUY	3,399	4,414	431.8	1,12,177	1,32,412	1,49,840	1,68,865	15,676	19,200	21,877	25,330	9,540	12,224	14,573	16,653	75.1	96.2	114.7	131.1	16.1	18.6	19.6	19.4	45.3	35.3	29.6	25.9

Source: Company, PL C=Consolidated / S=Standalone

Exhibit 7: Change in Estimates

	Rating		Target Price			Sales (INR mn)						PAT (INR mn)						EPS (INR)					
						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	1,593	1,684	-5.4%	79,281	78,622	0.8%	92,913	92,147	0.8%	7,627	7,632	-0.1%	9,527	9,568	-0.4%	28.4	28.4	-0.1%	35.4	35.6	-0.4%
Century Plyboard (I)	BUY	Accumulate	871	878	-0.8%	63,663	63,996	-0.5%	72,477	72,848	-0.5%	4,191	4,224	-0.8%	5,545	5,584	-0.7%	18.8	19.0	-0.8%	24.9	25.1	-0.7%
Cera Sanitaryware	BUY	BUY	7,548	7,221	4.5%	24,033	24,033	0.0%	27,184	27,184	0.0%	2,636	2,636	0.0%	3,059	3,059	0.0%	204.4	204.4	0.0%	237.1	237.1	0.0%
Finolex Industries	BUY	Accumulate	206	197	4.8%	42,020	41,730	0.7%	44,905	46,843	-4.1%	5,380	5,352	0.5%	5,832	6,193	-5.8%	8.7	8.7	0.5%	9.4	10.0	-5.8%
Greenpanel Industries	BUY	BUY	271	284	-4.5%	17,056	18,102	-5.8%	20,341	21,896	-7.1%	806	928	-13.1%	1,517	1,740	-12.8%	6.6	7.6	-13.1%	12.4	14.2	-12.8%
Kajaria Ceramics	BUY	BUY	1,458	1,403	3.9%	55,414	54,896	0.9%	58,012	57,955	0.1%	6,626	6,405	3.5%	6,579	6,572	0.1%	41.6	40.2	3.5%	41.3	41.3	0.1%
Supreme Industries	BUY	BUY	4,414	4,610	-4.3%	1,32,412	1,32,918	-0.4%	1,49,840	1,50,430	-0.4%	12,224	12,280	-0.5%	14,573	14,638	-0.4%	96.2	96.7	-0.5%	114.7	115.2	-0.4%

Source: PL C = Current / P = Previous

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Amber Enterprises India	Buy	9244	7222
2	Astral	BUY	1684	1464
3	Avalon Technologies	Reduce	1470	1823
4	Bajaj Electricals	Accumulate	403	383
5	Cello World	Accumulate	410	360
6	Century Plyboard (I)	Accumulate	878	770
7	Cera Sanitaryware	BUY	7221	6049
8	Crompton Greaves Consumer Electricals	Buy	330	252
9	Cyient DLM	HOLD	875	889
10	Finolex Industries	Accumulate	197	164
11	Greenpanel Industries	BUY	284	184
12	Havells India	Accumulate	1319	1187
13	Kajaria Ceramics	BUY	1403	1198
14	Kaynes Technology India	Accumulate	4390	3856
15	KEI Industries	Accumulate	6001	5500
16	LG Electronics India	HOLD	1723	1730
17	Polycab India	BUY	10764	8808
18	Premier Energies	Accumulate	1131	1047
19	R R Kabel	HOLD	2596	2525
20	Supreme Industries	BUY	4610	3395
21	Syrma SGS Technology	HOLD	1409	1378
22	Vikram Solar	Accumulate	173	157
23	Voltas	Accumulate	1258	1101
24	Waaree Energies	BUY	3280	2625

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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