

BUILDING MATERIALS

Q1FY26 Preview

08 July 2025

No respite yet as demand remains soft

- Our building materials (BM) universe's revenue is likely to grow at a muted pace for the 10th consecutive quarter
- EBITDAM will likely contract by 112bps YoY to 12.3% in Q1FY26, due to intense competition in a weak demand environment
- Operating profit across BM segments is likely to contract on a YoY basis on weak demand and margin pressure

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Building Materials: We expect our building materials (BM) universe's revenue to grow at a muted pace (+4.1% YoY in Q1FY26) for the 10th consecutive quarter due to a slowdown in real estate activity. EBITDA margin is projected to contract by 112bps YoY to 12.3% in Q1FY26, due to increased competitive intensity in a weak demand environment. Operating profit across segments is likely to contract on a YoY basis in Q1FY26 on margin pressure amidst a weak demand environment.

Plastic pipes: Our pipe universe volume is projected to grow at 5.7% YoY in Q1FY26. However, we expect EBITDA to decline by 11.7% YoY due to lower realisation (as PVC resin prices fell by 16.3% YoY/4.6% QoQ) and margin pressure (-157bps YoY to 12.6%), on account of SI's continued aggressive pricing strategy in a weak demand environment. SI is likely to post superior volume growth (+7% YoY) for the 14th straight quarter in Q1FY26.

Bathware: We believe our bathware universe EBITDA is likely to decline by 1.3% YoY in Q1FY26 even on a weak base, due to higher discounts offered to dealers in a weak demand environment.

Tiles: Despite the expectation of higher tiles volume (+4.9% YoY), we expect our tiles universe EBITDA to contract by 8.0% YoY in Q1FY26, due to margin pressure (-140bps YoY to 11.4%), on account of intense competition from Morbi players.

Wood panels: Our wood panels universe EBITDA will likely contract on a YoY basis for the 12th consecutive quarter (-1.2% YoY in Q1FY26) owing to margin pressure on account of unfavourable supply-demand fundamentals in MDF & particleboard.



Fig 1 – Plastic Pipe earnings estimates – Q1FY26

Particulars	Q1FY26E	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
SI – Consolidated					
Pipe Volume (KT)	150.0	140.2	7.0	162.2	(7.6)
Pipe Realisation (Rs/kg)	124.0	132.6	(6.5)	127.8	(3.0)
Pipe EBITDA (Rs/kg)	18.0	20.8	(13.5)	17.3	3.7
Sales (Rs mn)	27,065	26,364	2.7	30,271	(10.6)
EBITDA (Rs mn)	3,899	3,873	0.7	4,163	(6.3)
EBITDA margin (%)	14.4	14.7	(29bps)	13.8	65bps
Adjusted PAT (Rs mn)	2,537	2,734	(7.2)	2,939	(13.7)
ASTRA – Consolidated					
Pipe Volume (KT)	58.6	55.8	5.0	67.7	(13.4)
Pipe Realisation (Rs/kg)	172.6	176.9	(2.4)	176.1	(2.0)
Pipe EBITDA (Rs/kg)	29.3	31.0	(5.2)	35.3	(17.0)
Sales (Rs mn)	14,674	13,836	6.1	16,814	(12.7)
EBITDA (Rs mn)	2,219	2,144	3.5	3,019	(26.5)
EBITDA margin (%)	15.1	15.5	(37bps)	18.0	(283bps)
Adjusted PAT (Rs mn)	1,190	1,203	(1.1)	1,804	(34.1)
FNXP – Consolidated					
Pipe Volume (KT)	95.2	90.6	5.0	102.3	(6.9)
Pipe Realisation (Rs/kg)	110.8	124.0	(10.6)	114.3	(3.0)
Pipe EBITDA (Rs/kg)	9.6	15.8	(38.8)	11.6	(17.2)
Sales (Rs mn)	10,546	11,405	(7.5)	11,718	(10.0)
EBITDA (Rs mn)	1,504	2,067	(27.2)	1,713	(12.2)
EBITDA margin (%)	14.3	18.1	(386bps)	14.6	(36bps)
Adjusted PAT (Rs mn)	1,364	1,671	(18.4)	1,659	(17.8)
PRINCEPI – Standalone					
Pipe Volume (KT)	43.0	42.2	2.0	50.5	(14.7)
Pipe Realisation (Rs/kg)	138.4	143.3	(3.5)	142.6	(3.0)
Pipe EBITDA (Rs/kg)	11.1	13.8	(19.8)	10.9	2.0
Sales (Rs mn)	5,953	6,045	(1.5)	7,197	(17.3)
EBITDA (Rs mn)	477	583	(18.2)	548	(13.0)
EBITDA margin (%)	8.0	9.6	(163bps)	7.6	39bps
Adjusted PAT (Rs mn)	150	247	(39.2)	242	(38.0)
APOLP – Consolidated					
Pipe Volume (KT)	28.7	26.6	8.1	26.0	10.6
Pipe Realisation (Rs/kg)	113.7	116.1	(2.0)	121.1	(6.1)
Pipe EBITDA (Rs/kg)	9.8	10.9	(10.4)	9.2	5.6
Sales (Rs mn)	3,267	3,085	5.9	3,148	3.8
EBITDA (Rs mn)	281	290	(3.1)	240	16.8
EBITDA margin (%)	8.6	9.4	(80bps)	7.6	95bps
Adjusted PAT (Rs mn)	112	125	(10.7)	98	14.1

Source: Companies, BOBCAPS Research

Fig 2 – Ceramics earnings estimates – Q1FY26

Particulars	Q1FY26E	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
CRS – Consolidated					
Sales (Rs mn)	4,218	4,007	5.3	5,805	(27.4)
EBITDA (Rs mn)	625	581	7.7	1081	(42.2)
EBITDA margin (%)	14.8	14.5	34bps	18.6	(380bps)
Adjusted PAT (Rs mn)	485	471	3.1	868	(44.1)
Hindware – Consolidated					
Bathware revenue (Rs mn)	3,588	3,262	10.0	3,600	(0.3)
Bathware EBITDA margin (%)	10.0	12.8	(275bps)	10.3	(28bps)
Pipe revenue (Rs mn)	1,650	1,632	1.1	2,470	(33.2)
Pipe EBITDA margin (%)	8.0	6.7	132bps	9.7	(172bps)
Sales (Rs mn)	6,156	5,999	2.6	6,990	(11.9)
EBITDA (Rs mn)	324	430	(24.7)	409	(20.8)
EBITDA margin (%)	5.3	7.2	(191bps)	5.8	(59bps)
Adjusted PAT (Rs mn)	(89)	(40)	121.9	(28)	218.4
KJC – Consolidated					
Tiles Volume (MSM)	28.3	27.0	4.8	30.1	(6.1)
Tiles Realisation (Rs/sqm)	361.8	366.8	(1.4)	361.5	0.1
Sales (Rs mn)	11,459	11,137	2.9	12,219	(6.2)
EBITDA (Rs mn)	1,508	1,671	(9.7)	1,384	9.0
EBITDA margin (%)	13.2	15.0	(184bps)	11.3	183bps
Adjusted PAT (Rs mn)	817	840	(2.8)	733	11.4
SOMC – Consolidated					
Tiles Volume (MSM)	16.3	15.6	5.0	20.4	(20.0)
Tiles Realisation (Rs/sqm)	315.2	319.7	(1.4)	315.5	(0.1)
Sales (Rs mn)	6,030	5,786	4.2	7,690	(21.6)
EBITDA (Rs mn)	480	490	(1.9)	625	(23.1)
EBITDA margin (%)	8.0	8.5	(50bps)	8.1	(16bps)
Adjusted PAT (Rs mn)	103	123	(15.8)	204	(49.4)

Source: Companies, BOBCAPS Research

Fig 3 – Wood Panel earnings estimates – Q1FY26

Particulars	Q1FY26E	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
CPBI – Consolidated					
Sales (Rs mn)	11,004	10,054	9.5	11,983	(8.2)
EBITDA (Rs mn)	1,228	1,112	10.4	1,346	(8.8)
EBITDA margin (%)	11.2	11.1	10bps	11.2	(7bps)
Adjusted PAT (Rs mn)	471	420	12.2	597	(21.1)
Volumes					
Plywood (CBM)	105,837	98,913	7.0	111,010	(4.7)
Laminates (mn sheets)	2.0	1.7	15.0	1.9	5.4
MDF (CBM)	91,905	70,696	30.0	87,549	5.0
Particleboard (CBM)	24,057	18,505	30.0	14,970	60.7
EBITDA margin (%)					
Plywood	13.0	13.3	(37bps)	14.4	(147bps)
Laminates	5.0	8.8	(379bps)	1.7	335bps
MDF	12.0	5.6	636bps	11.1	88bps
Particleboard	5.0	17.8	(1283bps)	1.4	356bps
GRLM – Consolidated					
Laminates volume (mn sheet)	4.9	4.7	5.0	4.9	(0.5)
Laminates EBITDA margin (%)	14.0	13.6	36	13.7	27
Sales (Rs mn)	6,889	6,047	13.9	6,818	1.0
EBITDA (Rs mn)	652	640	1.8	640	1.8
EBITDA margin (%)	9.5	10.6	(112bps)	9.4	7bps
Adjusted PAT (Rs mn)	97	199	(51.3)	20	381.5
GREENP – Consolidated					
MDF volume (CBM)	123,225	119,071	3.5	101,858	21.0
MDF EBITDA margin (%)	8.0	11.1	(315bps)	12.9	(487bps)
Sales (Rs mn)	4,035	3,650	10.6	3,745	7.7
EBITDA (Rs mn)	300	360	(16.7)	480	(37.4)
EBITDA margin (%)	7.4	9.9	(243bps)	12.8	(536bps)
Adjusted PAT (Rs mn)	22	157	(85.9)	294	(92.5)
MTLM – Consolidated					
Sales (Rs mn)	6,281	5,839	7.6	6,488	(3.2)
EBITDA (Rs mn)	591	579	2.0	681	(13.3)
EBITDA margin (%)	9.4	9.9	(52bps)	10.5	(109bps)
Adjusted PAT (Rs mn)	200	204	(1.8)	166	20.6
Volumes					
Plywood (mn sqm)	18.5	17.7	4.6	19.7	(6.1)
MDF (CBM)	42,723	42,724	(0.0)	42,688	0.1
EBITDA margin (%)					
Plywood	8.1	7.9	26bps	9.2	(110bps)
MDF	14.0	16.7	(265bps)	15.0	(96bps)

Source: Companies, BOBCAPS Research

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