BUILDING MATERIALS | Q1FY27 Preview | 13 July 2026

Mixed demand amid commodity inflation

- **PVC resin price moderation triggers destocking; non-agri demand offsets weak agri**
- **Wood panels: MDF and plywood supported by domestic interiors; Gulf-led exports under pressure**
- **Tiles: Morbi gas crisis lifts pricing and dealer stocking; exports compress to low single-digits of mix**

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PVC price moderation drives channel destocking; demand mixed: PVC pipe demand remained mixed in Q1FY27, with real estate and infrastructure demand steady while agri demand weakened due to higher fertiliser costs. PVC resin prices rose 30% YoY and 9% QoQ to Rs 93.1/kg in Q1FY27; however, the sequential moderation and downward trend through the quarter led to channel destocking after the sharp restocking seen in Q4FY26. Our channel checks indicate dealers turned cautious amid falling prices, impacting primary volumes despite steady underlying demand in non-agri segments. Consequently, we expect volume growth to moderate sequentially and margins to normalise from elevated Q4 levels, with limited inventory gains and some pressure on realisations.

Steady demand for Plywood, MDF outperforms wood panels: Wood panel demand is likely to be mixed in Q1FY27, with domestic MDF and plywood volumes outperforming supported by furniture and renovations, but export momentum soften on Middle East war crisis (MDF Gulf exports fell to 16% of mix in Apr'26 from 74% a year ago and laminate Gulf share declined to 18% vs 25% in Apr'25). Against this backdrop of softer exports and leaner inventories amid expectations of further input cost moderation, we expect Q1FY27 wood panel performance to reflect steady domestic demand, mixed volumes across export-heavy lines and margins normalising from strong Q4 levels as inventory gains fade and cost tailwinds gradually flow through.

Gas-led shutdown supports pricing; exports stay weak: In Q1FY27, tiles were hit by the Morbi fuel crisis, with steep gas prices and shortages forcing most plants to shut through Mar-Apr'26, an outage officially extended to May 1 before units gradually restarted on higher-cost PNG from mid-Apr'26. The supply hit and 25-30% tile price hikes in Morbi lifted realisations and led dealers to stock more on limited availability, helping branded players as competition eased. Gulf exports were soft, with total tile exports to Gulf countries falling from about 7.25mn units in Apr–Apr'25 to 0.41mn in Apr–Apr'26 and the Gulf share of exports dropping from 15% to 3%, shifting the mix further towards domestic demand even as Morbi operations broadly normalised by Jun'26.

Fig 1 – Plastic Pipe earnings estimates – Q1FY27

Plastic pipes (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue					
Supreme	18953	17923	5.7	25580	(25.9)
Astral	10402	9206	13.0	14889	(30.1)
Finolex	11710	10432	12.3	13139	(10.9)
Prince Pipes	5974	5804	2.9	8501	(29.7)
Apollo	2878	2750	4.6	3470	(17.1)
Hindware	1280	1190	7.6	1860	(31.2)
Volume (MT)					
Supreme	145793	148768	(2.0)	191873	(24.0)
Astral	59438	56074	6.0	84073	(29.3)
Finolex	92129	92129	0.0	101772	(9.5)
Prince Pipes	44172	43735	1.0	62167	(28.9)
Apollo	27441	25315	8.4	31366	(12.5)
Hindware	8003	8003	0.0	11324	(29.3)
Realisations (Rs/kg)					
Supreme	130	120	7.9	133	(2.5)
Astral	175	164	6.6	177	(1.2)
Finolex	127	113	12.3	129	(1.5)
Prince Pipes	135	133	1.9	137	(1.1)
Apollo	105	109	(3.5)	111	(5.2)
Hindware	160	149	7.6	164	(2.6)
EBITDA					
Supreme	2312	2244	3.1	4773	(51.6)
Astral	1643	1412	16.4	3341	(50.8)
Finolex	1474	889	65.8	3320	(55.6)
Prince Pipes	436	351	24.1	1096	(60.3)
Apollo	129	207	(37.6)	180	(28.5)
Hindware	90	70	28.0	100	(10.4)
EBITDA margin (%)					
Supreme	12.2	12.5	(32bps)	18.7	(646bps)
Astral	15.8	15.3	46bps	22.4	(664bps)
Finolex	12.6	8.5	407bps	25.3	(1268bps)
Prince Pipes	7.3	6.0	125bps	12.9	(560bps)
Apollo	4.5	7.5	(304bps)	5.2	(71bps)
Hindware	7.0	5.9	112bps	5.4	162bps
EBITDA (Rs/kg)					
Supreme	16	15	5.2	25	(36.2)
Astral	28	25	9.8	40	(30.4)
Finolex	16	10	65.8	33	(51.0)
Prince Pipes	10	8	22.9	18	(44.1)
Apollo	5	8	(42.4)	6	(18.2)
Hindware	11	9	28.0	9	26.8

Source: Company, BOBCAPS Research

Fig 2 – Plywood earnings estimates - Q1FY27

Plywood (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue					
Century Plyboard	7401	6503	13.8	7911	(6.4)
Greenply	4752	4538	4.7	5874	(19.1)
Greenlam	423	370	14.4	534	(20.7)
Greenpanel	344	315	9.4	383	(10.1)
Volume					
Century Plyboard (in CBM)	121217	108315	11.9	135616	(10.6)
Greenply (in MSM)	18.5	17.1	8.2	22.8	(18.9)
Greenlam (in MSM)	1.7	1.4	19.8	2.2	(23.8)
Greenpanel (in MSM)	1.3	1.2	12.0	1.5	(11.9)
Realisation					
Century Plyboard (Rs/000'CBM)	61	60	1.7	58	4.7
Greenply (RS/MSM)	257	265	(3.2)	258	(0.3)
Greenlam (Rs/MSM)	256	268	(4.5)	246	4.0
Greenpanel (Rs/MSM)	260	267	(2.3)	255	2.0
EBITDA					
Century Plyboard	999	927	7.8	1171	(14.7)
Greenply	319	360	(11.4)	610	(47.7)
Greenlam	(41)	(36)	13.1	(21)	92.0
Greenpanel	15	(2)	(1076.1)	18	(13.7)
EBITDA margin (%)					
Century Plyboard	13.5	14.3	(80bps)	14.8	(130bps)
Greenply	6.7	7.9	(120bps)	10.4	(367bps)
Greenlam	(9.7)	(9.8)	10bps	(4.0)	(569bps)
Greenpanel	4.4	(0.5)	490bps	4.6	(18bps)

Source: Company, BOBCAPS Research

Fig 3 – MDF earnings estimates - Q1FY27

MDF (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue					
Greenpanel	3458	2967	16.5	3606	(4.1)
Century Plyboard	3219	2558	25.8	3526	(8.7)
Greenply	1846	1472	25.4	1892	(2.4)
Volume (in CBM)					
Greenpanel	120223	102096	17.8	130197	(7.7)
Century Plyboard	105124	84099	25.0	121716	(13.6)
Greenply	57222	46350	23.5	62021	(7.7)
Realisation (Rs/CBM)					
Greenpanel	28759	29065	(1.1)	27699	3.8
Century Plyboard	30617	30419	0.7	28967	5.7
Greenply	32259	31758	1.6	30506	5.7
EBITDA					
Greenpanel	377	119	217.6	282	33.7
Century Plyboard	327	301	8.6	370	(11.6)
Greenply	258	260	(0.6)	320	(19.2)
EBITDA margin					
Greenpanel	10.9	4.0	690bps	7.8	308bps
Century Plyboard	10.2	11.8	(161bps)	10.5	(33bps)
Greenply	14.0	17.7	(366bps)	16.9	(291bps)

Source: Company, BOBCAPS Research

Fig 4 – Laminates earnings estimates - Q1FY27

Laminates (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue					
Greenlam	6701	5548	20.8	6585	1.8
Century Ply	2022	1693	19.4	1932	4.6
Volume (mn sheets)					
Greenlam	5.1	4.9	4.0	5.2	(0.2)
Century Ply	1.9	1.9	2.0	1.9	4.0
Realisations (per sheet)					
Greenlam	1304	1123	16.1	1279	(98.7)
Century Ply	1042	890	17.1	1036	(98.3)
EBITDA					
Greenlam	1005	731	37.5	1195	(15.9)
Century Ply	222	87	155.7	221	0.6
EBITDA margin					
Greenlam	15.0	13.2	182bps	18.1	(315bps)
Century Ply	11.0	5.1	586bps	11.4	(44bps)

Source: Company, BOBCAPS Research

Fig 5 – Particleboard earnings estimates - Q1FY27

Particle board (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue					
Century Plyboard	466	342	36.3	679	(31.5)
Greenlam	690	310	122.6	798	(13.5)
Volume (in CBM)					
Century Plyboard	25268	16302	55.0	36182	(30.2)
Greenlam	32893	14609	125.2	38799	(15.2)
Realisations (Rs/CBM)					
Century Plyboard	18429	20956	(12.1)	18775	(1.8)
Greenlam	20979	21220	(1.1)	20568	2.0
EBITDA					
Century Plyboard	23	(3)	(825.7)	35	(34.1)
Greenlam	(79)	(98)	(19.7)	(65)	21.1
EBITDA margin					
Century Plyboard	5.0	(0.9)	594bps	5.2	(20bps)
Greenlam	(11.4)	(31.6)	2021bps	(8.1)	(326bps)

Source: Company, BOBCAPS Research

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Fig 6 – Ceramics earnings estimates - Q1FY27

Ceramics (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue - Consol					
Kajaria	12406	11027	12.5	13734	(9.7)
Somany	6488	6044	7.3	8179	(20.7)
Revenue - Tiles					
Kajaria	10984	10113	8.6	12127	(9.4)
Somany	5437	5113	6.3	6750	(19.5)
Volume (msm)					
Kajaria	30	27	10.0	34	(10.8)
Somany	17	16	4.1	21	(20.1)
Realisation (Rs/msm)					
Kajaria	367	372	(1.3)	362	1.5
Somany	326	319	2.2	324	0.8
EBITDA - Consol					
Kajaria	2035	1869	8.9	2635	(22.8)
Somany	523	482	8.5	923	(43.4)
EBITDA margin					
Kajaria	16.4	16.9	(54bps)	19.2	(278bps)
Somany	8.1	8.0	8bps	11.3	(324bps)

Source: Company, BOBCAPS Research

Fig 7 – Bathware earnings estimates - Q1FY27

Bathware/faucets (Rs mn)	Q1FY27E	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Revenue					
Cera	4761	4222	12.8	6438	(26.0)
Hindware	3819	3410	12.0	3970	(3.8)
Kajaria	1098	915	20.0	1166	(5.8)
Somany	724	629	15.0	998	(27.5)
Astral	503	333	51.0	453	11.0
EBITDA					
Cera	570	551	3.5	979	(41.8)
Hindware	382	430	(11.2)	380	0.5
EBITDA margin					
Cera	12.0	13.0	(108bps)	15.2	(324bps)
Hindware	10.0	12.6	(261bps)	9.6	43bps

Source: Company, BOBCAPS Research

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