

Research Report

Supreme Industries Limited



Prepared By-

ANUJ SHARMA

EQUITY RESEARCH ANALYST

About

Supreme Industries Limited is India's leading plastics product manufacturer, offering a wide and comprehensive range of plastic products in India. The company operates in various product categories viz. Plastic Piping System, Cross Laminated Films & Products, Protective Packaging Products, Industrial Moulded Components, Moulded Furniture, Storage & Material Handling Products, Performance Packaging Films and Composite LPG Cylinders.

Business Segments

- Segment trends (FY26 YoY):
- Plastic Piping Systems: +14% volume, +11% value (remained growth engine; leadership reiterated).
- Industrial Products: -1% volume, -3% value (management: "continued to witness demand slowdown from OEM customers").
- Packaging: +5% volume, +3% value.
- Consumer Products: +4% volume, -1% value.

Synopsis of Financials

FY26 Performance Snapshot (Audited; Standalone/Consolidated highlights):

- Total volumes / revenue: Sold 753,907 MT of plastic goods vs 674,510 MT (+~12% YoY). Revenue from operations: ₹11,218 cr vs ₹10,446 cr (+~7% YoY).
- Profitability (Consolidated): Operating profit ₹1,654 cr (vs ₹1,552 cr; +7%). PAT ₹954 cr (vs ₹961 cr; -1% YoY).

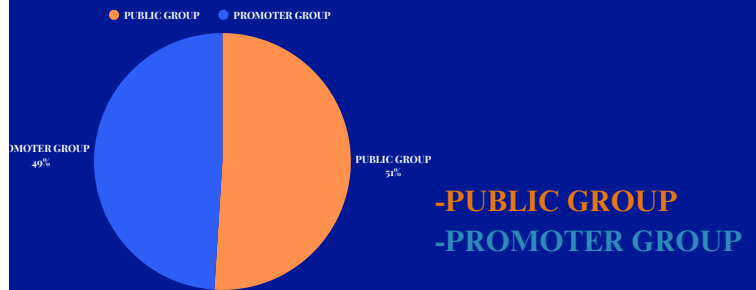
Stock data (as 27th May 2026)

Nifty Price	: 23,925.05
52 week High (in Rs.)	: 4,739.00
52 week Low (in Rs.)	: 3,182.00
Market Cap. (in Crore)	: 45,310.48
NSE Code	: INE195A01028

Stock data



Shareholding Pattern (March 2026)



Financial Summary

Particular	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26
Sales -	7,773	9,202	10,134	10,446	11,218
Sales Growth %	22.31%	18.38%	10.14%	3.08%	7.38%
Expenses +	6,531	8,002	8,587	9,015	9,664
Operating Profit	1,242	1,200	1,547	1,432	1,553
OPM %	16%	13%	15%	14%	14%
Net Profit +	968	865	1,070	961	954
EPS in Rs	76.24	68.12	84.21	75.64	75.1
Dividend Payout %	31%	38%	36%	45%	48%

Quarterly Results

Particular	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Sales -	2,510	3,027	2,609	2,394	2,687	3,528
YOY Sales Growth %	2.48%	0.64%	-1.03%	5.32%	7.05%	16.54%
Expenses -	2,201	2,611	2,290	2,096	2,373	2,905
Material Cost %	69%	70%	69%	66%	68%	67%
Employee Cost %	5%	4%	5%	6%	6%	4%
Operating Profit	309	416	319	297	314	623
OPM %	12%	14%	12%	12%	12%	18%
Other Income -	31	45	42	30	13	60
Other income normal	31	45	42	30	13	60
Interest	3	3	3	6	11	9
Depreciation	91	91	93	104	110	121
Profit before tax	245	367	265	218	206	553
Tax %	24%	20%	24%	24%	26%	22%
Net Profit +	187	294	202	165	153	434

Source: Screener

Key Ratios

Particulars	Measure	Current year Numerator	Current year Denominator	2024 - 2025	2023 - 2024	% variance
Current Ratio (Current Assets / Current Liabilities)	Times	3105.38	1313.75	2.36	2.58	-8.47%
Debt-Equity Ratio (Total Debt / Shareholder's Equity)	Times	Not Applicable				
Debt Service Coverage Ratio (Earnings available for debt service / Debt Services)	Times	Not Applicable				
Return on Equity Ratio (Net Profits after taxes / Average Shareholder's Equity)*100	Percentage	896.80	4742.22	18.91%	24.36%	-22.37%
Inventory turnover ratio (Cost of Goods Sold/Average Inventory)	Times	7146.45	1346.12	5.31	5.00	6.21%
Trade Receivables turnover ratio (Revenue from operations / Average Trade Receivables)	Times	10446.25	525.52	19.88	20.21	-1.65%
Trade payables turnover ratio (Net Credit Purchase / Average Trade payables)	Times	9693.47	954.22	10.16	8.70	16.70%
Net capital turnover ratio (Revenue from operations / Average Working Capital)	Times	10446.25	1902.59	5.49	5.40	1.69%
Net profit ratio (Profit After Tax/Total Income)*100	Percentage	896.80	10559.07	8.49%	9.91%	-14.31%
Return on Capital employed (Earnings before Interest & tax / Average Capital Employed)	Percentage	1186.95	4834.02	24.55%	32.07%	-23.44%
Return on investment (Profit after tax / Total Equity)*100	Percentage	896.80	4985.94	17.99%	22.59%	-20.37%

Source: Annual Report

Yearly Results

Particulars	March 2022	March 2023	March2024	March2025	March2026
Equity Capital	25	25	25	25	25
Reserves	3,819	4,377	5,083	5,635	6,144
Borrowings	46	51	55	76	91
Other Liabilities	1,106	1,241	1,392	1,432	1,535
Total Liabilities	4,996	5,694	6,556	7,168	7,795
Fixed Assets	1,767	2,064	2,322	2,669	3,674
CWIP	156	84	149	407	135
Investments	476	577	638	720	762
Other Assets	2,597	2,969	3,447	3,372	3,223
Total Assets	4,996	5,694	6,556	7,168	7,795

Synopsis Quarter Results

Concall Notes - May-2026: Key Highlights

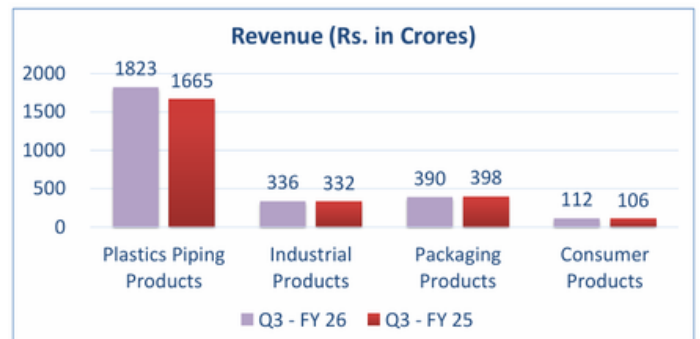
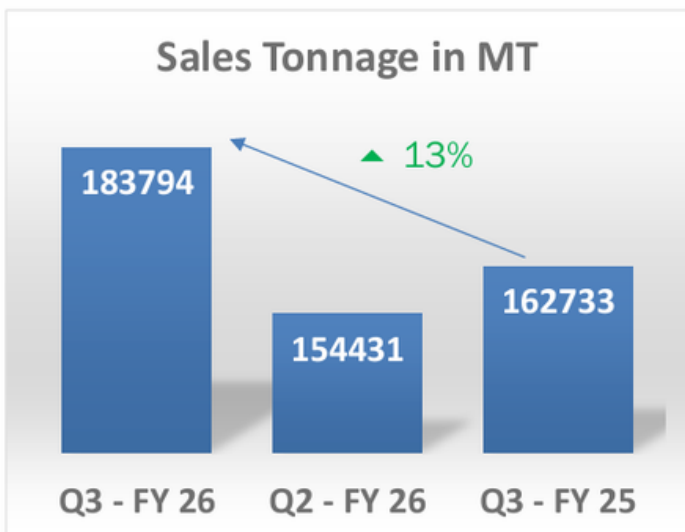
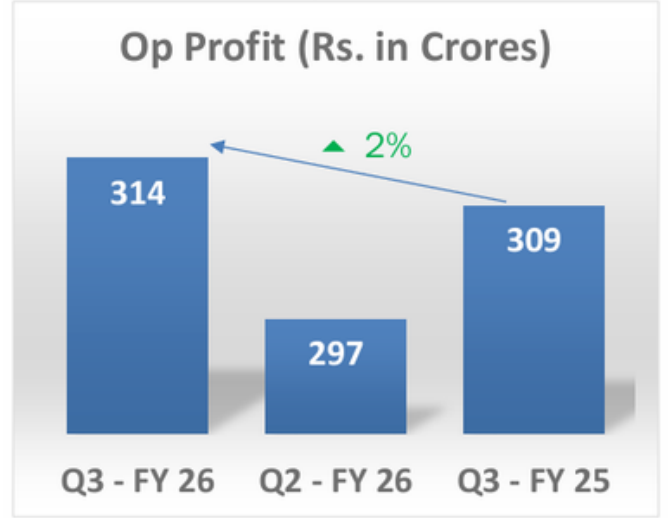
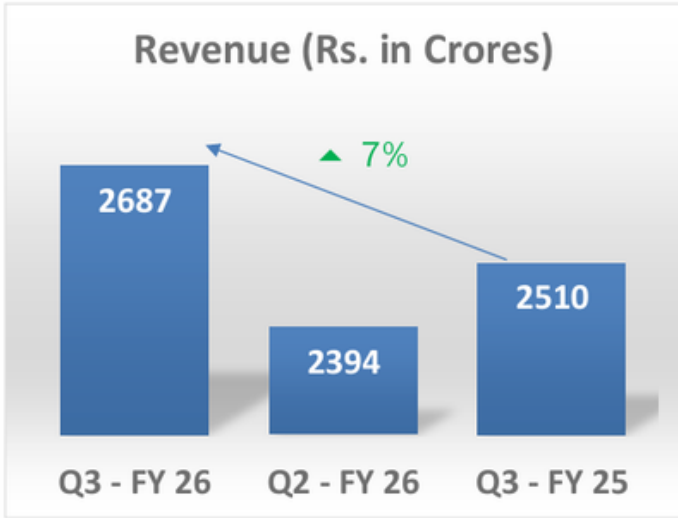
FY26 Performance Snapshot (Audited; Standalone/Consolidated highlights):

- Total volumes / revenue: Sold 753,907 MT of plastic goods vs 674,510 MT (+~12% YoY). Revenue from operations: ₹11,218 cr vs ₹10,446 cr (+~7% YoY).
- Profitability (Consolidated): Operating profit ₹1,654 cr (vs ₹1,552 cr; +7%). PAT ₹954 cr (vs ₹961 cr; -1% YoY).
- Segment trends (FY26 YoY):
 - Plastic Piping Systems: +14% volume, +11% value (remained growth engine; leadership reiterated).
 - Industrial Products: -1% volume, -3% value (management: “continued to witness demand slowdown from OEM customers”).
 - Packaging: +5% volume, +3% value.
 - Consumer Products: +4% volume, -1% value.
- Value-added portfolio: Turnover of value-added products rose to ₹4,677 cr from ₹4,060 cr (+15%).

Capex, Capacity Additions, and Manufacturing Footprint:

- FY27 capex plan: ~₹1,000 cr (including carry-forward commitments) to strengthen manufacturing, expand capacity, broaden offerings, and sustainability.
- Capacity expansion quantum: Planned capex to add ~1.10 lakh MT annual installed capacity, taking total to ~1.35 mn MTpa.
- Mix of additions: Management clarified ~1.0 lakh MT in piping and ~10,000 MT in Material Handling Systems; additions expected “by FY27 for sure.”
- Greenfield plants timing: “All the 4 plants... should be operational by end of March '27... partly operational... fully operational in other 2 years.”

Highlights



Peer Comparison

Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit	Sales Qtr	Qtr Sales	ROCE %
Supreme Inds.	3580	47.68	45475.62	1.01	433.57	47.5	3527.66	16.54	21.19
Astral	1576.85	76.82	42362.1	0.24	213	21.24	2088.5	24.21	19.86
Garware Hi Tech	5702.35	39.16	13247.9	0.21	108.21	39.09	596.69	8.9	18.02
Shaily Engineer.	2721.7	77.61	12518.54	0.07	48.68	64.85	224.07	10.23	30.17

Source: Screener

Final Outlook

SUPREMEIND: HOLD | LTP: 3,603.00

Summary:

Supreme Industries has maintained steady growth with strong leadership in the plastic piping segment. The company benefits from rising demand in housing, infrastructure, and agriculture sectors. Revenue growth remains healthy, while margins have stayed stable despite raw material cost fluctuations. The company is also expanding manufacturing capacity to support future demand. However, slower demand in industrial products and dependence on raw material prices may impact short-term profitability. Overall, the company remains financially strong with stable long-term growth potential.

Recent Performance (FY26 – Easy View)

- Revenue: ₹11,218 Cr (+7% YoY)
- Volume growth remained strong at ~12% YoY
- Operating Profit: ₹1,654 Cr (+7% YoY)
- PAT remained almost flat at ₹954 Cr
- Plastic piping business remained the main growth driver
- Industrial products segment faced weaker demand from OEM customers

👉 Simple Understanding

- Revenue has grown steadily over the years
- Margins remain stable around 14–15%
- Profit growth is moderate due to raw material price fluctuations
- Dividend payout has improved consistently

Supreme Industries is a **well-managed market leader** with stable earnings, strong brand presence, and long-term growth opportunities driven by infrastructure and construction demand. The company's expansion plans and strong balance sheet support future growth. However, moderate profit growth and relatively expensive valuations may limit near-term upside.

Disclaimer: The information provided on this blog is for general informational purposes only and is not intended as financial advice. While we aim to provide accurate information, please conduct your own research before making any investment decisions. This content is for informational purposes only and should not be construed as financial advice. Always consult with a financial advisor before investing.

This blog may contain links to external websites for your convenience. We do not endorse the content or views expressed in these external sites and are not responsible for their accuracy or reliability.

By using this blog, you acknowledge that you have read and understood this disclaimer and agree to its terms.