

February 3, 2026

Q3FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	199		211	
Sales (Rs. m)	44,796	49,751	46,827	52,011
% Chng.	(4.3)	(4.3)		
EBITDA (Rs. m)	5,599	6,617	5,853	6,917
% Chng.	(4.3)	(4.3)		
EPS (Rs.)	8.9	10.4	9.2	10.7
% Chng.	(3.4)	(3.4)		

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	41,420	40,955	44,796	49,751
EBITDA (Rs. m)	4,758	4,927	5,599	6,617
Margin (%)	11.5	12.0	12.5	13.3
PAT (Rs. m)	4,841	4,841	5,510	6,418
EPS (Rs.)	7.8	7.8	8.9	10.4
Gr. (%)	2.2	0.0	13.8	16.5
DPS (Rs.)	3.6	4.4	5.0	5.8
Yield (%)	2.1	2.5	2.9	3.3
RoE (%)	8.3	7.8	8.7	9.8
RoCE (%)	6.0	6.0	6.9	8.1
EV/Sales (x)	2.1	2.1	1.9	1.7
EV/EBITDA (x)	18.4	17.6	15.1	12.5
PE (x)	22.3	22.3	19.6	16.9
P/BV (x)	1.8	1.7	1.7	1.6

Key Data

FINX.BO | FNXP IN

52-W High / Low	Rs.236 / Rs.143
Sensex / Nifty	81,666 / 25,088
Market Cap	Rs.109bn / \$ 1,186m
Shares Outstanding	620m
3M Avg. Daily Value	Rs.104.25m

Shareholding Pattern (%)

Promoter's	52.47
Foreign	5.87
Domestic Institution	12.19
Public & Others	29.11
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(2.0)	(12.2)	(13.3)
Relative	2.9	(13.3)	(17.7)

Praveen Sahay

praveensahay@plindia.com | 91-22-66322369

Rahul Shah

rahulshah@plindia.com | 91-22-66322534

Volume pressure continues, margins Intact

Quick Pointers:

- Volume decreased by 14.3% YoY in P&F segment.
- EBITDAM expanded by 540bps to 13.7% YoY with improvement in PVC-EDC spread.

P&F volume declined by ~6.0% YoY in 9MFY26 due to early and prolonged monsoon, FNXP has revised its FY26 pipes segment volume growth guidance from mid-single digit to flattish, with a EBITDA margins at ~12%. In Q3FY26 CPVC contributes nearly 8%, while fittings contribute 12% to the total volume. Agri:Non-agri mix stood at 62:38 (vs. 67:33 in Q3FY25), and management aims to achieve a balanced 50:50. We estimate revenue/EBITDA/adj PAT CAGR of 6.3%/11.6%/17.0% for FY25-28E with P&F volume CAGR of 6.2% and EBITDA margin of 13.5% by FY28E. We have downward revised our earnings estimates by 3.4%/3.4% for FY27/FY28E and Maintain 'Accumulate' rating with revised TP of Rs199 (earlier Rs 211) based on 18x Mar'28 earnings plus valued stake in the group listed entity Finolex Cables at 50% discount to consensus target market value.

Q3FY26 financial performance: Revenue decline by 10.3% YoY to Rs 9.0bn, (Ple: 9.8bn). Pipe & fittings volume decreased by 14.3% YoY at 73,500 MT (Ple: +3.9%). Gross margins expanded by ~840bps YoY to 42.6% (PLe: 39.0%), due to PVC-EDC spread increased from USD 500/MT to USD 449/MT. EBITDA reported Rs 1.2bn up by 47.5% YoY (PLe: Rs 936mn) with EBITDA margins expanded by ~540bps to 13.7% (PLe: 9.6%). PBT stood at Rs 1.5bn (Ple: Rs1.2bn). Adj PAT grew by 23.5% YoY to Rs 1.1bn (PLe: Rs 1.0bn). The company reported a robust cash (FCFF) of Rs 24bn vs Rs 23bn in Q3FY25.

9MFY26 financial performance: Revenue declined by 5.7% YoY to Rs 28.0bn, Pipe & fittings volume declined by 6.0% YoY to 230,965MT. Gross margins expanded by 320bps YoY to ~39%. EBITDA grew by 15.4% YoY to Rs 3.5bn. EBITDA margins expanded by ~230bps YoY to 12.4%. PBT grew by 11.8% YoY to Rs 4.3bn. PAT grew by 54.6% YoY to Rs3.4bn.

Con call highlights: **1)** FNXP has revised its FY26 pipes segment volume growth guidance from mid-single digit to flattish, with a EBITDA margins at ~12%. **2)** The ratio of Agri:Non-agri mix stood at 62:38 (vs. 68:32 in Q3FY25), and management aims to achieve a balanced 50:50 mix going forward to reduce seasonality and diversify growth. **3)** The PVC price stood at USD 641/MT vs USD 782/MT in Q3FY25, PVC-EDC spread stood at USD 449/MT vs USD 500/MT, PVC-VCM spread at USD 156/MT vs USD 167/MT. **4)** FNXP highlighted that its high backward integration (~65–70% in-house raw materials) lowers procurement costs versus market rates, supporting superior gross and EBITDA margins and a structural cost advantage over peers. Ongoing price restructuring on a net realisation basis further supports margin stability. **5)** A price hike in PVC resin of Rs7/tonne was implemented effective in Jan'26 and has been fully passed on to customers. Management expects pricing to sustain or move higher, aided by China's decision

to eliminate VAT export rebates on Suspension PVC from Apr'26, which is likely to raise Chinese export costs by ~13% and reduce low-priced export competition. In Q3FY26, CPVC prices broadly tracked PVC price movements. **6)** The FM proposed reducing customs duty on PVC and other halogenated polymer resins from 10% to 7.5%; however, the company refrained from commenting and will review the fine print of budget. **7)** The company plans to invest Rs1–1.5 bn annually for new capacity additions, targeting an incremental 50–80 kt per annum depending on demand.

Exhibit 1: Q3FY26 Result Overview: Sales declined by 10.3% YoY, EBITDA margin at 13.7%

Y/e March (Rs mn)	Q3 FY26	Q3 FY25	YoY gr. (%)	Q3 FY26E	% Var.	Q2 FY26	QoQ gr. (%)	9M FY26	9M FY25	YoY gr. (%)
Net Sales	8,977	10,012	-10.3	9,758	-8.0	8,587	4.5	27,996	29,702	(5.7)
Expenditure										
Operating & Manufacturing Expenses	5,149	6,585	-21.8	5,953	-13.5	4,922	4.6	17,100	19,082	(10.4)
% of Net Sales	57.4	65.8		61.0		57.3		61.1	64.2	
Gross Profit	3,827	3,428	11.7	3,806	0.6	3,665	4.4	10,896	10,620	2.6
Gross margin (%)	42.6	34.2	8.40	39.0	3.64	42.7		38.9	35.8	3.2
Personnel Cost	703	570	23.3	580	21.2	520	35.1	1,806	1,710	5.6
% of Net Sales	7.8	5.7		5.9		6.1		6.5	5.8	
Other Expenses	1,894	2,023	-6.4	2,290	-17.3	1,843	2.7	5,621	5,903	(4.8)
% of Net Sales	21.1	20.2		23.5		21.5		20.1	19.9	
Total Expenditure	7,746	9,178	-15.6	8,823	-12.2	7,286	6.3	24,527	26,695	(8.1)
EBITDA	1,231	834	47.5	936	31.6	1,302	-5.4	3,468	3,007	15.4
Margin (%)	13.7	8.3	5.38	9.6	4.12	15.2		12.4	10.1	2.3
Depreciation	265	273	-3.0	274	-3.5	274	-3.5	805	798	0.9
EBIT	966	561	72.1	661	46.1	1,027	-6.0	2,663	2,208	20.6
Interest	30	100	-69.8	43	-29.8	43	-29.8	128	235	(45.3)
Other income	525	484	8.4	578	-9.1	578	-9.1	1,749	1,859	(5.9)
PBT	1,461	945	54.5	1,196	22.2	1,562	-6.5	4,284	3,833	11.8
Total Taxes	409	178	130.0	301	35.9	425	-3.9	1,162	1,846	(37.0)
ETR (%)	28.0	18.8		25.2		27.2		27.1	48.2	
Adj. PAT	1,161	940	23.5	1,001	16.0	1,236	-6.1	3,122	1,987	57.1
Profit from Associate	109	173		106		99		256	197	
Extra-ordinary income / (exp)	-	-		-		-		-	(3,336)	
Reported PAT	1,161	940	23.5	1,001	16.0	1,236	-6.1	3,378	2,184	54.6

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	41,420	40,955	44,796	49,751
YoY gr. (%)	(4.1)	(1.1)	9.4	11.1
Cost of Goods Sold	26,761	26,293	28,669	31,741
Gross Profit	14,659	14,662	16,126	18,010
Margin (%)	35.4	35.8	36.0	36.2
Employee Cost	2,223	2,158	2,285	2,438
Other Expenses	3,736	3,235	3,270	3,483
EBITDA	4,758	4,927	5,599	6,617
YoY gr. (%)	(18.6)	3.5	13.7	18.2
Margin (%)	11.5	12.0	12.5	13.3
Depreciation and Amortization	1,067	1,093	1,113	1,134
EBIT	3,691	3,834	4,486	5,483
Margin (%)	8.9	9.4	10.0	11.0
Net Interest	296	188	176	176
Other Income	2,466	2,380	2,600	2,800
Profit Before Tax	10,031	6,026	6,910	8,107
Margin (%)	24.2	14.7	15.4	16.3
Total Tax	2,432	1,545	1,759	2,049
Effective tax rate (%)	24.2	25.6	25.5	25.3
Profit after tax	7,599	4,481	5,150	6,058
Minority interest	-	-	-	-
Share Profit from Associate	402	360	360	360
Adjusted PAT	4,841	4,841	5,510	6,418
YoY gr. (%)	2.2	0.0	13.8	16.5
Margin (%)	11.7	11.8	12.3	12.9
Extra Ord. Income / (Exp)	3,159	-	-	-
Reported PAT	8,000	4,841	5,510	6,418
YoY gr. (%)	68.9	(39.5)	13.8	16.5
Margin (%)	19.3	11.8	12.3	12.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	8,000	4,841	5,510	6,418
Equity Shares O/s (m)	618	618	618	618
EPS (Rs)	7.8	7.8	8.9	10.4

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	27,375	28,394	28,921	29,449
Tangibles	27,375	28,394	28,921	29,449
Intangibles	-	-	-	-
Acc: Dep / Amortization	17,504	18,597	19,711	20,844
Tangibles	17,504	18,597	19,711	20,844
Intangibles	-	-	-	-
Net fixed assets	9,871	9,797	9,211	8,604
Tangibles	9,871	9,797	9,211	8,604
Intangibles	-	-	-	-
Capital Work In Progress	945	474	498	524
Goodwill	-	-	-	-
Non-Current Investments	27,928	27,928	27,928	27,928
Net Deferred tax assets	(2,341)	(2,341)	(2,341)	(2,341)
Other Non-Current Assets	266	266	266	266
Current Assets				
Investments	22,250	22,250	24,250	26,250
Inventories	7,824	7,132	7,462	8,261
Trade receivables	3,793	3,750	4,102	4,555
Cash & Bank Balance	444	1,234	1,396	1,479
Other Current Assets	-	-	-	-
Total Assets	73,819	73,325	75,647	78,457
Equity				
Equity Share Capital	1,237	1,237	1,237	1,237
Other Equity	59,732	61,269	63,051	65,164
Total Networth	60,969	62,506	64,288	66,401
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	171	171	171	171
Other non current liabilities	410	410	410	410
Current Liabilities				
ST Debt / Current of LT Debt	2,211	1,961	1,961	1,961
Trade payables	4,442	2,695	2,947	3,273
Other current liabilities	3,124	3,091	3,369	3,727
Total Equity & Liabilities	73,819	73,325	75,647	78,457

Source: Company Data, PL Research



Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	10,432	6,386	7,270	8,467
Add. Depreciation	1,067	1,093	1,113	1,134
Add. Interest	296	188	176	176
Less Financial Other Income	2,466	2,380	2,600	2,800
Add. Other	(7,198)	(2,380)	(2,600)	(2,800)
Op. profit before WC changes	4,598	5,287	5,959	6,977
Net Changes-WC	1,216	(1,042)	(183)	(610)
Direct tax	(1,987)	(1,545)	(1,759)	(2,049)
Net cash from Op. activities	3,827	2,700	4,017	4,318
Capital expenditures	(1,155)	(549)	(551)	(553)
Interest / Dividend Income	201	2,380	2,600	2,800
Others	1,038	-	-	-
Net Cash from Invst. activities	83	1,831	2,049	2,247
Issue of share cap. / premium	-	-	-	-
Debt changes	(1,576)	(250)	-	-
Dividend paid	(1,546)	(3,303)	(3,728)	(4,305)
Interest paid	(298)	(188)	(176)	(176)
Others	(68)	-	-	-
Net cash from Fin. activities	(3,488)	(3,741)	(3,905)	(4,481)
Net change in cash	422	790	2,162	2,084
Free Cash Flow	2,672	2,151	3,466	3,765

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	7.8	7.8	8.9	10.4
CEPS	9.6	9.6	10.7	12.2
BVPS	98.6	101.1	104.0	107.4
FCF	4.3	3.5	5.6	6.1
DPS	3.6	4.4	5.0	5.8
Return Ratio(%)				
RoCE	6.0	6.0	6.9	8.1
ROIC	7.2	7.1	8.4	10.4
RoE	8.3	7.8	8.7	9.8
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.3)	(0.4)	(0.4)
Net Working Capital (Days)	63	73	70	70
Valuation(x)				
PER	22.3	22.3	19.6	16.9
P/B	1.8	1.7	1.7	1.6
P/CEPS	18.3	18.2	16.3	14.3
EV/EBITDA	18.4	17.6	15.1	12.5
EV/Sales	2.1	2.1	1.9	1.7
Dividend Yield (%)	2.1	2.5	2.9	3.3

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	11,718	10,432	8,587	8,977
YoY gr. (%)	(5.1)	(8.5)	3.7	(10.3)
Raw Material Expenses	7,679	7,028	4,922	5,149
Gross Profit	4,039	3,403	3,665	3,827
Margin (%)	34.5	32.6	42.7	42.6
EBITDA	1,713	936	1,302	1,231
YoY gr. (%)	(18.0)	(54.7)	1,131.5	47.5
Margin (%)	14.6	9.0	15.2	13.7
Depreciation / Depletion	269	266	274	265
EBIT	1,444	670	1,027	966
Margin (%)	12.3	6.4	12.0	10.8
Net Interest	62	55	43	30
Other Income	646	647	578	525
Profit before Tax	2,028	1,262	1,562	1,461
Margin (%)	17.3	12.1	18.2	16.3
Total Tax	586	328	425	409
Effective tax rate (%)	28.9	26.0	27.2	28.0
Profit after Tax	1,442	934	1,136	1,052
Minority interest	-	-	-	-
Share Profit from Associates	204	48	99	109
Adjusted PAT	1,646	982	1,236	1,161
YoY gr. (%)	(0.2)	(41.3)	203.8	23.5
Margin (%)	14.0	9.4	14.4	12.9
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,646	982	1,236	1,161
YoY gr. (%)	(0.2)	(41.3)	203.8	23.5
Margin (%)	14.0	9.4	14.4	12.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,646	982	1,236	1,161
Avg. Shares O/s (m)	618	618	618	618
EPS (Rs)	2.7	1.6	2.0	1.9

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-26	Accumulate	211	181
2	10-Nov-25	Accumulate	228	188
3	06-Oct-25	Accumulate	240	206
4	21-Aug-25	Accumulate	228	203
5	05-Aug-25	Accumulate	217	197
6	02-Jul-25	Hold	222	217
7	27-May-25	Hold	213	224
8	08-Apr-25	Accumulate	202	176
9	10-Feb-25	Accumulate	229	195

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	1,736	1,487
3	Avalon Technologies	BUY	1,100	908
4	Bajaj Electricals	BUY	597	476
5	Cello World	BUY	732	533
6	Century Plyboard (I)	Hold	842	811
7	Cera Sanitaryware	BUY	7,372	5,177
8	Crompton Greaves Consumer Electricals	BUY	362	263
9	Cyient DLM	Accumulate	418	364
10	Finolex Industries	Accumulate	211	181
11	Greenpanel Industries	BUY	369	229
12	Havells India	Accumulate	1,634	1,447
13	Kajaria Ceramics	BUY	1,056	902
14	Kaynes Technology India	BUY	5,542	3,998
15	KEI Industries	BUY	5,573	3,853
16	LG Electronics India	BUY	1,920	1,456
17	Polycab India	BUY	9,744	7,122
18	Premier Energies	BUY	892	683
19	R R Kabel	BUY	1,788	1,537
20	Supreme Industries	BUY	4,566	3,349
21	Syrma SGS Technology	BUY	929	755
22	Vikram Solar	BUY	326	215
23	Voltas	Hold	1,442	1,349
24	Waaree Energies	BUY	3,600	2,599

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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3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

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