Prince Pipes and Fittings Ltd.

Issue Snapshot:

Issue Open: December 18 – December 20, 2019

Price Band: Rs. 177 – 178

Issue Size: 28,089,888 eq shares
(Fresh issue 14044944 + Offer for sale of 14044944 eq sh)

Issue Size: Rs. 497.19 -500.00 cr

QIB	upto 50% eq sh
Non Institutional	atleast 15% eq sh
Retail	atleast 35% eq sh

Face Value: Rs 10

Book value: Rs 46.70 (June 30, 2019)

Bid size: - 84 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity:	Rs. 95.98 cr
Post issue Equity:	Rs. 110.02 cr

Listing: BSE & NSE

Book Running Lead Manager: JM Financial Limited, Edelweiss Financial Services Limited

Registrar to issue: Link Intime India Private Limited

Shareholding Pattern

Shareholding Pattern	**Pre issue %**	**Post issue %**
Promoter and Promoter Group	90.1	65.8
Public & Employee	9.9	34.2
Total	100.0	100.0

Source for this Note: RHP

Background & Operations:

Prince Pipes and Fittings Ltd (PPFL) is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of number of distributors. It markets its products under two brand names: Prince Piping Systems; and Trubore. Due to its comprehensive product range, it is positioned as an end-to-end polymer piping systems solution provider and has more than 30 years' experience in the polymer pipes segment. Currently PPFL manufactures polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. As at October 31, 2019, it had a product range of 7,167 SKUs. Its products are used for varied applications in plumbing, irrigation, and soil, waste and rain water ("**SWR**") management and meets the requirements of both the rural and urban markets.

PPFL has six strategically located manufacturing plants, which gives a strong presence in North, West and South India. It plans to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum and plans to commence production at the Telangana plant in Fiscal 2021. It distributes its products from its six plants and 11 warehouses. Its warehouses are managed by clearing and forwarding agents. It sells its Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, it sold its Prince Piping Systems products to 1,151 distributors in India. It sells its Trubore products directly to wholesalers and retailers. As at October 31, 2019, it sold its Trubore products to 257 wholesalers and retailers.

Objects of Issue:

The Offer consists of the Fresh Issue and the Offer for Sale.

Offer for Sale

The proceeds from the Offer for Sale (net of any Offer related expenses to be borne by the Promoter Selling Shareholders) shall be received by the Promoter Selling Shareholders and PPFL shall not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholders intends to use the proceeds of the Offer for Sale (net of Offer related expenses to be borne by the Promoter Selling Shareholders, applicable taxes and other regulatory / statutory charges, payable as per applicable law) towards repayment of the outstanding bonds issued by Express Infra Projects LLP.

The objects for which PPFL intends to utilise the Net Proceeds and the proceeds from the Pre-IPO Placement, are as follows:

- Repayment or prepayment of certain outstanding loans of PPFL;
- Financing the project cost towards establishment of a new manufacturing facility, either set up directly or indirectly (through a wholly-owned subsidiary that PPFL may set up in the future);
- Upgradation of equipment at PPFL's manufacturing facilities; and
- General corporate purposes, subject to the applicable laws.

Requirement of Funds and proposed schedule of deployment

Rs in million

Particulars	Total estimated amount/cost	Amount deployed/utilized as at December 10, 2019	Balance amount to be deployed from Net Proceeds and the proceeds from the Pre-IPO Placement	Amount to be deployed from Pre-IPO Placement	Balance amount to be deployed from Net Proceeds (After adjusting for Pre-IPO Placement)	Amount to be deployed from the Net Proceeds and the Pre-IPO Placement in	
						FY20	FY21
Repayment or prepayment of certain outstanding loans of PPFL	481.7		481.7	381.7	100.0	481.7	-
Financing the project cost towards establishment of a new manufacturing facility	1961.0	121.0	1840.0	250.0	1590.0	294.4	1,545.6
Upgradation of equipment at its manufacturing facilities	821.0	-	821.0	330.0	491.0	228.3	592.7
General corporate purposes	*	-	*	100.0	*	*	*

Competitive Strengths

Strong brands in the pipes and fittings segment with over 30 years' experience and multiple industry awards and accolades: PPFL has a strong legacy of more than three decades in the polymer pipes segment. It markets its products under two brand names: Prince Piping Systems and Trubore. Consumers have a strong loyalty to both of its brands, which has enabled PPFL to consistently grow its brands. It has an advantage of being one of the leading organised players in this highly fragmented market. PPFL had a market share of approximately 5% in Fiscal 2019 and are amongst the top six organised players, which collectively had a total market share of 49% in Fiscal 2019. The fittings segment typically earns higher margins due to the specialised nature and precision required vis-à-vis the pipes segment. Its strong brands enable PPFL to increase its presence in the fittings segment. The Company has also been the recipient of numerous awards.

Comprehensive product portfolio across polymers serving diverse end-use applications: Owing to PPFL's comprehensive product portfolio, it is positioned not just as a pipe manufacturer but also as an end-to-end piping systems supplier. It currently manufactures polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. It has different SKUs for different products under each polymer type. It had 7,167 SKUs as at October 31, 2019. Products of PPFL are used for varied applications in the fields of plumbing, irrigation, and SWR management. It has a product development team, which is responsible for introducing new products and variations of existing products. Its product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products and variations of existing products.

Strategically located manufacturing facilities with a core focus on quality: Due to the size of pipes, an important factor in their cost is transportation costs. Therefore, it is a competitive advantage to manufacture pipes as close as possible to the ultimate consumers. PPFL has established six manufacturing facilities, which are in: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). It uses five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar). Its multi-location facilities has assisted in market penetration and developing a strong presence in North, West and South India. One of the major factors contributing to a player's success is the presence of its brands in regional markets and across India. It has checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of its products.

Large and growing distribution network: PPFL sells its Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. It sells its Trubore products directly to wholesalers and retailers. It has a pan-India network of distributors for its Prince Piping Systems products and a network of wholesalers and retailers for its Trubore brand products in South India. As at March 31, 2017, 2018 and 2019 and October 31, 2019, PPFL had 766, 955, 1,253 and 1,408 distributors and wholesalers and retailers buying directly from it, respectively, which represented an 83.81% increase from March 31, 2017 to October 31, 2019.

Technical collaboration with a reputed international player for almost the last five years: Since January 2015, Wavin Overseas B.V. ("**Wavin**"), a company headquartered in Zwolle in The Netherlands, has been providing PPFL with the technology and know-how in the manufacture of its products to improve the quality thereof and to improve manufacturing efficiency. Pursuant to an agreement that expires on January 1, 2020, Wavin provides with, among other things, (a) advice relating to management systems, such as quality control systems, costing systems and e-business, (b) product know-how, such as products design and jointing techniques; and (c) production technology, such as choice, formulations and quality requirements for raw materials, preparation technology and equipment, extrusion technology and equipment, injection moulding technology and equipment, and fabricated fittings technology and equipment. As a result of its technical collaboration with Wavin, PPFL has seen significant improvements in its production processes at its Athal and Dadra plants. PPFL is in discussions with Wavin about entering into a new agreement. However, if it does not end up entering into a new agreement with Wavin, it will continue to implement the technology and know-how in the manufacture of its products Wavin has already provided to it for almost five years.

Strong management team: PPFL has a strong management team led by Jayant Shamji Chheda, its Chairman and Managing Director and one of its Promoters, who has more than three decades' experience in the pipes segment. Parag Jayant Chheda, one of its executive Directors and one of its Promoters, has more than two decades' experience in the pipes and fittings segment. It has a strong team of professionals to manage the core functional areas such as finance, procurement, manufacturing, logistics, sales and marketing, human resources, and information technology.

Business Strategy:

Continue to optimize product mix to improve margins: PPFL will continue to actively manage its product mix at each of its plants to ensure it is maximizing its profit margins. Its CPVC, PPR and HDPE products have higher margins than its UPVC products and plumbing products have a higher margin than its other products. PPFL's fittings have higher margins than its pipes and it endeavors to optimize its mix of pipes and fittings to maximize its margins.

Increase its sales of DWC pipes*:* Until the fourth quarter of Fiscal 2018, PPFL's focus for its Prince Pipes Systems brand was on products for application above ground, namely, plumbing, irrigation, and sewage disposal. It conducted a pan-India survey through an independent agency to estimate the potential demand of pipes for water supply and sanitation over the four-year period ending March 31, 2021, and based on the various government initiatives and the outcome of the market survey, it decided to enter into this segment with DWC pipes. It has subsequently installed two machines to produce DWC pipes in its Chennai plant; one in July 2018 with an installed capacity of 8,820 tonnes per annum (as at October 31, 2019), and another in October 2018 with an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). In addition, in October 2018 it installed a machine for manufacturing DWC pipes that has an installed capacity of 13,440 tonnes per annum at its Dadra plant. PPFL's contract manufacturer in Aurangabad (Maharashtra) began production of DWC pipes for it in June 2018 using a machine owned by it that has an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). PPFL's increased installed capacity for manufacturing DWC pipes will enable it to increase its sales of DWC pipes. DWC pipes are pipes with full circular dual-wall cross-section, with an outer corrugated pipe wall and a smooth inner surface. DWC pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for approximately 15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected by CRISIL Research to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five fiscal years (*i.e.*, from April 1, 2019, to March 31, 2024).

Increase sales of Prince Piping Systems products by reaching out to more retailers and expanding distribution network both in new areas as well as in areas where PPFL already has a strong presence: PPFL plans to increase sales of its Prince Piping Systems products by increasing the number of retailers who stock its products. It plans to expand the sale of its Prince Piping Systems products into cities where its products are not currently sold as well as consolidating its position in areas where it already has a strong presence. Its strategy is to focus on increasing the width and depth of distribution network by increasing the number of distributors, and the frequency and quantity of its products purchased by retailers through distributors.

Set up a new manufacturing plant in Telangana and expand capacity at plant in Rajasthan: PPFL plans to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. It plans to commence production at the Telangana plant in Fiscal 2021. The opening of this new plant will improve its efficiency thus making it more competitive. Currently, its markets in South India are catered to by its plants in Athal and Haridwar. The opening of the Telangana plant will enable PPFL to compete in these markets more effectively. PPFL has recently set up a new manufacturing plant in Jobner (Rajasthan), from which it began sales to third parties in September 2019. The plant's installed capacity was 6,221 tonnes per annum as at October 31, 2019. It plans to increase the plant's installed capacity to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. It also plans to further increase the plant's installed capacity based on market demand for its products.

Expand the Trubore brand to new geographies: PPFL acquired the Trubore brand in October 2012 and it is now the Company's premium brand. Trubore brand products are currently sold in South India, primarily in Tamil Nadu. It plans to increase sales of its Trubore brand products by increasing its marketing efforts and the number of wholesalers and retailers. It plans to expand the presence of its Trubore brand initially in all other states in South India and then gradually expand in North, East and West India, thereby making its Trubore brand a pan-India brand in the next three or four years.

Brand building through major marketing initiatives: PPFL plans to increase awareness of its brands through major marketing initiatives. It plans to spend the majority of its below the line advertising budget on activities such as meetings with dealers, meetings with retailers, architects and consultants for informing them about its new products, meetings with plumbers to educate them about its products, meetings with consultants who specify brands for construction projects, giving away branded estimation/pocket pads and other branded gifts as sales promotion items, undertaking branding activities in rural areas and Tier II and Tier III towns, media event sponsorship and exhibiting its products at trade shows and exhibitions. PPFL plans to spend the majority of its above the line advertising budget on television commercials, outdoor hoardings and wall paintings and transit media advertisement on trains, buses, autos, and magazines advertisements. It also plans to increase the visibility of its Prince Piping Systems' products and brand by leveraging its celebrity brand ambassador for Prince Piping Systems through exposure across various touchpoints.

Industry

Overview of The Indian Plastic Pipes Industry

Being a cost-effective way to transport water, pipes form an integral part of infrastructure to transport, distribute and dispose life sustaining resource. They are used for a variety of end applications such as irrigation, household plumbing, sewerage and industrial applications. In the past, metal pipes - especially galvanised iron (GI) pipes - were used for most purposes. However, with an increase in availability of raw materials, superior properties and low costs compared with GI, plastic pipes have emerged as the material of choice for these applications. CRISIL Research estimates the overall sales of the plastic pipe industry at ~Rs 290-300 billion for Fiscal 2019. Plastic pipes are made of different types of polymers. The four key types are unplasticised polyvinyl chloride (UPVC), which represents 65% of industry demand, chlorinated polyvinyl chloride (CPVC) – 15%, HDPE –15% and polypropylene (PPR) – 4%. Composite pipes, which have a mix of metal and plastic layers, are also used for similar applications.

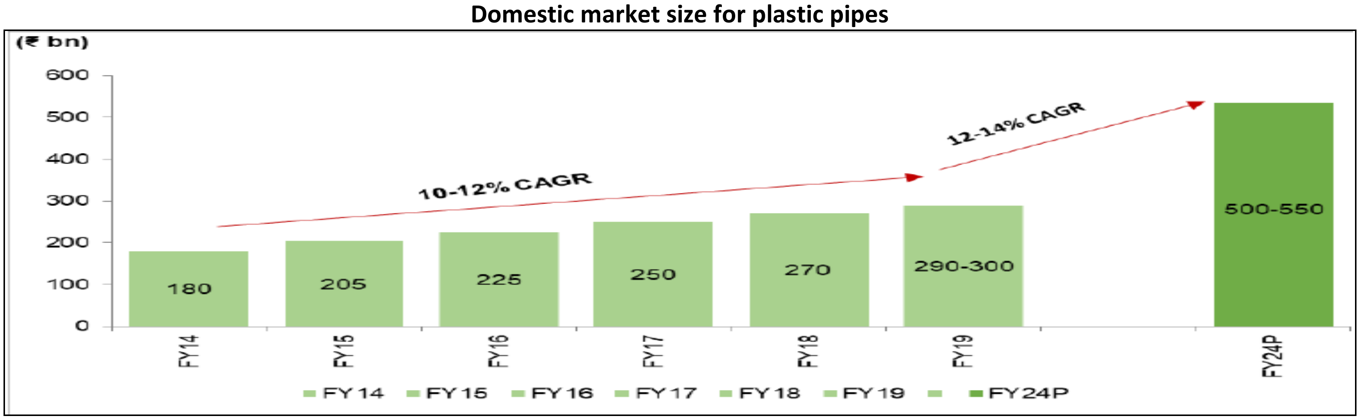
Organised players increased focus on the fittings segment in the past decade

Owing to intense competition because of a large number of unorganised players, there has been pressure on revenues and margins of organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacture of fittings requires higher precision, thereby constraining the unorganised players to enter this space. Because of the specialised product nature, the fittings segment enjoys higher margins. This provides the opportunity for branded players to increase their revenues and margins. Hence, many branded players have aggressively expanded their fittings capacity and launched new products over the years to cater to the high demand in this segment.

Domestic Demand – Review And Outlook

The Indian plastic pipes and fittings industry rose at a healthy 10-12% CAGR between Fiscals 2014 and 2019 to about Rs 290-300 billion. Industry growth was driven by rising demand from the construction and irrigation sectors. The sub-segments propelling offtake in the construction space were increasing investments in WSS projects, substitution of metal pipes with polymer pipes, and replacement demand.
Initiatives such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Accelerated Irrigation Benefits Programme (AIBP), and Command Area Development and Water Management Programme supported the irrigation sector's growth. Additionally, the industry received a boost from the government's Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme, which is aimed at providing basic services, such as WSS, and ensuring that every household has access to a tap with assured water supply and a sewerage connection. As a result, demand for soil, waste and rain, and drainage pipes was robust.

Domestic market size for plastic pipes



The industry's growth pace is projected to accelerate over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024). CRISIL Research forecasts the plastic pipes and fittings industry to post a CAGR of 12-14% to Rs 500-550 billion in Fiscal 2024. The factors that are expected to contribute to demand growth are:

Low per-capita consumption of plastic

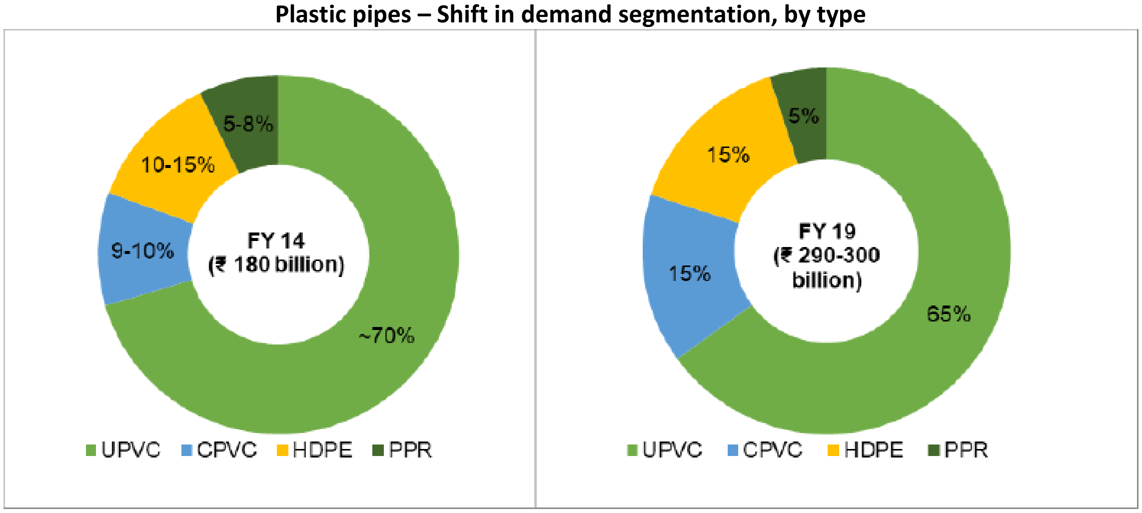
India has very low per-capita plastic consumption of about 11 kg, compared with the global average of 30 kg. Traditional materials dominate the application areas of plastic. However, over the past three to four Fiscal years, low crude oil prices and superior properties of plastic have increased the usage of plastic in India. Hence, it is expected per-capita consumption to inch up towards the global average. Over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024), CRISIL Research expects demand for polymers to grow at a healthy 7-9% CAGR.

Substitution and replacement demand

Plastic pipes have several advantages over metal pipes. For instance, the raw materials used in manufacturing plastic pipes are derivatives of crude oil. Hence, prices of plastic pipes are correlated to crude oil prices. The recent fall in crude oil prices has comparatively lowered raw material prices, and, thus, plastic-pipe prices during the period. Superior real estate properties and low prices have accelerated the substitution of metal pipes by plastic pipes. The increase in the availability of raw materials (PVC, PE and PPR), following the commissioning of new petrochemical facilities in India will further support the plastic-pipes industry. Another factor driving long-term demand is the replacement of older pipes with plastic pipes.

Within the plastic pipes industry, CRISIL Research expects demand to be driven by increasing application of HDPE and CPVC pipes.

Plastic pipes – Shift in demand segmentation, by type



UPVC pipes: These pipes find application in agriculture and plumbing for portable water supply and sewerage. Continuous replacement of galvanised iron pipes with these pipes has supported healthy demand growth in the past. Features such as affordability and longer life compared with metal pipes have aided this segment. Government initiatives, such as AIBP, also provide growth potential. The presence of various brands and established players has ensured steady growth of this segment. Over the next five Fiscal years (i.e., April 1, 2019, to March 31, 2024), CRISIL Research expects growth from this segment to be healthy at 11-12% CAGR.

CPVC pipes: These pipes are primarily used in plumbing applications, as well as hot and cold, potable water distribution systems. Demand growth for this segment over the past five Fiscal years (i.e., April 1, 2014, to March 31, 2019) has been the highest among pipes, as CPVC pipes in India are still at a nascent stage and have huge potential due to factors such as longevity, corrosion free, fire resistant, being lead-free, and the ability to withstand high temperatures. By Fiscal 2024, CRISIL Research expects the share of CPVC pipes in the overall plastic pipes industry to increase and go above 20%, registering the highest growth of 20-21%.

HDPE pipes: These pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for ~15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

PPR pipes: These pipes account for a mere 5% of the total plastic pipes demand. These pipes, which are used for various industrial purposes, are relatively costly compared with other plastic pipes, which restricts their usage. CRISIL Research expects demand from this segment to grow at 6-7% CAGR from April 1, 2019 to March 31, 2024.

Investments in the end-user segments

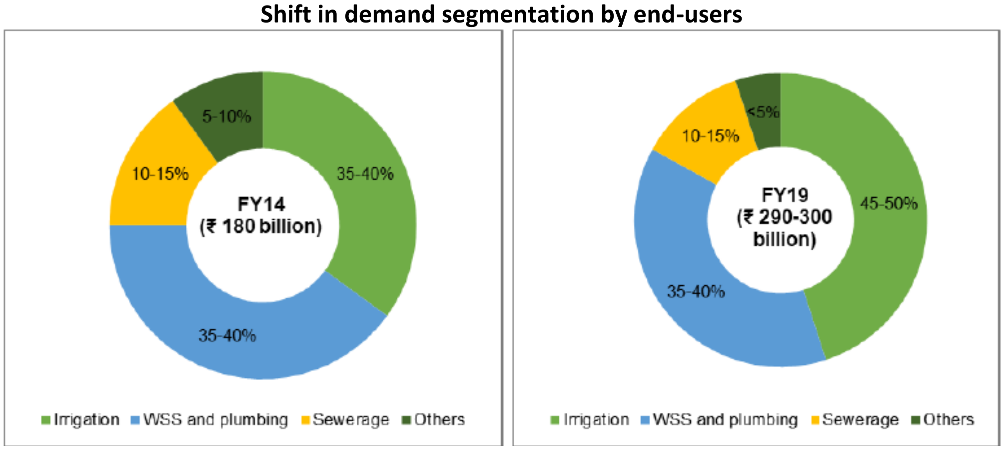
Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public-sector projects undertaken by the central, state and municipal-level bodies. Key growth drivers are:

Increased spending by state governments and municipal corporations to improve accessibility of water for an ever-increasing population; and Heightened thrust, in the form of several central government-led schemes, to augment irrigation, urban infrastructure and real estate. Examples include:

- Irrigation - PMKSY
- Urban infrastructure – WSS schemes such as Jawaharlal, Nehru National Urban Renewal Mission (JNNURM), AMRUT, Swachh Bharat Mission, Smart Cities Mission
- Real estate – Housing for All scheme

Other than government schemes, demand will also be supported by an increase in private sector investments, primarily in the real estate sector. CRISIL Research expects demand for plumbing pipes to grow with the rise in the construction activity in metros as well as tier-II and tier-III cities to drive demand for plastic pipes and fittings.

Shift in demand segmentation by end-users



Irrigation sector

The irrigation sector is the key end-user segment for plastic pipes, accounting for a 45-50% share of the industry. Of India's 160 million hectare of cultivated land, a little less than 50% is irrigated. In Fiscal 2016, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to expand the area under cultivation by 2.85 million hectares in Fiscal 2017 and by 8 million hectares by 2020, outlining a spending target of Rs 500 billion until 2020. The key schemes converged are Accelerated Irrigation Benefits Programme (AIBP), Integrated Watershed Management Programme, On Farm Water Management, and Per Drop More Crop. Investment in the sector is expected to rise in the next five years owing to the push from state governments to increase irrigation penetration in states.

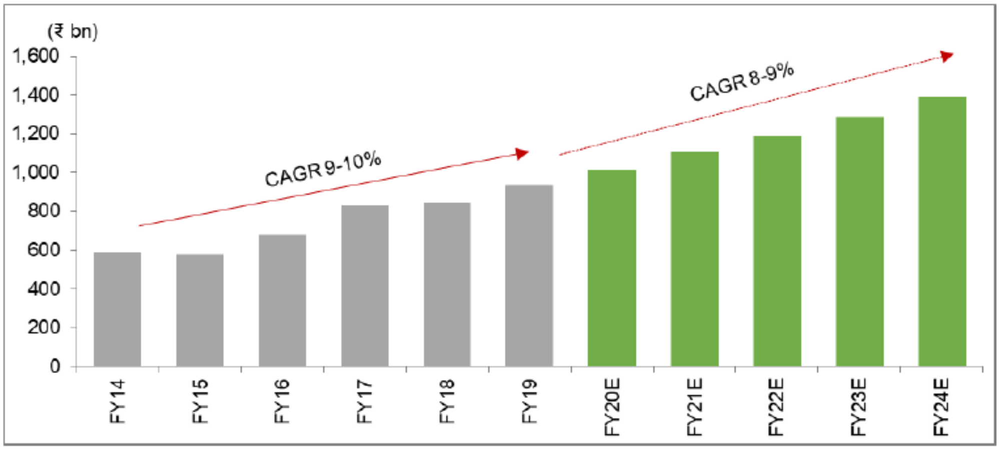
Spending in irrigation by states to increase, Centre to focus on monitoring

The government has increased the spending requirement by state governments from 32% to 42%, in line with greater transfer of taxes to states. The central government will play an active role in monitoring the progress of PMKSY projects, and has taken several steps to crystallise investments for irrigation, including:

- Forming SLSCs (State Level Sanctioning Committees) for 26 states
- Releasing Rs 654 million to states for DIP preparation. As many as 675 DIPs have been submitted from 692 districts. Based on the DIPs, each state is expected to submit a state irrigation plan (SIP).
- Prioritising ~99 ongoing irrigation projects under PMKSY (AIBP) and Command Area Development & Water Management) for completion in phases by December 2019. The government has approved the funding arrangement for these projects through the National Bank for Agriculture and Rural Development

Consequently, CRISIL Research believes investments in irrigation will rise sharply to Rs 5,993 billion till Fiscal 2024 from Rs 3,866 billion over the past five years (April 1, 2014 to March 31, 2019).

Investments in irrigation



CRISIL Research believes construction investments in irrigation will rise by 8-9% CAGR by Fiscal 2024 compared with 9-10% CAGR over the past five Fiscal years, i.e., from April 1, 2014, to March 31, 2019. Of the total investment in irrigation, construction expenditure is estimated at 75%. This translates into a construction expenditure of Rs 4,882 billion up to Fiscal 2024, compared with Rs 2,931 billion over the past five years, i.e., from April 1, 2014, to March 31, 2019. The rise in construction activity will lend support to the pipes and fittings industry.

Irrigation investments are heavily skewed, with the top seven states – Andhra Pradesh, Telangana, Maharashtra, Karnataka, Gujarat, Madhya Pradesh and Uttar Pradesh – accounting for nearly 75% of the total investments during the past five years from April 1, 2013, to March 31, 2019. Also, a budget analysis of these states indicates that the average achievement ratio for these states has been as high as about 95% in the past few years. Over Fiscals 2018 to 2020 as well, the share of these states is expected to remain at about 75%, as investments in Andhra Pradesh, Telangana, Karnataka, Madhya Pradesh and Gujarat rise significantly. Most states are expected to focus on completing existing major and medium irrigation projects. Also, other states such as Odisha, Rajasthan and Chhattisgarh have significantly increased their allocations towards irrigation.

Healthy growth in government investments towards WSS

WSS and plumbing are the second largest end-user segment for plastic pipes, accounting for 35-40% share of the plastic pipes market. In the past five Fiscal years (i.e., from April 1, 2014, to March 31, 2019), government expenditure on the sector rose at 22% CAGR to about Rs 624 billion in Fiscal 2019. This was led by several Central government schemes, coupled with rising emphasis by municipal authorities, such as Mumbai Metropolitan Region Development Authority, Mumbai and Pune municipal corporations. CRISIL Research expects overall WSS investments to be Rs 2,924 billion over the next five years, i.e., from April 1, 2019, to March 31, 2024, compared to Rs 1,753 billion over the past five Fiscal years i.e., from April 1, 2014, to March 31, 2019. This will also be driven by the recently proposed "Nal se Jal" scheme, a component of the Jal Jivan Mission, which promises to provide piped drinking water to every household in the country by 2024. The scheme comes under the domain of the Jal Shakti Ministry, which has merged the ministries of water resources, river development and Ganga Rejuvenation with the Drinking Water and Sanitation portfolio.

Real estate sector

Real estate is a key end-user sector for plastic pipes and fittings in India. Over the last few years, end-user demand for real estate has been sluggish. Developers had delayed the possession of projects in many instances due to various reasons, including approval delays and financial issues. However, with the implementation of Real Estate Regulatory Authority (RERA), the confidence of end-users will improve.

Real estate demand drivers

Growth in population: The country's population, which grew at about 1.8% CAGR during the ten-year period between calendar years 2001 and 2011, is expected to grow at about 1.6% CAGR over Fiscals 2011 to 2021 to 1.4 billion. CRISIL Research expects housing demand to increase in line with the number of households.

Urbanisation: The share of urban population in the total population has been consistently rising, and was about 31% in calendar year 2011. Nearly 36% of the country's population is expected to live in urban locations by calendar year 2020, driving demand for housing in these areas.

Traction in tier II and III cities: A pick-up in demand for plastic pipes in tier II and III cities has been observed in recent years. The healthy growth trajectory is expected to continue over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

Surging demand from the rural sector: Rural market has low penetration and less availability of branded PVC pipes and fittings. Demand is surging from this sector, driven by the increase in disposable income of farmers due to government initiatives, such as higher MSPs and the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). Marketing efforts, coupled with the implementation of GST, will help branded players increase rural penetration.

Higher affordability led by increasing disposable income: India's per-capita income grew at a healthy rate between Fiscals 2014 and Fiscal 2019 to Rs 126,404 (at current prices). Increasing disposable income, typically, has a positive correlation with demand for housing units, as it increases affordability.

Tax incentives by the government: The interest-subvention scheme, interest deduction from taxable income, tax exemption for principal repayment and exemption from capital gains will also be key drivers.

Government initiatives

RERA: CRISIL Research expects the Real Estate (Regulation and Development) Act or RERA, which came into force on May 1, 2017, to result in improved transparency, timely delivery and organised operations.

Housing for all by 2022: Also known as the Pradhan Mantri Awas Yojana (PMAY), this scheme was launched on June 25, 2015. It aims to minimise the housing shortage of urban poor. The Ministry of Housing and Urban Poverty Alleviation has estimated a shortage of nearly 20 million dwelling units for the urban poor. PMAY aims to address this by providing central assistance to the implementing agencies through states and union territories to all eligible families/beneficiaries by 2021-22.

Investments planned in PMAY-U are underway in line with Government targets. Since inception, as of July 29, 2019, PMAY-U has witnessed total project investments worth Rs 5,037 billion (including central assistance worth Rs 1,325 billion sanctioned) and sanctions of around 8.5 million units. The scheme - now in its fifth year of implementation- is witnessing faster completion velocity in the recent months.

On funding side, in February 2018 budget, the government announced an allocation of Rs 315 billion (including a provision of internal and external extra budgetary resource worth Rs 250 billion) and in July 2019, Rs 69 billion. However, the flow of funds from the central government side will be key as they will need around Rs 1 trillion over the next three years to achieve PMAY-U target of 10 million houses by 2022.

Plastic pipes' demand to get a push by estimated 1.16 billion sq. ft. of housing supply in top 10 cities

The top ten cities in India – the National Capital Region, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad, Chandigarh, and Kochi – are expected to have an estimated 1.16 billion sq. ft. (super built-up area) of supply to come on stream by calendar year 2021. Organised players will be at the forefront of tapping this opportunity because of the portfolio of quality products and presence across fittings segment. In the top eight cities (MMR, NCR, Pune, Bengaluru, Hyderabad, Ahmedabad, Kolkata and Chennai), a total supply of around 1,497 msf has been planned by the developers, of which, around 1,155 msf supply is expected to materialize by 2021.

Key Concerns:

Demand for plumbing products and soil, waste and rain water ("SWR") management products is closely tied to the levels of residential and non-residential construction activity in India: Sales of plumbing products represented 42.36%, 43.81%, 42.00% and 37.24% of PPFL's net revenue from sale of products less excise duty ("**Net Revenue from Sale of Products**") for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Sales of SWR management products represented 21.16%, 21.35%, 26.53% and 29.53% of its Net Revenue from Sale of Products for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Demand for its plumbing products and SWR management products is closely tied to the levels of residential and non-residential construction activity in India. Any reduction in the activity in one or both of these markets could have a material adverse effect on its business, results of operations and financial condition.

If governments cease to encourage the building of new houses and related infrastructure, it could have a material adverse effect on the business, results of operations and financial condition: CRISIL Research expects construction expenditure on urban infrastructure to be approximately Rs 3.4 trillion between Fiscal 2019 and Fiscal 2024, which is 1.7 times the expenditure of the previous five fiscal years (i.e., from April 1, 2014 to March 31, 2019). CRISIL Research expects water supply and sanitation ("**WSS**") projects to account for approximately 52% of the total urban infrastructure investment over the next five fiscal years (i.e., from April 1, 2019 to March 31, 2024), driven primarily by state governments and through centrally sponsored programs. Gujarat, Rajasthan, Telangana, and Uttar Pradesh will lead state investments. Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public sector projects undertaken by the central, state and municipal level bodies. the key growth drivers are: (a) increased spending by state governments and municipal corporations to improve accessibility of water for an ever-increasing population; and (b) heightened thrust, in the form of several central government-led schemes, to augment irrigation (e.g., PMKSY), urban infrastructure (WSS schemes such as JNNURM, AMRUT, Swachh Bharat Mission and Smart Cities Mission) and real estate (e.g., Housing for All scheme). CRISIL Research expects demand for plumbing pipes to grow with the rise in the construction activity in metros as well as tier-II and tier-III cities to drive demand for plastic pipes and fittings. If the governments cease to encourage the building of new houses and related infrastructure, it could have a material adverse effect on PPFL's business, results of operations and financial condition.

Demand for products for use in irrigation is influenced by the growth of the agriculture segment and any reduction in the activity in this segment could have a material adverse effect on the business, results of operations and financial condition: Sales of products for use in irrigation represented 35.36%, 33.73%, 31.27% and 32.43% of its Net Revenue from Sale of Products for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Demand for these products is affected by the levels of the growth in the agriculture segment in India. The level of growth in the agriculture segment is to a major extent impacted by the monsoon each year. India gets relatively more of its agricultural produce from the *kharif* season (June-September) compared to the *rabi* season (November-February). The impact of the monsoon is also crucial for *rabi* crops as it has an impact on the ground water and also reservoirs, which are critical for the irrigation of *rabi* crops. A good monsoon season typically bodes well for farmer's incomes and the agriculture segment, and in turn, for its business. Any reduction in the activity in the agriculture segment could have a material adverse effect on PPFL's business, results of operations and financial condition.

PPFL engages in a highly competitive business: The markets in which PPFL sells its products are highly competitive and it faces significant competition from organized and unorganized pipe manufacturers. Competition among manufacturers in its markets is based on many factors. Some of its competitors may have access to greater financial or other resources than it do, which may afford them greater purchasing power, greater production efficiency, increased financial flexibility or more capital resources for expansion and improvement. Furthermore, its competitors' actions, including expanding manufacturing capacity, or the entry of new competitors into one or more of its markets could cause PPFL to lower prices in an effort to maintain its sales volume. If it fails to compete effectively, it would have a material adverse effect on its business, financial condition and results of operations.

PPFL face competition from substitutes for many of its products and if consumers' preferences for any of these substitutes increase it could lead to a reduction in the demand for its products: In addition to competition from players in the polymer pipes industry, PPFL also face competition from substitutes for many of its products. Its plumbing products compete with galvanized iron products, PEX (cross-linked polyethylene) products, ABS (acrylonitrile butadiene styrene) products, MDPE (medium density polyethylene) products and composite products. Its irrigation products compete with HDPE (high-density polyethylene) products and concrete reinforced products. Its SWR management products compete with concrete reinforced products, cast iron products and composite products. Increase in consumer preferences for any of these substitutes could lead to a reduction in the demand for PPFL's products, which could have a material adverse effect on its business, financial condition and results of operations.

Increases in the cost of raw materials could have a material adverse effect on the results of operations and financial condition: PPFL's primary raw materials comprise UPVC, CPVC, PPR and HDPE resins, which are derived from crude oil by-products. Crude oil prices are volatile and any increases in the price of crude oil would lead to increases in the prices of the raw materials required to manufacture its products. The price PPFL pays in Rupees for its raw materials is also affected by changes in the exchange rate between the Rupee and the U.S. dollar As a result, a depreciation in the rate of exchange of the Rupee and the U.S. dollar would lead to increases in the prices of raw materials required to manufacture the products. If PPFL cannot fully offset increases in the cost of raw materials, through increase in the prices for its products, it would experience lower margins and profitability, which would have a material adverse effect on its financial condition and results of operations.

Depreciation of the Rupee would adversely affect the financial condition and results of operations: PPFL import some of its raw material and equipment/machinery utilized in its manufacturing plants and it also borrow from time to time in foreign currency. While PPFL's principal revenues are in Rupees, since the costs of the imported raw material and plant and machinery are denominated in foreign currencies, primarily in USD, any depreciation in the Rupee vis-a-vis these foreign currencies, to the extent its exposure is unhedged, would adversely affect its financial condition and results of operations.

If PPFL is unable to successfully implement its geographical expansion plans for its Trubore brand products, it could have a material adverse effect on its growth prospects, financial condition and results of operations*:* PPFL currently markets and sells its Trubore brand products in South India, primarily in Tamil Nadu. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019 sales of Trubore brand products in Tamil Nadu represented 82.43%, 78.89%, 79.60% and 76.18% of its total revenue from sale of products for its Trubore brand products, respectively. It plans to increase sales of its Trubore brand products by increasing marketing efforts and the number of wholesalers and retailers. PPFL plans to do this initially in all other states in South India and then gradually do this in North, East and West India, thereby making its Trubore brand a pan-India brand in the next three or four years. There can be no assurance that it will be able to successfully implement its geographical expansion plans for its Trubore brand products and if it is unable to do so, it could have a material adverse effect on its growth prospects, financial condition and results of operations.

If we are unable to successfully compete in the market for DWC pipes, it could have a material adverse effect on our growth prospects, results of operations and financial condition
In the fourth quarter of Fiscal 2018, PPFL expanded the reach of its products for application in underground drainage by entering the HDPE segment with DWC pipes when its Haridwar plant began producing DWC pipes with one machine. Subsequently it has installed two machines to produce DWC pipes in its Chennai plant; and one machine for manufacturing DWC pipes at its Dadra plant. Revenue from Sale of Products from sales of DWC pipes represented 0.21%, 2.99% and 2.01% of its Net Revenue from Sale of Products for Fiscals 2018 and 2019 and the three-month period ended June 30, 2019 respectively. If PPFL is unable to successfully compete in the market for DWC pipes, it could have a material adverse effect on our growth prospects, results of operations and financial condition.

If PPFL is unable to protect intellectual property against third party infringement or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on the business, results of operations and financial condition: PPFL rely on a combination of trademarks and other unregistered rights to protect its rights to its brands and products. It has applied for registration of the Prince Piping Systems' logo as a trademark. It has also applied for registering the Prince Piping Systems logo in Hindi, Assamese, Gujarati, Kannada, Oriya, Tamil and Telugu. However, there have been competing claims to it due to pending applications, involving PPFL and another company with the word "Prince" in its name in this regard and objections have been raised in regard to its application. It cannot be assured that it will be granted these trademarks. Additionally, it may in the future face claims that it is infringing the intellectual property rights of others. If any of PPFL's products are found to infringe the trademarks or other intellectual property rights of others, its manufacture and sale of such products could be significantly restricted or prohibited and it may be required to pay substantial damages or on-going licensing fees. If PPFL is unable to protect its intellectual property rights or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on the business, results of operations and financial condition.

Negative publicity about the Company could adversely affect the reputation and thereby business and results of operations: PPFL's business is dependent on the trust its customers has in the quality of its products, the Prince Piping Systems brand and the Trubore brand. As a part of its marketing strategy, in June 2018 it rolled out an advertising campaign for its Prince Piping Systems brand with a celebrity fronting the campaign. Any negative publicity regarding the Company, its brands, products or the celebrity fronting the Prince Piping Systems brand campaign could adversely affect the reputation and thereby PPFL's business and its results of operations.

If PPFL is unable to estimate the demand for the products and thereby effectively manage the inventory it could have an adverse effect on the business, results of operations and financial condition: The success of PPFL's business depends to a major extent on its ability to estimate the demand for its products so as to effectively manage its inventory. It has implemented a demand planning and inventory management system, including automated inventory tracking and auto replenishment at its warehouses based on norms. If PPFL underestimate demand for its products it would manufacture fewer quantities of products than required, which would result in the loss of business. If it is unable to estimate the demand for its products and thereby effectively manage its inventory it could have an adverse effect on the business, results of operations and financial condition.

PPFL has high working capital requirements: PPFL's business requires a significant amount of working capital. It generally purchase raw materials from domestic suppliers on credit terms of less than a week and it purchase imported raw materials on credit terms of 90-150 days. The majority of its sales are to distributors on an open credit basis, with standard payment terms of generally between 15-30 days. Therefore, it uses working capital facilities to fund the timing difference between the payment for its raw materials and the receipt of payment for its manufactured products. If PPFL is unable to borrow funds to meet its working capital requirements, it could have a material adverse effect on the business, results of operations and financial condition.

Any increase in interest rates would have an adverse effect on the results of operations: As at October 31, 2019, PPFL had Rs 3,069.53 million of outstanding fund-based debt that was subject to floating rates of interest, representing 99.71% of PPFL's total outstanding fund based debt as at that date. Any increase in interest rates would increase the interest costs of such loans and would adversely affect the results of operations. In addition, if interest rates increase, its interest payments will increase and its ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on the business, financial condition and results of operations

Credit and non-payment risks of distributors could have a material adverse effect on the business, financial condition and results of operations: The majority of PPFL's sales are to distributors on an open credit basis, with standard payment terms of generally between 15-30 days. While it generally monitor the ability of its distributors to pay these open credit arrangements and limit the credit it extend to what it believes is reasonable based on an evaluation of each distributor's financial condition and payment history, it may still experience losses because of a distributor being unable to pay. As at June 30, 2019, PPFL's total trade receivables amounted to Rs 1,904.77 million, out of which Rs 59.91 million was outstanding for a period exceeding six months. If it is unable to collect distributor receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on the business, financial condition and results of operations.

Performance depends to a large extent on the efforts and abilities of the Key Managerial Personnel: PPFL's performance depends to a large extent on the efforts and abilities of its Key Managerial Personnel. Its future success will to a large extent depend on its ability to retain its Key Managerial Personnel. PPFL do not have any key man insurance policy in place for its Key Managerial Personnel. The loss of or diminution in the services of one or more of its Key Managerial Personnel could have a material adverse effect on its business, financial condition and results of operations.

Delays or outages in information technology ("IT") systems and computer networks could have a material adverse effect on the business, financial condition and results of operations: PPFL sales and service activities and to a lesser extent its manufacturing plants depend on the efficient and uninterrupted operation of complex and sophisticated IT systems and computer networks, which are subject to failure and disruption. Given the volume of transactions through its online portal 'IMON', certain errors may be repeated or compounded before they are discovered and successfully rectified. Its dependence upon automated IT systems to record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, it faces the risk that the design of its controls and procedures may prove inadequate thereby causing delays in detection or errors in information. In the event PPFL experience interruptions or infiltrations of its IT systems, this may give rise to deterioration in customer service and to loss or liability to it, which may materially and adversely affect the business, financial condition and results of operations.

A material disruption at one or more of its manufacturing plants or the plants of its contract manufacturers could have a material adverse effect on the business, results of operations and financial condition: PPFL currently owns and operates six manufacturing plants and propose to set up one new manufacturing plant. It also utilize the services of five contract manufacturers. Its manufacturing plants and the plants of its contract manufacturers could unexpectedly stop operating because of events unrelated to it or them, as applicable, or beyond it or its control, as applicable, including fires, floods and other natural disasters, utility and transportation infrastructure disruptions, shortages of raw materials, and acts of war or terrorism. PPFL has not taken any business interruption insurance policy. Any material disruption at one or more of its plants or the plants of its contract manufacturers could have a material adverse effect on the business, results of operations and financial condition.

Unable to expand or effectively manage its distribution network for its Prince Pipe Piping Systems products, it could have an adverse effect on our business, results of operations and financial condition: PPFL sells its Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, it sold its Prince Piping Systems products to 1,027 distributors in India. It continuously seeks to increase the penetration of its Prince Piping Systems products by appointing new distributors targeted at different markets and geographies. In addition, its competitors may also have exclusive arrangements with other distributors, which may restrict PPFL from selling its Prince Piping Systems products through them, thereby limiting its ability to expand its network. If PPFL is unable to expand or effectively manage its distribution network for Prince Piping Systems products, it could have an adverse effect on the business, results of operations and financial condition.

Dependent on clearing and forwarding agents to manage the warehouses: Each of PPFL's warehouses is managed by a clearing and forwarding agent. The clearing and forwarding agents carry out the operations of clearing and forwarding of all of its products, including the receipt of products, safe unloading of products, safe storage, maintenance and upkeep of warehouse, invoicing, and dispatch of products as per the requirements. It generally enters into two-year contracts with these clearing and forwarding agents. Any increase in the amount these clearing and forwarding agents charge PPFL could adversely affect its results of operations and financial conditions. Further, disruptions of logistics, including in clearing and forwarding and/or in transportation services, could impair the ability to procure raw materials and/or deliver manufactured products on time. Any such disruptions could materially and adversely affect PPFL's business, financial condition and results of operations.

Rely on contractors for the recruitment of contract labourers and are therefore exposed to execution risks: PPFL enter into arrangements with contractors for recruitment of contract labourers as per its requirements for a fixed period of time. There is no assurance that it may be able to renew these arrangements on a timely basis or at all. PPFL do not have direct control over the timing or quality of the services and supplies provided by such third parties. Contractors hired by it may be unable to provide the requisite manpower on a timely basis or at all or may be subjected to disputes with their personnel, which, in turn, may affect production at PPL's plants and timely delivery of its products to its customers. Although PPL do not engage contract labourers directly, it may be held responsible under applicable Indian laws for wage payments to such labourers should its contractors default on wage payments.

Work stoppages or increased wage demands by workforce or any other kind of disputes with workforce could adversely affect the business and results of operations: PPFL is exposed to work stoppages and other industrial actions. As at October 31, 2019, 244 of its full-time employees working at Athal plant are in a union. Although it enjoy a good relationship with its workforce there can be no assurance that it may not experience disruptions in its operations due to disputes or other problems with work force such as work stoppages or increased wage demands that could adversely affect the business and results of operations.

PPFL is subject to health and safety laws and regulations and any failure to comply with any current or future laws or regulations could have a material adverse effect on the business, financial condition and results of operations: Manufacturing sites by nature may be hazardous. PPFL's sites often put its employees and others in close proximity with large pieces of mechanized equipment, moving vehicles, chemical and manufacturing processes, heavy products and items and highly regulated materials. As a result, it is subject to a variety of health and safety laws and regulations dealing with occupational health and safety. Any failure to maintain safe work sites or violations of applicable law could expose PPFL to significant financial losses and reputational harm, as well as civil and criminal liabilities, any of which could have a material adverse effect on the business, financial condition and results of operations.

A shortage or unavailability of electricity or water could affect the manufacturing operations and have an adverse effect on the business, results of operations and financial condition: PPFL's manufacturing operations require continuous supply of electricity and water. It currently source its water requirements from bore wells and through water facilities from local bodies. All its plants are equipped with rain water harvesting. It depends on state electricity supply for its energy requirements and it has diesel generators for power back-up at three of its manufacturing plants – Chennai; Kolhapur; and Haridwar. Its plants require the power voltage to be the same at all times to achieve a standard quality of product. In the case of the extrusion process, if the power goes, it takes time to start the process again, which involves the loss of time and energy, and the process is duplicated, resulting in redundant use of resources. A shortage or non-availability of electricity or water could adversely affect its manufacturing operations and has an adverse effect on its business, results of operations and financial condition.

Any downturn in the macroeconomic environment in India could adversely affect the business, financial condition and results of operations: PPFL is incorporated in India and all of its assets are located in India. As a result, its results of operations and financial condition are significantly affected by factors influencing the Indian economy. Any slowdown in economic growth in India could adversely affect it, including its ability to grow asset portfolio, the quality of PPFL's assets and its ability to implement its strategy. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and its business, financial condition and results of operations.

Profit & Loss **Rs in million**

Particulars	Q1FY20	FY19	FY18	FY17
Revenue from operations	3797.7	15718.7	13205.5	13300.2
Other Income	4.3	71.3	60.3	24.8
Total Income	**3801.9**	**15790.0**	**13265.7**	**13325.0**
Total Expenditure	**3270.5**	**13859.6**	**11572.1**	**11673.8**
Cost of Materials Consumed	2789.9	10728.6	8938.1	8364.7
Excise Duty	0.0	0.0	55.1	835.2
Purchase of Stock in Trade	62.6	340.8	461.7	1075.4
Changes in Inventories of finished goods, work in progress and stock in trade	-163.5	204.2	-185.6	-549.6
Employee Benefit Expense	197.8	783.3	725.6	609.6
Other Expenses	383.7	1802.7	1577.1	1338.5
PBIDT	**531.4**	**1930.3**	**1693.6**	**1651.1**
Interest	73.9	364.0	361.1	363.7
PBDT	457.5	1566.3	1332.6	1287.4
Depreciation and amortisation expense	118.2	451.6	380.9	328.3
PBT	**339.3**	**1114.7**	**951.7**	**959.1**
Tax (incl. DT & FBT)	72.6	281.2	224.0	217.3
Current tax	94.2	272.4	214.5	209.0
Deferred tax (net)	-21.6	8.7	9.5	8.3
PAT	**266.7**	**833.5**	**727.7**	**741.8**
EPS (Rs.)	2.96	9.26	8.08	16.48

Equity	900.2	900.2	900.2	450.1
Face Value	10.0	10.0	10.0	10.0
OPM (%)	13.9	11.8	12.4	12.2
PATM (%)	7.0	5.3	5.5	5.6

Balance Sheet: **Rs in million**

Particulars	Q1FY20	FY19	FY18	FY17
Assets				
Non-Current Assets	**5261.1**	**5062.0**	**4366.3**	**2938.8**
Property, Plant and Equipment	3,601.3	3,595.1	3323.7	2636.9
Capital work-in-progress	765.9	615.1	146.8	180.3
Right-Of-Use Assets	58.4	62.4	78.3	10.6
Goodwill	3.0	3.0	3.0	3.0
Other Intangible Assets	34.6	35.6	41.5	34.8
Investments	9.1	7.8	7.4	7.3
Loans	79.7	74.2	73.4	51.5
Other Financial Assets	86.8	86.8	0.00	0
Non-current tax assets (net	622.6	582.2	692.25	14.47
Current assets	**4883.4**	**5342.1**	**5432.5**	**4666.3**
Inventories	2186.6	2010.6	2415.2	1742.4
Trade receivables	1904.8	2503.6	2393.9	2367.4
Cash and cash equivalents	2.5	88.9	2.3	27.2
Other Balances with Banks	127.6	134.3	94.0	96.5
Loans	2.3	2.3	2.6	3.7
Assets classified as held for sale	0.0	0.0	70.8	0.0
Other financial assets	2.6	1.3	2.6	0.9
Income Tax Assets (net)	0.0	5.2	0.00	24.34
Other current assets	657.1	595.9	451.08	403.87
Total Assets	**10144.6**	**10404.1**	**9798.8**	**7605.1**
Equity & Liabilities				
Shareholders Funds	**4278.6**	**4007.7**	**3165.8**	**2425.4**
Equity Share Capital	900.2	900.2	900.2	450.1
Other Equity	3378.4	3107.5	2265.6	1975.4
Non-Current Liabilities	**1381.6**	**1475.6**	**1885.9**	**1374.9**
Borrowings	981.8	1057.7	1461.9	1057.6
Lease Liabilities	39.9	44.0	60.6	0.0
Other Financial Liabilities	160.8	160.3	162.0	154.5
Provisions	84.9	78.2	68.8	45.5
Deferred Tax liabilities (Net)	114.2	135.5	127.5	117.3
Other Liabilities	0.0	0.0	5.1	0.0
Current Liabilities	**4484.4**	**4920.9**	**4747.1**	**3804.8**
Borrowings	1609.3	1456.8	1698.3	1887.6
Lease Liabilities	16.4	16.6	17.5	8.9
Trade Payables – MSME	32.6	46.1	50.0	67.8
Trade Payables – Other than MSME	1671.2	2105.5	1920.0	953.4
Other Financial Liabilities	1033.7	1114.7	963.8	744.4
Provisions	11.3	16.5	12.1	24.1
Current tax Liabilities	28.6	0.0	27.4	0.0
Other Liabilities	81.3	164.7	58.0	118.5
Total Equity & Liabilities	**10144.6**	**10404.1**	**9798.8**	**7605.0**

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