

Transport Infrastructure

Industry Code (as per CMIE Prowess): 0101014590000000'

June 2022

Overall Industry Risk Score: **13/20 | Marginally Favourable**

Sample Size: 15 Companies

Median Rating Value of sample size: A-

Individual Parameters Contributing to the Score

Demand & Supply Balance  **8/20**

Moderate Over Supply

The subdued economic activity in FY21 impacted this sector. As per CMIE data, the industry reported y-o-y growth in sales by 24.2% from Rs.32.2 billion for March 2021 quarter to Rs.40 billion for March 2022 quarter. The export volumes of Bicycles rose by 35% from 1.2 million for FY21 to 1.7 million for FY22. The resumption in economic activity and restoration of normalcy in logistical activity will drive demand for the sector.

Extent of Competition  **16/20**

Low competition/ Entry Barriers

Limited number of established players.

Regulatory Risk 12/20

Predictable Regulatory environment

Regulatory environment is generally steady and predictable.

Input Related Risk 16/20

No supply disruptions / very narrow price band or fluctuations

Supply chain is well established for this industry, lower commodity prices will partly help to offset volume pressure.