

Miscellaneous electrical machinery

Industry Code (as per CMIE Prowess): 0101014005150000'

June 2022

Overall Industry Risk Score: **12/20 | Marginally Favourable**

Sample Size: 12 Companies

Median Rating Value of sample size: BBB

Individual Parameters Contributing to the Score

Demand & Supply Balance  **12/20**

DS Equilibrium

The moderation in the capex programmes of the industrial segment has impacted the order books and revenue profiles of the capital goods players in FY21. As per CMIE data, the industry reported y-o-y 25.8% growth in sales from Rs.50.5 billion for March 2021 quarter to Rs.65.4 billion during the quarter ended March 2022. The trajectory of revival will depend on the capex plans of the corporate sector.

Extent of Competition  **8/20**

Fragmented Industry

The level of competition is fairly high. The margins are expected to be moderate considering the overall subdued demand environment.

Regulatory Risk  **16/20**

Stable Regulatory environment

The Government policies like Atma Nirbhar Bharat and PLI are expected to support the domestic manufacturing sector.

Input Related Risk



12/20

Largely predictable supply of inputs from diversified sources or Raw Materials with rare, occasional disruptions / fairly predictable price band

The industry is vulnerable to prices of commodities such as copper which shows high volatility.