

Other Domestic Appliances

Industry Code (as per CMIE Prowess): 0101012525900000'

June 2022

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

Sample Size: 14 Companies


Median Rating Value of sample size: A-

Individual Parameters Contributing to the Score

Demand & Supply Balance  **8/20**

Moderate Over Supply

The volumes were impacted due to logistical reasons & also lower demand due to deferrals of purchases by households. As per CMIE data, the industry reported y-o-y growth in sales by 3.8% from Rs.28.3 billion for March 2021 quarter to Rs.29.3 billion during quarter ended March 2022. Exports of Washing Machines increased by 13.9% from Rs.4.9 billion in FY21 to Rs.5.5 billion in FY22. However, the increasing availability of finance and the increasing penetration of online platforms is expected to drive demand for the sector.

Extent of Competition  **12/20**

Neutral

The industry remains fragmented with several established and local brands. Cheaper imported products from China have also garnered consumer interest. However, brand franchise and distribution reach are the key factors in building competitiveness in the industry.

Regulatory Risk



16/20

Stable Regulatory environment

The household appliances come under the 12-18% GST bucket, making certain categories expensive for end consumers. While India imports significantly from China, the government is likely to encourage and facilitate the growth of the indigenous players going forward.

Input Related Risk



16/20

No supply disruptions / very narrow price band or fluctuations

While Covid 19 had significantly impacted global supply chains in the early part of FY21, it has been brought under control. However, dependence on imports for certain critical components continues. Input price pressures will continue to squeeze margins.