

## Other textiles

Industry Code (as per CMIE Prowess): 0101011590000000'

June 2022

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

Sample Size: 41 Companies

Median Rating Value of sample size: BBB

### Individual Parameters Contributing to the Score

**Demand & Supply Balance**  **8/20**

Moderate Over Supply

The first half of FY21 was impacted due to the lockdowns. As per CMIE data, the industry reported y-o-y increase in sales by 17.9% from Rs. 71.9 billion for March 2021 quarter to Rs. 83.7 billion for March 2022 quarter. Exports value of Jute Products has increased by 38.1% from Rs.27.4 billion for FY21 to Rs.37.9 billion for FY22. Demand for this industry is likely to improve going ahead.

**Extent of Competition**  **8/20**

Fragmented Industry

The industry structure in India is characterised by a large number of small to mid sized players with high competitive intensity.

## Regulatory Risk



16/20

Stable Regulatory environment

Central government has unveiled the National Textile Policy. The focus will be on technology upgradation in order to improve competitiveness of the domestic players. As this industry comes under MSME category and highly labour intensive, it enjoys strong government support.

## Input Related Risk



16/20

No supply disruptions / very narrow price band or fluctuations

The fibre availability in India is usually adequate for spinning mills though in case of a demand-supply gap, there can be raw material price volatility. The power tariff is another risk factor which is offset by many players through captive generation units.