

## Other ferrous metal products

Industry Code (as per CMIE Prowess): 0101013501500000'

June 2022

Overall Industry Risk Score: **11/20 | Marginally Favourable**

Sample Size: 49 Companies

Median Rating Value of sample size: A-

### Individual Parameters Contributing to the Score

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

Moderate Over Supply

The first quarter of FY21 was significantly impacted due to lockdowns. The demand has revived subsequently in a gradual manner. As per CMIE data, the industry reported a y-o-y 45% growth in sales from Rs.214.3 billion for March 2021 quarter to Rs.310.5 billion during quarter ended March 2022. The sustainability of the improvement will be linked to the overall economic activity in the country.

**Extent of Competition**  **12/20**

Neutral

Industry remains fragmented and unorganized by nature.

## Regulatory Risk



12/20

Predictable Regulatory environment

The steel policy envisages a quantum jump in steel capacity to 300 million tonnes by 2030. Overall policy has been supportive except for certain instances wherein the government has to resort to measures like imposition of export duties.

## Input Related Risk



12/20

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

Raw material cost is volatile and cyclical.