



## MR KRISHNAKUMAR SRINIVASAN

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THE Year 2020 – 2021 was severely affected by the COVID-19 pandemic, which not only impacted individuals but companies and businesses also. After the first wave of the pandemic, we saw positive consumer sentiments and a rise in demand in Q3 and Q4 of 2020. Subsequently the second wave in Q2 hit the industry badly.

The auto industry got heavily impacted by the shortage of skilled manpower due to frequent lockdowns and rising COVID-19 cases. This resulted in slowdown of production in OEMs and component industry and created a disruption in the entire value chain.

Alongside, due to environmental regulations, geopolitical situation, and other natural calamities, the commodity prices started increasing in Q1 and Q2 of this year. This got further coupled with the semiconductor shortage, shortage of containers, and higher freight costs, thereby, affecting the entire supply chain.

During this year we saw a slowdown in demand, especially in the two-wheelers segment. Demand in the passenger vehicle segment continued to be very strong but production was largely impacted due to

supply chain and logistic constraints. Tractors sales were buoyant in H1 and commercial vehicles sales also improved due to the Infrastructure push by the Government.

The Government took several initiatives to boost the automotive sector. The PLI scheme for and the scrappage policy are likely to give an impetus to the auto industry in the next financial year. With the efforts from the Government and the global supply chain/logistic issues getting resolved, we expect the auto industry to bounce back in the coming year.

Shriram Pistons & Rings Ltd is the technology leader, well poised to grow with a diversified portfolio across various customer segments. We firmly believe that these transformations and Government initiatives will open new doors of opportunities for companies like us, which have been winning the hearts of customers through our quality, investment in technology and R&D.

Another important aspect is the investment in human capital, which is the driving force and one of the most valuable components of any business. The future will belong to those companies which pay most attention to effective management of human resources.