

Steering Products & ABS, Alternator
Diesel Injection, Starter Motor

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Diesel Injection, Starter Motor

Aerospace Gears & Shafts

Non-Automotive Gears
& Precision Components

**ANNUAL
REPORT
2021-22**

Gears & Shafts

EV - Axles

LEADING MANUFACTURER OF
Transmission, Gears, Shafts
& Precision Engineering
Components



**Annual
Report
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LEADING MANUFACTURER OF

Transmission, Gears, Shafts & Precision Engineering Components

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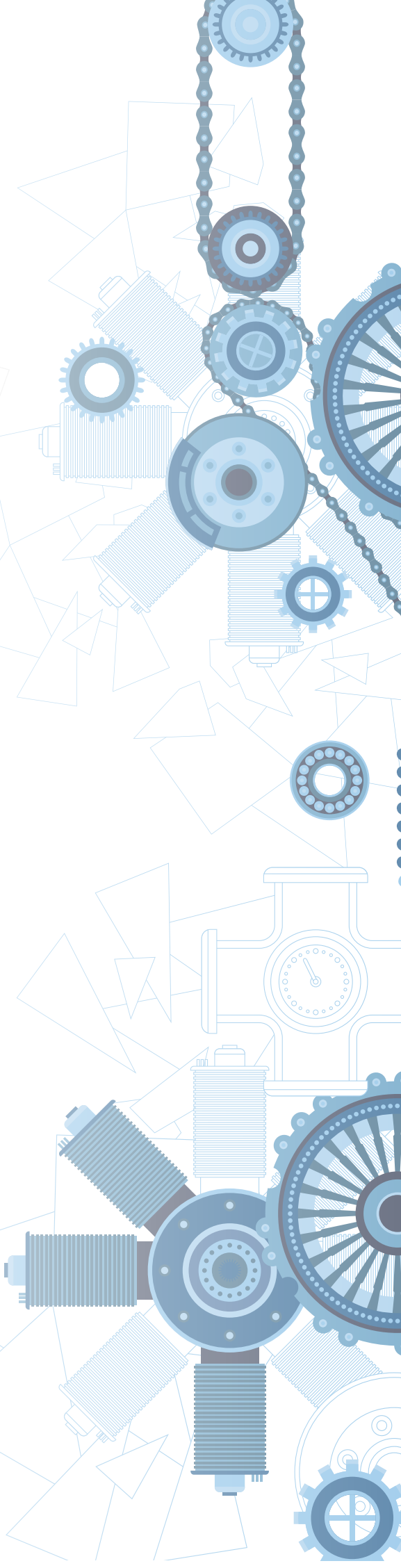
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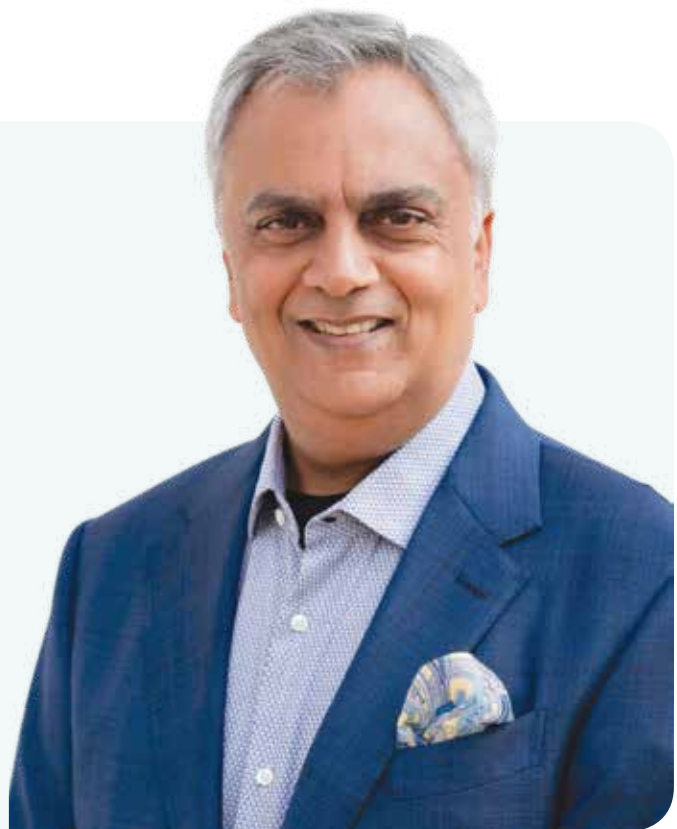
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FROM THE DESK OF

Managing Director

With rapid globalization and foreign direct investment inflow into the Indian automotive industry, the auto components sector is set to create newer opportunities and verticals for further growth.



Dear Stakeholders,

As we reflect upon the past financial year, I would like to express my gratitude and extend warm wishes to all. I hope you and all your loved ones are keeping well and staying safe!!

The FY 2021-22 has gone by with several challenges right from Covid-19 second wave affecting the first and second quarter of the year, followed by increase in geopolitical tension between Ukraine and Russia which eventually lead to increase in prices of raw materials and constraints in global supply chains. Despite the challenging global situation, we remained focused about our market opportunities and providing the best to our customers.

Economic damage from the conflict has contributed to a significant slowdown in global growth in 2022 and triggered inflation across the globe, which is expected to remain elevated for some time to come. Increasing fuel and food prices, coupled with

shortage of essential commodities, have adversely affected large sections of vulnerable populations in low-income countries.

INDIAN AUTOMOTIVE INDUSTRY AND FUTURE PROSPECTS

As per the data and reports released by Society of Indian Automobile Manufacturers (SIAM), in F.Y. 2021-22, total number of vehicles manufactured by the industry are 22,933,230 including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycles with the growth of 1.23% over the previous year (2,26,55,609 vehicles). The production graphs indicate that there is growth in all categories from passenger vehicles, commercial vehicles, three wheelers except decline in two wheelers segment.

Total sales including both domestic and export, the industry sold a total 2,31,30,842 vehicles in F.Y. 2021-22; out of which passenger vehicles

growth was 17.06% (36,47,374 vehicles). Further, in commercial vehicle, there is a growth of 30.70% (8,08,863 vehicles). Scooters sales declined by 7.53% (43,59,406) while Motorcycles registered a marginal growth of 0.02% (1,30,66,628 vehicles) and moped registered a decline of 22.73% (4,83,396 vehicles), taking the total two wheeler sales decline to 2.69% (1,79,09,430 vehicles) for the year.

During the year under review, we continued to leverage operational efficiency to navigate through the challenges faced by the auto industry. Our primary focus has been to create a very strong order book, elevate operating efficiency, strengthen free cash flow and work towards disruptive technologies. We delivered a consolidated revenue of Rs. 47,338.14 Lakhs, a decrease of 3.57% from previous year with an EBIDTA for the year stood at Rs. 7544.42 Lakhs with 16.08% EBIDTA margin. Our Profit/Loss After Tax from continued operations for the year stood at Rs. (-)1606.03 Lakhs as against Rs. (-)2452.60 Lakhs in FY21.

The Fiscal year 2021-22 was a remarkable period of learning and delivering. The first Quarter witnessed the second Covid-19 wave, which shook the entire nation. But in spite of all the challenges, your Company continued to deliver. The year under review has been about change, resilience, about resetting priorities and the drive towards the achievement of our dreams. We navigated through a difficult environment and unforeseeable circumstances during the more intense second wave of the pandemic. Your Company proved its resilience with prudent leadership and the tremendous hard work of our colleagues through FY 2021-22.

The Company continues to focus on cost reduction efforts and make improvements in operational efficiencies as well as value engineering activities to improve margins. Our state-of the-art plants in

Haridwar, Binola, Bangalore and Rohtak are capable of manufacturing world class products.

To make up the gap, your Company, in addition to tapping new verticals, will leverage its position by building its relationships with its existing and new customers and focus on product development. Some new products are also under development in the field with the Company's expertise in gear & transmission, steering Products etc. manufacturing.

We are very well positioned to combat the technological shift owing to a change in customer requirements, emerging market trends, and even government regulations. As a long term strategy we are working on development of Axles for E-Rickshaw, 3-wheelers, Tractors etc. this will help us do forward integration.

With our strategic investments in place and priorities defined, I am confident that our ideas will keep contributing to the next generation of electric mobility and we will continue to Innovate, and Lead.

Before concluding, I would like to place on record my sincere gratitude to the entire SHIVAM Family for their dedicated and relentless hard work in the year despite all odds. My sincere thanks to all our customers, our supply chain partners, our bankers, and my Board colleagues for their wise guidance from time to time. I am confident that this journey will continue to be equally exciting and rewarding as we move ahead.

Stay Informed! Stay safe!

Thank you.

Neeraj Munjal
Managing Director

ABOUT THE Company



Shivam Autotech Limited, is one of the largest and most renowned manufacturers of transmission gears and shafts in India. The company has been serving a large number of automobile manufacturers as their strategic and supply chain partners for the past 20 years. Since inception, the Company has undergone a multi-phased development and evolution journey.

Being an integral part of the 'Make In India' initiative of the government, we see ourselves as a global manufacturing solution in the auto component segment, and on this note we are proud to mention that apart from 2 wheeler components, we diversified our manufacturing into various verticals and have developed and customized products for automobiles, off road vehicles, aerospace and initiated exports too.

Headquartered in Gurugram, Haryana, the company at present employs 3000+ people and qualifies its capabilities to grow and sustain in the fast changing auto component business environment.

The Company's principles: Respect, Integrity, Passion, and Excellence, form the core of its strong foundation and commitment. Being a Munjal Group entity, these principles act like the guiding light that have enabled the Company to widen its spectrum of offerings.

The Company strives to build a high-performance organization supported by the trust of all stakeholders and envisions strengthening its presence by solidifying its global footprints.

With experience and expertise par excellence, the company values its customers by delivering value for money both in the national and international auto component markets. Being a leader within the industry having profound experience of two decades, the company manufactures a comprehensive range of auto components and accessories that primarily include transmission gears, transmission shafts, alternator components, starter motor components, magneto components, steering components and various precision engineering components.

Today, the company's infrastructure spans pan India across 4 strategic locations including Gurgaon, Haridwar, Bengaluru and Rohtak. An IATF 16949, ISO 45001 & ISO 14001 Certified Company, Shivam Autotech's Unique Selling Proposition lies in the fact that it is among the very few auto component manufacturers in the country today that makes use of the Near Net Shape Technology for Cold and Warm Forging.

Shivam Autotech Limited employs a stringent quality policy that includes practices like 5S, Kaizen and Poka Yoke as an intrinsic part of its work culture. With robust in-house design and R&D capabilities and continuous collaboration with worldwide manufacturing leaders who are technologically advanced, we have been

able to build capacities and capabilities to create indigenous customized products to meet our customer's need.

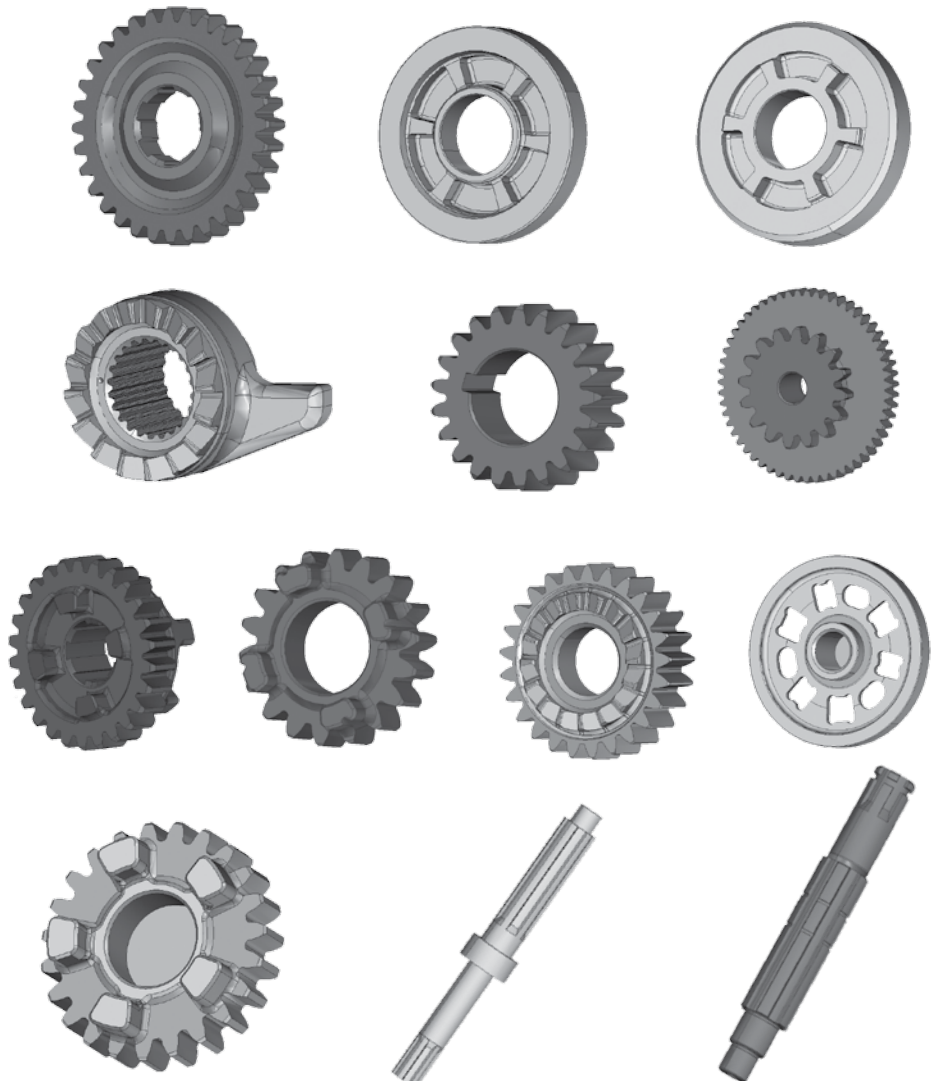
All these unique attributes not only set the company apart in India, but also bring an international recognition to it.

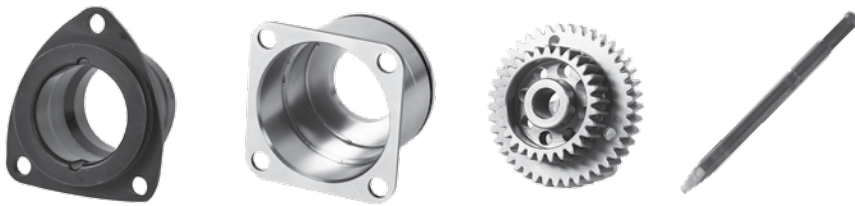
MANUFACTURING Locations

**Binola****Bangalore****Rohtak****Haridwar**

BUSINESS

Verticals

**Two Wheeler
Segment****Aerospace
Segment**



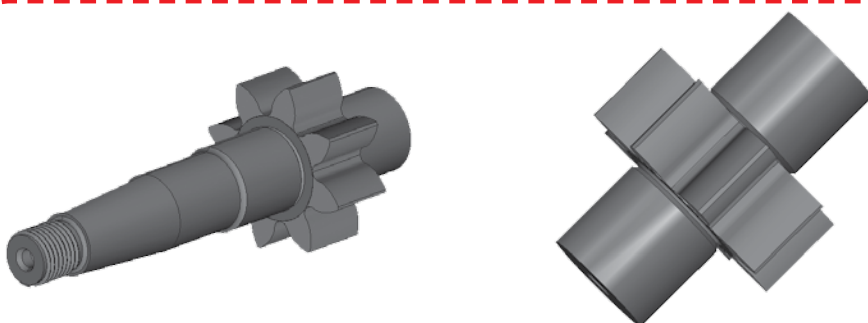
Non-Automotive Segment



Automobile Segment



Commercial Vehicle



**Off-Road Segment
(4 wheeler)**

PRODUCT Range

PRECISION ENGINEERING COMPONENTS AND ASSEMBLIES



TRANSMISSION GEARS AND SHAFTS

