

Management Discussion and Analysis Report

1. Business Overview

M/s Greenearth Resources and Projects Ltd is involved in manufacturing and sale of low ash metallurgical (LAM) coke, refractory in India. Coke is basically used by industries, such as steel, foundries, blast furnaces, zinc smelters, cement and the Ferro alloy manufacturers. The company provided its production facility on lease.

Industry Dynamics

Coke - a derivative of metallurgical coking coal is particularly a raw material used by various industries. Being a vital component in the process of conversion of metallurgical ores into metal, coke plays an important role in the metal industry. The coke industry is dominated by large integrated steel plants (ISPs). Traditionally, coke production has been captive, thus ISPs leaving a meager surplus for merchant trading. But during the last 10 years, a number of pig iron plants have been built in India without captive coke making facilities. Also, most coke oven batteries are located in the eastern region of the country in proximity to steel units. As a result, coke consumers in the western and southern regions have to rely primarily on imported coke.

Major Coke consuming industries

- ◆ Pig iron producers and Steel Industry
- ◆ Foundry industry
- ◆ Ferro- alloys industry
- ◆ Blast Furnaces
- ◆ Zinc and lead producers
- ◆ Cement Industry

Current Dynamics

With the global slowdown engulfing the world, the infrastructure sector has also suffered contraction and consequently steel producer's world over have cut down production. This has caused a direct impact on coke demand and pulled down prices. Being cautious in the fragile market scenario, players are keeping low inventory levels and thus the coke demand has seen downturn.

2. Discussion on Financial Performance with respect to Operational Performance

During the period under Review there is no income of the company

Appreciation

Your Directors place on record their deep appreciation for the continued, support and co-operation extended to the company by the banks, various departments and agencies of Central and State Government and other agencies

3. RISKS CONCERNS AND RISK MITIGATION OBJECTIVE

- (a) Strategic: High-Level goals, aligned with and supporting its mission.
- (b) Operations: Effective and efficient use of its resources.
- (c) Reporting: Reliability of financial reporting.
- (d) Compliance: Compliance with applicable laws and regulations.

Risks are assessed and ranked according to the likelihood and impact of them occurring. Existing controls are assessed and mitigation measures discussed.

Risk are assessed and reviewed regularly at top level and risk mitigation measures taken promptly to address any adverse situation.

4. Human Resource management

A strong brand image has been built thanks to the high standard of quality products delivered by the Company. This could not have been possible but for the dedicated professional and experienced manpower resources of the Company. The Company ensures best work environment and equal opportunities with better prospects of career development to all its employees.

5. Information Technology

The Company is continuously working and concentrating on IT to get maximum benefit for the organization.

The Company has been able to manage such a large size of business successfully only because of excellent information technology systems and processes.

6. Internal Control System and Their Adequacy

The Company has an in-house internal audit department which examines and ensures adequate internal checks and control procedures. It also ensures proper accounting, records authorization, control of operations and compliance with law. Further the Company is continuously working to improve and strengthen internal check and control system to align with the expected growth in operations.

7. Compliance with Local Laws

The Company believes strongly in complying with the laws of various states where it operates. The Company has a legal set up for ensuring compliance with all statutes which are applicable periodically to its operations/ventures. Any approvals or permissions related to specific operations are either handled by legal cell or by the concerned department.

8. DEVELOPMENTS IN HUMAN RESOURCES:

Our employees continue to be our biggest source of strength. Past success of Greenearth Resources & Projects Ltd., have come as much because of the soundness of its strategies as due to the determination and commitment of all its employees – who turned these strategies into action. Going forward, the Company's ability to enhance its human resource competencies will be even more critical. It is challenge that is being addressed through several structured initiatives.

During the year, the Company implemented human resource and organizational development initiatives

9. Cautionary Statement

In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the Company's operations but it is not exhaustive as they contain forward-looking statements which are extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein.

For and On Behalf of the Board of Directors

Sd/-

Sourav Ganguly
Managing Director

Place: Kolkata

Date: August 20, 2018