

MANAGEMENT DISCUSSION & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

In 2019, the global economy began its journey on a firm footing with estimated global economic growth of 3.6% (Source: World Economic Outlook by International Monetary Fund (IMF)). During the second half of 2018, this rate of development gradually declined, owing to impending US-China trade dispute and some slowdown across developed markets.

Emerging and developing markets of Asia maintained their steady progress at 6.4% during 2018. However, it's important to note that India's economy expanded at 7.1% in 2018 vis-à-vis 6.7% in 2017, whereas China's growth deteriorated from 6.9% in 2017 to 6.6% in 2018 (Source: IMF). Sub-Saharan Africa's economy also sustained a steady rise of 3% during the year.

India continues to be one of the fastest growing major economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years. The Indian economy is expected to improve and close the year 2019 with a GDP growth of 7.3% (Source: IMF).

Sustained real GDP growth of over 6% since FY91 has led to a fundamental transformation of India's economy. Today, India is the world's seventh largest economy in real terms, backed by strong demand, positive consumption pattern and rising disposable income. In PPP terms, the economy is expected to be among the top five global economies by 2020.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2019-20, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provision of the Companies Act, 2013 relating to CSR Initiatives are not applicable to the Company.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

By order of the Board
For Khoobsurat Limited

Sd/-

Alok Kumar Das
Director