

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**ECONOMIC SCENARIO:**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. The favorable policy as well as executive reforms by the Government to support strong and sustainable growth, prudent fiscal regime and calibrated monetary easing that reigned in inflation have helped to strengthen macroeconomic stability.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices. According to The World Bank, the Indian economy is likely to grow at 7 per cent in 2016-17, followed by further acceleration to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonetization is expected to have a positive impact on the Indian economy, which will help foster a clean and digitized economy in the long run, according to Ms Kristalina Georgieva, Chief Executive Officer, The World Bank... Though India's fundamentals still remain strong, the demonetization initiative undertaken by the Indian Government is expected to lower India's GDP growth from 7.6% in FY16 to 6.8% in FY17. The growth momentum should rise, driven by the Government's policy initiatives in areas such as taxation (GST), foreign direct investment (FDI), and the ease of doing business, among others. Other major factors helping India stay as a bright spot in the global economic landscape include the lower global oil price, with positive impact on the country's import bill, a well-regulated monetary policy by the Reserve Bank to stabilize prices, and improving fiscal condition.

The Global Economy continues to face subdued growth owing to low commodity price and low inflation rates, stagnant growth in advanced economies, and geopolitical and political uncertainties. As per the World Steel Association, the US policy uncertainties, Brexit, the rising populist wave in current European elections and the potential retreat from globalization and free trade under the pressure of rising nationalism add a new dimension of uncertainty in the investment environment. According to the International Monetary Fund (IMF), the global economic activity is picking up with a long awaited cyclical recovery in investment, manufacturing, and trade. It has projected economic activities to improve in both advanced economies as well as EMDEs in CY 2017 and CY 2018, with global growth projections at 3.5% and 3.6%, respectively. Growth in emerging markets and developing economies is picked up in 2017 on the back of fiscal stimulus measures in developed economies and narrowing of divergence between commodity exporters and importers. The main factors that could possibly weigh on the medium-term growth prospects across many emerging markets and developing economies are weak investments, below par levels of productivity coupled with heightened policy uncertainty, and protectionist pressures.

INDUSTRY OVERVIEW:

Industrial sector plays an important role in realizing higher economic growth in the country. India has become one of the most attractive destinations for investments in the manufacturing sector. With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power. Foreign Direct Investment (FDI) inflows in India's manufacturing sector grew by 82 per cent year-on-year to US\$ 16.13 billion during April-November 2016. Various initiatives launched by the Government of India, such as 'Make in India', 'Invest India', 'Start-Up India, and e-biz Mission Mode projected under the National e-Governance plan are expected to further improve the ease of doing business and provide a boost to manufacturing in the Country. The Agriculture and Allied sector witnessed an improved rate of growth in FY 17. This is largely on account of normal monsoon throughout the Country for the current fiscal, as against sub-par monsoon during in FY 15 and 16. Eight core industries, comprising coal, crude oil, steel, cement, natural gas, electricity, fertilizers and refinery products registered a combine growth of 4.9% during the FY 17, compared to 2.5% growth during the same period in FY 16. Due to decline in global crude oil prices, imports declined by 7.4% in 2016-2017 in value (till January, 2017). The Current Account Deficit (CAD) of India narrowed to 0.3 % of GDP during April-September 2016, The trend of negative export growth reversed a bit with exports registering a growth of 0.7 % during

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2016-17 (till January 2017). Petroleum, Oil and Lubricants (POL) declined by 10.8% in 2016-17(till January 2017) whereas non-POL declined by 2%. The industrial sector, which constitutes mining, manufacturing, electricity and construction is decline from 7.4% growth rate registered in FY 16 to 5.2% in FY 17. The services sector is projected to grow at 8.8 per cent in 2016-17, similar to 2015-16. The corporate Sector in India registered a sales growth of 1.9 % during Q2 of FY 17, compared to 0.1% in Q2 of FY 16. In the power sector, thermal energy production registered a growth of 6.9 % while nuclear and hydro power generation marginally contracted during FY 17.

OUTLOOK, OPPORTUNITIES AND THREATS:

The outlook for the Company appears bright on a long term basis. The Company is hopeful that its performance would be encouraging in the coming years. In line with the increase in revenue, the company foresees handsome growth in its bottom line also.

Your Company is engaged in the business of Trading in Iron & steel and other commodities, which is one of the basic industries of the country and plays an important role in strengthening the economy. Iron is the most important and widely used metal in the world, due to its hardness, strength and durability. Actually we live in an iron and steel age. The iron and steel industry is the basic or the key industry as all other industries depend on it. The growth in the Indian iron and steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output. So with the growing Economy there will be immense opportunities for your company to improve its results. The vision of your Company is to strive towards recognition as key player in commodities, Iron & Steel Industries and to achieve its objectives with excellence, fairness & courtesy towards factors of the organization. Your Company commits itself to ethical and sustainable operation and development of all business activities according to responsible care and its own code of conduct.

The threats for the company's business mainly comprises of changes in government policies of various countries. However the management with its dynamism in consultation with its core team can tune in with the threats (if any) due to government policy changes.

RISK AND CONCERNS:

Risks can come from uncertainties in financial markets, legal liabilities, credit risk, accidents, natural causes and disasters. Your Company has adopted appropriate procedure and policies to safeguard it against such type of risks and uncertainty.

HUMAN RESOURCES:

Your Company believes in creating a workspace where diverse set of people can contribute and thrive. Our Vision is to deliver best service at optimal cost by making every employee a fully engaged and aligned team member. Developing and strengthening capabilities for all employees in your Company has remained an ongoing priority.

CAUTIONARY STATEMENT:

Certain statements made in the Management Discussion and Analysis Report relating to Company's objectives, projections, outlook, expectations, and estimates may constitute forward looking statements within the meaning of the current market and economic scenario with applicable laws and regulations. Actual results may differ from such expectations, projections in the capital market. Several other factors also could make a significant difference to the Company's operations such as economic condition, Government regulations and taxation, etc.

On Behalf of the Board of Directors
For NEWEVER TRADE WINGS LIMITED

VIKASH DUBEY
Director
DIN : 06548810

VIKRANT KAYAN
Director
DIN : 00761044

Date : 29.08.2017
Place : Kolkata