

13th Annual Report 2006-2007

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N. G. INDUSTRIES LIMITED

N. G. Medicare

★ THE MEDICAL CENTRE



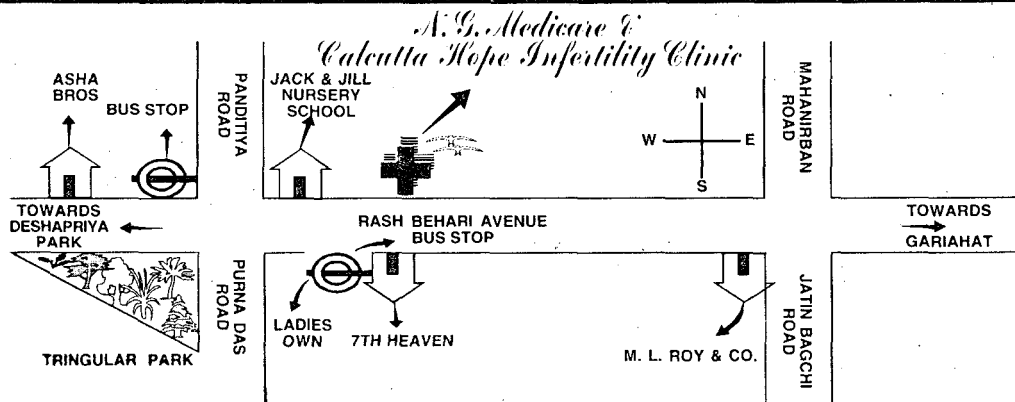
WITH A DIFFERENCE ★

Where Doctors, Equipments,
Technologies are all young, new and
uptodate. Where expertise is precise and
commitment is total. Where care and
compassion is backed by corporate excellence.
Where to serve is a way of life.

NURSING HOME SERVICES AT A GLANCE

- | | | |
|---|---|--|
| <p><input type="checkbox"/> IMAGING</p> <ul style="list-style-type: none"> • CT Scan • Ultrasonography • Radiodiagnosis <p><input type="checkbox"/> CARDIOLOGY</p> <ul style="list-style-type: none"> • Colour Doppler • Echocardiography • TMT • Holter Monitoring • Lung Function Test • E. C. G. (3 channels) • 24 hrs. B. P. Monitoring <p><input type="checkbox"/> ENDOSCOPY</p> <ul style="list-style-type: none"> • Gastroscopy • Colonoscopy • Bronchoscopy (Flexible) <p><input type="checkbox"/> NEUROLOGY</p> <ul style="list-style-type: none"> • E.E.G. (21 channels) • NCV / EMG | <p><input type="checkbox"/> PATHOLOGY</p> <ul style="list-style-type: none"> • FNAC & Histopathology • Serology • Microbiology • Endocrinology • Clinical Pathology • Cytopathology • Haematology <p><input type="checkbox"/> ORTHOPAEDICS</p> <ul style="list-style-type: none"> • Knee Clinic • Arthroscopy <p><input type="checkbox"/> INFERTILITY</p> <ul style="list-style-type: none"> • Counselling • Diagnostics • Procedures like IUI/IVF/GIFT • Male Infertility Procedures • Testicular FNAC | <p><input type="checkbox"/> SURGERY</p> <ul style="list-style-type: none"> • Laparoscopic Surgeries • Endoscopic Surgeries • Minor Surgeries • I.O.L./Cataract • Gynaecological Surgeries • E.N.T. Surgeries • Micro Surgeries • Cosmetic Surgeries <p><input type="checkbox"/> OPERATION THEATRES</p> <ul style="list-style-type: none"> • Operation Theatres fully geared up to perform Day Care Surgeries <p><input type="checkbox"/> INDOOR WARD</p> <p><input type="checkbox"/> SURGERY</p> <ul style="list-style-type: none"> • Laparoscopic Cholecystectomy • Trans-Urethral Resection of Prostate |
|---|---|--|

LOCATION MAP



Report Collection : between 6.00 p.m. – 7.30 p.m.

N. G. INDUSTRIES LIMITED

BOARD OF DIRECTORS :

- Mr. Ashok Kumar Goenka, Chairman
- Mr. Banwari Lal Goenka
- Mr. Ashok Bhat, Whole-Time Director
- Mr. Vinod Singhi
- Dr. Subash R. Kamath
- Mr. Raj Kumar Bajoria
- Mr. Jagdish Chand Kumbhat
- Mr. Rajesh Goenka, Whole-Time Director

AUDITORS : M/s. M. R. Singhwi & Company

BANKERS :

- Allahabad Bank
- ING Vysya Bank Ltd.
- HDFC Bank Ltd.
- Standard Chartered Bank

REGISTERED OFFICE :

- 17, Chittaranjan Avenue
- 3rd Floor
- Kolkata-700 072

DIVISIONS :

1. N. G. Medicare & Calcutta Hope Infertility Clinic
123A, Rash Behari Avenue
Kolkata-700 029
2. N. G. Nursing Home
23, Southern Avenue
Kolkata-700 026
3. N. G. Pharmacy
123A, Rash Behari Avenue
Kolkata-700 029

REGISTRARS & SHARE TRANSFER AGENTS :

- M/s. S. K. Computers
- 34/1A, Sudhir Chatterjee Street
- Kolkata-700 006

LISTING OF SHARES :

1. The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata-700 001
2. Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001

N. G. INDUSTRIES LIMITED

NOTICE TO MEMBERS

NOTICE is hereby given that the 13th Annual General Meeting of the Members of **N. G. INDUSTRIES LTD.** will be held at the **Community Hall, Jay Jayanti Building, 2A, Mandeville Gardens, Kolkata-700 019** on Saturday, 29th September, 2007 at 11-00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the **Audited Balance Sheet** as at 31st March, 2007 and **Profit & Loss Account** for the year ended on that date together with the Report of the Directors and Auditors' Report thereon.
2. To declare a Dividend on Equity Shares.
3. To appoint a Director in place of Shri Ashok Kumar Goenka, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Vinod Singhi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

Registered Office :

17, Chittaranjan Avenue
3rd Floor, Kolkata-700 072
Dated : 29th day of June, 2007

By Order of the Board

ASHOK KUMAR GOENKA
CHAIRMAN

NOTES :

1. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more Proxy to attend and vote instead of himself on a poll only and such Proxies need not be a Member of the Company. The Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxy Form is attached herewith.
2. Members are requested to bring the copy of the Annual Report to the Annual General Meeting. No extra copies of the Annual Report will be supplied at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2007 to 29th September, 2007 (Both days inclusive).
4. The payment of dividend, if declared at the Annual General Meeting, will be paid to those shareholders whose names shall appear on the Company's Register of Members on 29th September, 2007. In respect of shares held in dematerialised form, the dividend will be paid on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the end of business on 20th September, 2007.

N. G. INDUSTRIES LIMITED

5. Appointment/Re-appointment of Directors :

Name of Director	Shri Ashok Kumar Goenka	Shri Vinod Singhi
Date of Birth	03-11-1958	24-01-1955
Qualification	B.Sc. ACA	MBA, F.C.A.
Experience	26 years in Finance & Corporate Management	35 years in Finance & Corporate Management
List of other Companies in which Directorship held as on 31-03-2007	1. AKG Finvest Limited 2. Goenka Securities Pvt. Ltd.	1. Nikita Constructions & Mercantiles Pvt. Ltd. 2. Snow Tex Business Pvt. Ltd. 3. Viba Business Services Pvt. Ltd.
Chairman/Member of the Committees of the Board of Directors of other Companies in which he is a Director as on 31-03-2007	None	None

6. As per the provision of the Companies Act, 1956, facilities for making nomination is now available to the Share-holders. Nomination forms can be obtained from the Company.
7. Members are requested to furnish their Bank Account details, change of address etc. to the Company Registrars and Transfer Agents in respect of Shares held in physical form and to their respective Depository Participants if the Shares are held in electronic form.
8. In order to avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment of dividend warrants, Shareholders are requested to avail of ECS facility whereby the dividend will be directly credited electronically to their respective Bank accounts. This will ensure speedier credit of dividend. 'ECS Mandate Forms' had been already sent to all Shareholders.
9. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, Dividend for the Financial Year 2000-2001 and thereafter which remain unpaid or unclaimed for a period of 7 (Seven) years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

It may kindly be noted that once the unpaid or unclaimed Dividend is transferred to the abovesaid Fund of the Central Government as above, no claim shall lie in respect thereof.

Details of the unclaimed dividend which will be transferred to the Investor Education and Protection Fund are as follows :

For the year ended	Date of declaration of Dividend	Due for transfer on
31-03-2001	29-09-2001	16-11-2008
31-03-2002	28-09-2002	03-11-2009
31-03-2003	27-09-2003	02-11-2010
31-03-2004	25-09-2004	31-10-2011
31-03-2005	24-09-2005	30-10-2012
31-03-2006	23-09-2006	29-10-2013

Shareholders who have not so far encashed the Dividend Warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company before due date of transfer to IEPF. Also note that no claim shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of 7 (Seven) years from the date that they first became due for payment and no payment shall be made in respect of any such claim.

Pursuant to Section 205C of the Companies Act, 1956 all unclaimed dividend for the financial year ended 31st March, 1998 to 31st March, 2000 have been transferred to the Investor Education and Protection Fund.

N. G. INDUSTRIES LIMITED**DIRECTORS' REPORT
TO THE MEMBERS**

Your Directors have pleasure in submitting the 13th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2007.

FINANCIAL HIGHLIGHTS :

The financial results of the Company are summarised below :

Particulars	Year ended 31-03-2007 (Rs. in lacs)	Year ended 31-03-2006 (Rs. in lacs)
Income from Operations	746.25	634.26
Other Income	114.00	181.85
Total Income	860.25	816.11
Total Expenditure	575.17	464.64
Interest	6.68	0.02
Depreciation	56.73	18.84
Profit before Taxation	221.67	332.61
Provision for Taxation		
Current Tax	35.95	57.18
Deferred Tax	1.65	(3.49)
Fringe Benefit Tax	1.60	0.70
Net Profit	182.47	278.22
Proposed Dividend	90.46	87.11
Tax on Dividend	15.37	12.22
Transfer to General Reserve	20.00	30.00
Earnings per Share (Rs.)	5.45	8.30

OPERATIONS AND PROSPECTS :

During the year your Company's new Division – "N. G. NURSING HOME" commenced its operations in south Kolkata and quickly gained confidence of citizens. Hon'ble Member of Parliament Miss Mamata Banerjee chose to utilise our facility for 20 days after her 26 days fast in December, 2006 for her recovery. Our Wards, Operation Theatres, ICU beds have been commissioned and we have reasons to believe that in the current year we would be able to achieve higher capacity utilisation.

"N. G. Medicare & Calcutta Hope Infertility Clinic" – Our first Division continues to operate satisfactorily and has expanded its Polyclinic as well as menu of Diagnostic services. Our Indoor unit there has also started performing well as a dedicated unit for Eye & ENT surgeries. Digital X-Ray services are expected to start from August, 2007.

N. G. INDUSTRIES LIMITED

Your Company has now formed its third Division in the name of "N. G. PHARMACY" for starting its retail Pharmacy business. The first retail outlet has already been made ready at 123A, Rash Behari Avenue, Kolkata and is expected to start operations from August, 2007.

It is seen that your Company has steadily progressed in it's core area of 'Medical Services' and is expected that all three divisions will contribute to the future performance of your Company.

DIVIDEND :

Your Directors recommend a Dividend of Rs. 2.70 per Equity Share (Previous Year Rs. 2.60) for your consideration for the year ended 31st March, 2007. The Dividend will be paid after it is approved at the forthcoming Annual General Meeting.

DIRECTORS :

Shri Ashok Kumar Goenka and Shri Vinod Singhi, Directors of the Company, retire by rotation and being eligible offer themselves for re-appointment.

LISTING WITH STOCK EXCHANGES :

As per the requirement of Clause 49 of the Listing Agreement with Stock Exchanges, the Company hereby declares that the Listing of its Shares at The Calcutta Stock Exchange Association Ltd. as well as Bombay Stock Exchange Limited continued throughout the year and the Listing Fee due till date stands paid.

DEMATERIALISATION OF SHARES :

In order to facilitate dealing in shares in the electronic mode, your Company has entered into an arrangement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). With this, the members have the option to trade their dematerialised shares in the Company through NSDL or CDSL. Securities and Exchange Board of India (SEBI) has made it mandatory for all investors to trade in the shares of the Company in dematerialised form. The Company's Shares have been allotted ISIN:INE825C01018.

AUDITORS :

M/s. M. R. Singhwi & Co., Chartered Accountants, Kolkata, Auditors of the Company, retire and being eligible offer themselves for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the Report of Board of Directors) Rules 1988 are given in the Annexure forming part of this Report.

PARTICULARS OF EMPLOYEES :

None of the employees of your Company is covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended from time to time.

N. G. INDUSTRIES LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT :

In compliance to the Provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that :

- In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE :

The Corporate Governance form an integral part of this Report and are set out as separate annexures to this Report. The certificate from the Auditors of the Company certifying compliance of condition of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is also annexed to Report on Corporate Governance.

DEPOSITS :

During the period under review, your Company has not accepted any deposit from the Public.

ACKNOWLEDGEMENTS :

Your Directors acknowledge the co-operation and assistance received from the Shareholders, Doctors, Banks and various Government Agencies. Your Directors wish to place on record their sincere appreciation for the contribution made by the employees.

Place : Kolkata

Dated : 29th day of June, 2007

For and on behalf of the Board of Directors

ASHOK KUMAR GOENKA

CHAIRMAN

N. G. INDUSTRIES LIMITED

ANNEXURE TO DIRECTORS' REPORT

Information pursuant to the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2007.

A. CONSERVATION OF ENERGY

Not applicable to our Industry.

B. TECHNOLOGY ABSORPTION

Research & Development :

1. Specific Areas in which R&D carried out by the Company.
 - (a) Establishment of high standard modern Laboratory for conducting R&D in the field of Embryology etc.
 - (b) Carried out training sessions with Consultants for training in various aspects of Diagnosis, Treatment, Embryology etc. through assimilation/adoption of latest technology.
2. Benefits derived as a result of the above R&D. Develop superior skills and expertise, the benefits of which will go to patients of our Medical Centre in form of quality of services.
3. Future plan of Action.
 - (a) Develop new techniques and improvements in various fields of Medical Diagnostics, Infertility etc.
 - (b) To obtain accreditation from NABL for our Laboratory and NABH for our Nursing Home.
4. Expenditure on R&D. The Medical Centre has incurred capital costs for the facilities including Laboratories which are also being made use for R&D purposes. As such no separate costs have so far been quantified as R&D Expenditure.
5. Technology Absorption, Adaption and Innovations :

The Company had taken technology only from its Indian collaborators, M/s. Hope Infertility Clinic, Bangalore and has successfully adapted and absorbed its technology needs for its various Infertility procedures. The collaboration has since been concluded at the end of 5 years.

6. EXPORTS, FOREIGN EXCHANGE EARNINGS AND OUTGO :**1. EXPORTS ACTIVITIES & EXPORTS PLANS :**

The Company's activities are in the field of Medical Diagnostics at its Centre in Kolkata and as such has no export possibilities.

2. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs.)

	<u>2006-2007</u>
EARNINGS	NIL
OUTGO	NIL

N. G. INDUSTRIES LIMITED

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance :

N. G. Industries Limited has over the years endeavored to follow practice of Corporate Governance. N. G. Industries Limited's business objective and that of its management and employees is to provide world class Medical Services at economical rates to citizens. In addition to compliance with regulatory requirements, N. G. Industries Limited endeavors to ensure that standards of ethical and responsible conduct are met throughout the organisation. We believe that Corporate governance is dependent on transparency, maximum disclosures, un-biased monitoring and being fair to all including shareholders, especially minority shareholders.

2. Board of Directors

As per the requirements of Corporate Governance the composition of Board of Directors is required to have combination of non-executive and independent Directors alongwith the executive Directors.

The Board of Directors of the Company include eminent personalities from all walks of life.

Composition of Board of Directors.

The present strength of the Board is eight Directors. The Board comprises of two Executive and six Non-Executive Directors.

Name of Director	Executive/Non-Executive/ Independent/Non -Independent	No. of outside Directorship	No. of Membership/ Chairmanship in other Board Committees
Mr. Ashok Kumar Goenka	Non-Executive/Non-Independent	2	—
Mr. Ashok Bhat	Executive/Non-Independent	1	—
Mr. Banwari Lal Goenka	Non-Executive/Non-Independent	0	—
Mr. Jagdish Chand Kumbhat	Non-Executive/Independent	6	—
Mr. Raj Kumar Bajoria	Non-Executive/Independent	1	—
Mr. Rajesh Goenka	Executive/Non-Independent	4	—
Dr. Subash R. Kamath	Non-Executive/Independent	0	—
Mr. Vinod Singhi	Non-Executive/Independent	3	—

Attendance record of Directors

Name of Director	No. of Board Meetings Held	Attended	Attended last AGM
Mr. Ashok Kumar Goenka	7	7	Yes
Mr. Ashok Bhat	7	7	Yes
Mr. Banwari Lal Goenka	7	6	No
Mr. Jagdish Chand Kumbhat	7	6	Yes
Mr. Raj Kumar Bajoria	7	6	Yes
Mr. Rajesh Goenka	7	7	Yes
Dr. Subash R. Kamath	7	6	Yes
Mr. Vinod Singhi	7	6	Yes

The Chairman of the Board is a Non-Executive Director and the number of Independent Directors on the Board meet the requirement of Corporate Governance.