

N. G. INDUSTRIES LIMITED**ANNUAL REPORT 2012-2013**

BOARD OF DIRECTORS	:	Mr. Ashok Kumar Goenka, Chairman Mr. Ashok Bhat, Whole-Time Director Mr. Vinod Kumar Singhi Dr. Subash R. Kamath Mr. Rajkumar Bajoria Mr. Jagdish Chand Kumbhat Mr. Rajesh Goenka, Whole-Time Director
AUDITORS	:	M/s. M.R. Singhwi & Company
BANKERS	:	Allahabad Bank Axis Bank Ltd. HDFC Bank Ltd. Standard Chartered Bank
REGISTERED OFFICE	:	17, Chittaranjan Avenue 3rd Floor Kolkata - 700072
DIVISIONS	:	1. N. G. Medicare & Calcutta Hope Infertility Clinic 123A, Rash Behari Avenue Kolkata - 700029 2. N. G. Nursing Home 23, Meghnad Saha Sarani, (Renamed from Southern Avenue) Kolkata - 700026 3. N. G. Pharmacy -123A, Rash Behari Avenue Kolkata - 700029 -23, Meghnad Saha Sarani Kolkata - 700026
REGISTRARS & SHARE TRANSFER AGENTS	:	S. K .Infosolutions Pvt.Ltd. 34/1A Sudhir Chatterjee Street Kolkata - 700006
LISTING OF SHARES	:	1. The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Kolkata -700001 2. Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001

N.G. INDUSTRIES LIMITED

NOTICE TO MEMBERS

NOTICE is hereby given that the 19th 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 - 700019 on Saturday, 28th September, 2013 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, 2013 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 Mr.Ashok Kumar Goenka, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.Vinod Kumar Singhi, who retires by rotation and being eligible, offers himself for re-appointment
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED that pursuant to the provisions of sections 269, 309, 198 and schedule XIII and other applicable provisions, if any of the Companies Act, 1956 or any statutory modification or re-enactment thereof, the consent of Company be and is hereby accorded to the re-appointment of Shri Rajesh Goenka, as a Wholetime-Director of the Company for further period of five years with effect from 1st September, 2013 upon the terms and conditions as set out in the Explanatory Statement, hereunder with liberty to the Board of Directors to alter and vary the said terms and conditions so as not to exceed the limits specified in the Section 309 read with Schedule XIII of the Companies Act, 1956 or any amendment thereto, as may be agreed to by the Board of Directors and acceptable to Shri Rajesh Goenka."

Registered Office:
17, Chittaranjan Avenue,
3rd Floor, Kolkata- 700 072
Date • 30th day of May, 2013

By Order of the Board

Ashok Kumar Goenka
Chairman

N.G. INDUSTRIES LIMITED

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 24th September, 2013 to 28th September, 2013 (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 28th September, 2013. 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 for this purpose.
5. Appointment/ Re-appointment of Directors:

Name of Director	Mr.Ashok Kumar Goenka	Mr.Vinod Kumar Singhi	Mr.Rajesh Goenka
Date of Birth	03.11.1958	24.01.1955	18.05.1963
Qualification	B.Sc, ACA	MBA, F.C.A.	B.Com
Experience	32 years in Finance & Corporate Management	41 years in Finance & Corporate Management	28 years in Finance & Corporate Management
List of other Companies in which Directorship held as on 31.03.2013	1.AKG Finvest Limited 2.Goenka Securities Pvt.Ltd.		1.Ganpati Dealcom Pvt.Ltd. 2.Goenka Securities Pvt.Ltd. 3.Uno Metals Ltd.
Chairman/Member of the Committees of the Board of Directors of other Companies in which he is a Director as on 31.03.2013	Chairman – 1 Member – 1		Chairman – 1 Member – 1

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. If shares are held in electronic form, such nomination is mandated to their respective Depository Participant.
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 NECS facility whereby the dividend will be directly credited electronically to their respective Bank accounts. This will ensure speedier credit of dividend.

The Company will utilize the facility of NECS for Payment of Dividend in future directly to bank account of shareholder who hold Equity shares of the Company in dematerialised form. It is, therefore, necessary that the correct bank details and your CBS account Number are recorded by your DP. In case you want to change or correct update your new CBS Account Number, kindly instruct your DP accordingly at the earliest. If the existing bank details, registered with your DP are correct and there is no change in your bank details, you may ignore this advice.

We wish to clarify that as all the relevant records are kept by your DP any change in your bank details, would need to be intimated to your DP only and not to the Company/Registrar & share Transfer Agents. If for any reason, we are unable to credit the dividend amount directly to your bank account, the same would be remitted to you by way of dividend warrant.

9. Pursuant to the provisions of section 205A of the Companies Act, 1956, as amended, Dividend for the Financial Year 2005 - 2006 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.

N.G. INDUSTRIES LIMITED

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
31.03.2006	23.09.2006	29.10.2013
31.03.2007	29.09.2007	04.11.2014
31.03.2008	27.09.2008	02.11.2015
31.03.2009	19.09.2009	25.10.2016
31.03.2010	25.09.2010	31.10.2017
31.03.2011	24.09.2011	30.10.2018
31.03.2012	29.09.2012	04.11.2019

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, 2005 have been transferred to the Investor Education and Protection Fund.

10. As per Section 53 of the Company Act, 1956, which provides for service of documents under 'Certificate of Posting' as one of the accepted mode of service, whereas the Department of Posts has recently discontinued the postal facility under 'Certificate of Posting' vide their letter dated February 23, 2011. The Information Technology Act, 2000 also permits service of documents etc. in electronic mode. Keeping this in view the Ministry of Corporate Affairs vide their circular no.17/2011 dated April 21, 2011 clarified that a Company would have complied with Section 53 of the Companies Act, 1956, if the service of document has been made through electronics mode provided the Company has obtained email addresses of its members for sending the notice/ documents through email by giving an advance opportunity to every shareholders to register their email address and changes therein from time to time with the Company.

In view of the above, the Company requests all its shareholders to kindly provide their email addresses along with client ID/ Folio no. and number of shares as reference to the following email addresses with Subject as N.G.Industries Ltd.- Member Email ID' at ngmail@vsnl.com

ANNEXURE TO THE NOTICE:

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special item no.6 of business mentioned in the notice of the Annual General Meeting of the Company.

Item No. 6

The Board of Directors of the Company at its Meeting held on 30th May, 2013 has re-appointed Shri Rajesh Goenka as whole-time-Director for further period of five years with effect from 1st September, 2013 on the following terms of appointment.

1. Period of Appointment : 5 years with effect from 1st September, 2013.
2. Remuneration :
 - a. Salary : Not exceeding Rs.1,00,000/- per month as may be decided by the Board of Directors from time to time.
 - b. Commission : Commission at 1% of net profits.
 - c. Perquisites : In addition to the Remuneration, the following terms are applicable.
 - (i) Leave Travel Assistance for self, wife and dependent children once a year to and fro to any place in India in accordance with the Rules specified by the Company.
 - (ii) Free use of the Company's car for business purposes of the Company.

N.G. INDUSTRIES LIMITED

- (iii) Provision of telephone at Residence as well as mobile phone and free facility to calls for business purposes of the Company. Personal long distance calls shall be recoverable.
- (iv) Reimbursement of Medical and Hospitalisation expenses incurred for self, wife and dependent children.
- (v) Subject to maximum of two clubs. This will not include admission and Life Membership Fees.
- (vi) Leave, Leave encashment, Contribution to Provident Fund, Insurance Fund, Gratuity Fund, Group Personal Accident Insurance and Superannuation Fund will be as per Company Rules fixed from time to time.
- (vii) Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

Right to either party to terminate this Appointment by giving to the other, three months' Notice in writing.

Except Shri Ashok Kumar Goenka, Chairman – relative of Shri Rajesh Goenka and Shri Rajesh Goenka -- none of the other Directors are interested or concerned in the above Resolution.

The Explanatory statement together with Resolution as item no. 6 to the accompanying Notice is and should be treated as abstract under Section 302 of the Companies Act, 1956.

The Appointment letters are available for inspection at the Registered Office of the Company on any working day during business hours.

DIRECTORS' REPORT TO THE MEMBERS:

Your Directors have pleasure in submitting the 19th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS:

The financial results of the Company are summarised below:

Particulars	Year ended 31.03.2013 (Rs.in lacs)	Year ended 31.03.2012 (Rs.in lacs)
Income from Operations	1412.91	1326.71
Other Income	77.22	122.17
Total Income	1490.13	1448.88
Total Expenditure	1120.15	1038.76
Interest	12.14	2.82
Depreciation	72.70	73.11
Profit before Taxation	285.14	334.19
Provision for Taxation		
Current Tax	73.70	72.90
Deferred Tax	0.50	(2.83)
Income Tax Adjustment for the earlier year	2.99	1.70
Net Profit	207.95	262.42
Proposed Dividend	117.27	117.27
Tax on Dividend	19.93	19.02
Transfer to General Reserve	21.00	27.00
Earnings per Share (Rs.)	6.21	7.83

N.G. INDUSTRIES LIMITED

OPERATIONS AND PROSPECTS:

Your company's Division-'N G Nursing Home' achieved modest growth and extended citizen friendly committed services specially during the Dengue affected period of the year. It is expected to continue to consolidate its position in the coming year.

Our first Division – 'N G Medicare & Calcutta Hope Infertility Clinic' continues to face stiff competition from large number of similar establishments. Our Centre achieved to obtain NABL accreditation for its laboratory for Medical Testing as per ISO 15189 : 2007.

N G Pharmacy – Our Retail Pharmacy Division continued to operate at two outlets and has achieved modest growth during the year.

Company's efforts to provide Total Healthcare Services from Clinics, Diagnostics, Indoor or Outpatient Services to Retail Pharmacy Dispensing in a cost effective and efficient manner will enable it to stay ahead of competitive threats and continue to perform well.

The Company acquired premises at Kolkata which is in close proximity to its operational divisions. Company intends to shift its Registered Office to the new premises and notice of same will be accordingly circulated once the same is effected.

DIVIDEND:

Your Directors recommend a Dividend of Rs. 3.50 per Equity Share (Previous Year Rs.3.50) for your consideration for the year ended 31st March, 2013. The Dividend will be paid after it is approved at the forthcoming Annual General Meeting.

DIRECTORS:

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

Mr. Ashok Bhat was appointed as a whole time director of the Company for a period of five years whose term expires on 31st August 2013. He being over stretched with many commitments expressed his desire not to be re-appointed as Whole time Director after expiry of the said term. He also expressed his intention not to continue in the office of director of the Company after a long and meritorious service. The Board commends the great zeal and dedication with which Mr.Ashok Bhat served the Company during his tenure and places on record the invaluable contribution made by him towards its growth and recommends not to re-appoint him. He will however continue to provide his valuable advisory services to the company as a Mentor. Company does not propose to appoint any Director in his place.

The Board has also appointed Mr.Rajesh Goenka as Investor Relations & Compliance Officer of the Company with effect from 1st September, 2013 in place of Mr.Ashok Bhat who retires from the Board.

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.

N.G. INDUSTRIES LIMITED

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.

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.

SECRETARIAL COMPLIANCE REPORT :

Pursuant to Section 383A(1) of Companies Act, 1956, the Company is statutorily required to obtain Certificate of Compliance from the practicing Company Secretary. The copy of the Compliance Certificate for the Financial Year ended 31st March, 2013 as given by M/S. S. R. Associates, Practicing Company Secretary in attached herewith as part of our Report.

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.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 30th day of May, 2013

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, 2013.

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, Diagnostics, etc. Obtained NABL accreditation for Medical Testing as per ISO 15189 : 2007.
 - (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 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 Services at its Centres in Kolkata and as such has no export possibilities.

2. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs in lacs)

	<u>2012 – 2013</u>	<u>2011 - 2012</u>
EARNINGS	NIL	NIL
OUTGO	NIL	NIL

S. R. & Associates
Company Secretaries

31/1, Chatawala Lane, 2nd Floor
Kolkata-700 012
Phone; (M) 9830363084 (O) 33752552

COMPLIANCE CERTIFICATE

(Under sub-section (1) of Section 383A of the Companies Act, 1956)

Registration No. of the Company: L74140WB1994PLC065937

Nominal Capital: Rs.3,50,00,000/-

To
The Members
M/s. N.G. Industries Limited
17, Chittaranjan Avenue, 3rd Floor
Kolkata-700 072

I have examined the registers, records, books and papers of **M/s. N.G. Industries Limited** as required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, comments are not required.
4. The Board of Directors duly met Nine times respectively on 9th April 2012, 30th May 2012, 29th June 2012, 13th August 2012, 12th October 2012, 12th November 2012, 12th December 2012, 3rd January 2013 and 12th February 2013 in respect of which Meetings proper notices were given and the proceedings were properly recorded and signed.
5. The Company has closed its Register of Members and share transfer Books from 25th September 2012 to 29th September 2012 during the period under review.
6. The Annual General Meeting for the financial year ended on 31st March 2012 was held on 29th September 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under Section 295 of the Act .
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.

....cont

10. The Company has made necessary entries wherever required in the register maintained under section 301 of the Act.
11. As there were no instances during the Financial Year falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. The Company has:
 - a. delivered all the certificates on transfer/transmission of securities during the financial year.
 - b. deposited the amount of dividend declared during the financial year in a separate Bank Account.
 - c. paid/posted warrants for dividend declared during the financial Year to all the member of the Company with in the prescribed time and that all unclaimed /unpaid dividend has been transferred to Unpaid Dividend Account of the Company .
 - d. transferred the amounts (Rs.57,417/- during the financial Year) in Unpaid Dividend Account which have remained unclaimed or unpaid for a period of Seven Years to Investor Education and Protection Fund .
 - e. duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed Managing/ Wholetime Directors during the Financial Year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. The Company wherever necessary has kept in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited /accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The borrowings made by the Company during the financial year ending 31st March,2013 are within the Limit.
25. The Company has made loans and investments to other bodies corporate in compliance with the provisions of the Act.

....cont