

N G INDUSTRIES LIMITED
CIN: L74140WB1994PLC065937

ANNUAL REPORT 2015-2016

BOARD OF DIRECTORS	: Mr. Rajesh Goenka, Whole-Time Director & Chairman Mr. Ashok Kumar Goenka Mr. Vinod Kumar Singhi Dr. Subash R. Kamath Mr. Rajkumar Bajoria Mr. Jagdish Chand Kumbhat Ms. Neha Goenka
AUDITORS	: M.R. Singhwi & Company
BANKERS	: Allahabad Bank Axis Bank Ltd. HDFC Bank Ltd. Standard Chartered Bank State Bank of Travancore
REGISTERED OFFICE	: 1st Floor 37A, Southern Avenue (Renamed as Dr Meghnad Saha Sarani) Kolkata - 700029
DIVISIONS	: 1. N G Medicare & Calcutta Hope Infertility Clinic 123A, Rash Behari Avenue Kolkata - 700029 2. N G Nursing Home 23, Southern Avenue (Renamed as Dr. Meghnad Saha Sarani) Kolkata - 700026 3. N G Pharmacy 123A, Rash Behari Avenue, Kolkata - 700029 23, Southern Avenue, 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. BSE LIMITED Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001

N G INDUSTRIES LIMITED

DIRECTORS' REPORT TO THE MEMBERS:

Your Directors have pleasure in submitting the 22nd Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS:

The financial results of the Company are summarised below:

Particulars	Year ended 31st March 2016 (Rs.in lacs)	Year ended 31st March 2015 (Rs.in lacs)
Income from Operations	1,693.02	1486.49
Other Income	(6.80)	52.99
Total Income	1,686.22	1,539.48
Total Expenditure	1,385.68	1,220.19
Interest	0.84	4.32
Depreciation	58.09	119.24
Profit before Taxation	241.61	195.73
Provision for Taxation		
Current Tax	81.90	65.20
Deferred Tax	4.75	(12.92)
Income Tax Adjustment for the earlier year	1.83	0.53
Net Profit	153.13	142.92
Proposed Dividend	117.27	117.27
Tax on Dividend	23.87	23.45
Earnings per Share (Rs.)	4.57	4.27

OPERATIONS AND PROSPECTS:

The Company's three divisions namely **N G Medicare & Calcutta Hope Infertility Clinic, N G Nursing Home and N G Pharmacy** could muster modest growth in the increasingly competitive environment in this sector. Despite these challenges, we consider your Company's performance as satisfactory. This year your Company completed 20 years of its operations and it gives us immense satisfaction to report that we have remained throughout as an ethical, efficient and have pursued our long term strategy to improve our long term competitiveness in the business through operational excellence. The outlook of the Company can be thus in line with its current performance.

There was no change in the nature of the business of the Company during the year.

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, 2016. The Dividend will be paid after it is approved at the forthcoming Annual General Meeting.

TRANSFER TO GENERAL RESERVE:

A sum of Rs.15,35,000/- has been transferred to the General Reserves of the Company

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND:

In terms of section 125 of the Companies Act, 2013, dividends unpaid/unclaimed up to that for financial years 2007-2008, which remain unpaid or unclaimed for a period of 7 (Seven) years have been deposited in the Investor Education & Protection Fund (IEPF) established by the Central Government.

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DIRECTORS & KEY MANAGERIAL PERSONNEL:

Mr Ashok Kumar Goenka has been one of the first founding Directors of the Company and has served and provided leadership and guidance to the board for past two decades .He has relinquished his position as Chairman of the company from 30th May 2016 due to his other commitments .The board wishes to place on record its sincere appreciation for the long and unstinted service and leadership with dedication that he has provided. Mr Ashok Kumar Goenka, Director of the company retires by rotation and for the same reasons as stated herein before he has conveyed his decision not to seek re-appointment in the ensuing Annual General Body Meeting. The board has decided not to appoint anyone else in his place at present.

Mr. Rajesh Goenka, Director of the Company, retires by rotation and being eligible offers himself for re-appointment in the ensuing Annual General Body Meeting.

Mr Rajesh Goenka has been elected by the board as the Chairman of the board of directors of the company with effect from 30th May 2016.

The Company has designated Mr. Rajesh Goenka, Whole-time-Director & Chairman, Mr. Santosh Kumar Thakur- Chief Financial Officer and Mr. Pritam Paul - Company Secretary & Compliance Officer as Key Managerial Personel. Mr. Santosh Kumar Thakur was appointed as CFO with effect from 28th September, 2015 and Mr. Pritam Paul was appointed Company Secretary & Compliance Officer with effect from 28th September, 2015.

ARTICLES OF ASSOCIATION OF THE COMPANY

The board has approved adoption of newly substituted Articles of Association of the Company containing regulations in line with the Companies Act, 2013, and suitable resolution for the approval of members will be sought in the forthcoming annual general meeting.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

The Company does not have any Subsidiary/ Joint venture or Associate Company within the meaning of the Companies Act, 2013.

WHISTLE BLOWER MECHANISM:

The Company has put in place Whistle Blower Mechanism, details of which are given in Corporate Governance Report forming part of this report.

LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY :

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

NUMBER OF MEETING OF BOARD OF DIRECTORS :

The Board of Directors have met 8 times and Independent Directors once during the year ended 31st March, 2016.Details of the meetings and attendance of the Directors are provided in the Corporate Governance Report.

DETAILS OF COMMITTEE OF DIRECTORS :

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship Committee of Directors, number of meetings held of each Committee during the financial year 2015-2016 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of this Report.

The Recommendations by the Audit Committee as and when made to Board have been accepted.

DIRECTOR REMUNERATION POLICY :

The Company has followed a Policy on Appointment and Remuneration of Directors and senior management employees. This policy is approved by the nomination & remuneration committee and the board. Details of the same are covered under Corporate Governance Report.

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ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors of the Company has initiated and put in place a policy for evaluation of its own performance, its Committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company. Further details are outlined in the Corporate Governance Report forming a part of this report.

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS :

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the Compliance of the Conditions of the independence stipulated in the aforesaid section.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Audit has been conducted throughout the organization by qualified outside Internal Auditors. Findings of the Internal Audit Report are reviewed by the top management and by the Audit Committee of the Board and proper follow up action is ensured wherever required. The Statutory Auditors have evaluated the systems of internal controls of the Company and have reported that the same are adequate and commensurate with size of the Company and nature of its business.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has put in place an Internal Complaints committee to redress complaints received regarding sexual harassment from any employee of the Company. The committee comprising of majority of women employees is constituted for the purpose of ensuring Compliance towards the provisions of the above Act. During the year 2015-2016 no complaints were received by the said committee.

LISTING WITH STOCK EXCHANGES :

As per the requirement SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company hereby declares that the Listing of its Shares at The Calcutta Stock Exchange Association Ltd. as well as BSE 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**.

The Company has not issued any sweat equity shares, bonus, employee stock option and not called for buyback of shares during the current financial year. Directors also confirm that there are no shares under suspense status.

AUDITORS AND AUDITOR'S REPORT:

M/s. M. R. Singhwi & Co., Chartered Accountants, Kolkata, Auditors of the Company, retire and being eligible offer themselves for re-appointment. The notes on account referred to, in the Auditor's Report are self-explanatory and therefore do not call for further explanation. There are no qualifications in their report requiring explanation from the board.

COST AUDIT:

Cost Audit is not applicable to the Company.

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

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 are as follows

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy;

The operations of the Company, being healthcare establishments the Company is taking every necessary step to reduce the consumption of energy.

(ii) The steps taken by the Company for utilising alternate source of energy;

Your Company is exploring the possibility of utilising alternate sources of energy which may be taken up for future implementation when found to be credible and viable.

(iii) The capital investment on energy conservation equipment:

Though investments have been made in areas like change over to LED lights, Energy audits, Load balancing, Replacement with energy saving airconditioners etc no specific budgets or heads of such are accounted for, in view of major energy specific project being yet to be taken up.

B. Technology Absorption

The nature of the Company's operations being healthcare delivery, the required information in the prescribed manner is considered to be not applicable to the Company.

C. Foreign Exchange Earnings & Outgo

During the year under review, there were no inflow & outgo of Rs.3,29,486 of Foreign Exchange.

RISK MANAGEMENT

The provisions relating to composition of a Risk Management Committee are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY

Provisions relating to Corporate Social Responsibility are not applicable to the Company

PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION:

Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees getting remuneration exceeding the limit.

Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details are detailed below

Remuneration etc Pursuant to Section 197(12) and Rules made thereunder are as below.

The ratio of the remuneration of Director to the median employee remuneration for the year

i) Name: Shri Rajesh Goenka (Chairman & Whole time Director)- Ratio 9.21:1

ii) The percentage increase in remuneration of Directors, Chief Financial Officer, Company Secretary

1. Rajesh Goenka (Chairman & Whole time Director) : 8.93%

2. Santosh Kumar Thakur (CFO) : First year in appointment.

3. Pritam Paul (Company Secretary) : First year in appointment.

iii) The percentage increase in the median remuneration of employees in the financial year :16.16%

iv) There were 82 permanent employees on the rolls of the Company as on March 31, 2016.

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- v) Explanation on the relationship between average increase in Remuneration and Company performance: There is practically no increase in the remuneration of Rajesh Goenka except for subscription by the Company to NPS account on his behalf. The net profit of the Company rose from Rs.142.92 lacs to Rs.153.13 lacs. an increase of 7.14%. However average increase of remuneration of employees is 19.12% and this increase is considered justified taking into consideration the inflation and other factors.
- vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company: The increase in the remuneration of KMP (excluding that of Chairman & Whole time Director) is not applicable since they are first year appointees comparison to the increase in net profit of the company of 7.14% is not provided.
- vii) The market capitalization of the company as on 31st March, 2016 decreased by 10.84%, when compared to that of 31st March, 2015. The Company has not made any public offer in the recent past and according comparison of public offer price and the current market price of the Company's shares will not be relevant.
- viii) Key Parameter of any variable component of remuneration availed by the director – No variable component is paid.
- ix) There is no such employees in the company who received remuneration in excess of the highest paid director during the year.
- x) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2016 is as per the Remuneration policy of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state 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 have 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 have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors have prepared the annual accounts on a going concern basis.

The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively, and

The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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MANAGEMENT DISCUSSION & ANALYSIS

A) INDUSTRY STRUCTURE & DEVELOPMENT :

Rising incomes in the hands of our citizens, increasing health awareness in society at large, increasing population of older citizens, new technologies in the sector, longer life expectancies, health insurance penetration, medical Tourism are contributing to the growth in healthcare sector.

B) OPPORTUNITIES,THREATS,RISKS AND CONCERNS :

The business runs the risk of unfavorable publicity in case of unsuccessful treatment translating into reduction of patient flow, risk of good professionals leaving the Company it stands to lose years of on job training and risk of Independent Doctors beginning to refer patients elsewhere. With several Medical Centres coming up in the city, competitive threats cannot be ignored.

The Company mitigates these risks through adopting ethical practices , transparent dealings with patients and explaining to them in plain layman language the pros and cons of the treatment with realistic assessments of recovery. Quality Surveillance and adherence to strict protocols also mitigates risks.The Company provides professionals a very good and challenging environment with continuous growth and also looks out to induct new and good professionals to keep strengthening its team. To face competition the Company keeps close interaction with Doctors and strives to keep services at levels meeting their standards. Company is also continuously investing in newer Technologies and equipments to stay ahead in offering value added and superior quality of tests at affordable tariffs.

C) OUTLOOK:

Although the Company operates in an industry that is increasingly getting more competitive, the outlook of your Company looks good on account of our adherence to quality of services, affordable tariffs and trust earned through two decades of diligent service to citizens,

D) INTERNAL CONTROL:

Your Company has adequate internal control systems, commensurate with its size of operations. Please see paragraph with heading INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY in this report.

E) HUMAN RESOURCES/INDUSTRIAL RELATIONS:

Your Company has during the previous year continued to have cordial industrial relations with its employees. The number of employees of the Company at the end of the year was 82.

F) FINANCIAL AND OPERATIONAL PERFORMANCE: Has been detailed already in this report.

CORPORATE GOVERNANCE :

The Corporate Governance Report forms 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 conditions of Corporate Governance stipulated in the Listing Agreement with the Stock Exchanges is also annexed to Report on Corporate governance.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY :

All contracts / arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to notes to the financial statement which sets out related party disclosures.

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SECRETARIAL AUDITOR:

The Board has appointed S. Rath & Co., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-2016. The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith to this report.

There are no qualifications in their report requiring explanation from the board.

EXTRACT OF ANNUAL RETURN :

Extract of Annual Return of the Company is annexed herewith to this report.

DEPOSITS :

The Company has not accepted any deposits from public during the period under review and accordingly no amount was outstanding as on the date of the Balance Sheet.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations .

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

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 Board of Directors

Place : Kolkata
Date : 30th day of May, 2016

Rajesh Goenka
Chairman

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2016

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management and Administration Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L74140WB1994PLC065937
ii)	Registration Date	17th November -1994
iii)	Name of the Company	N G Industries Ltd
iv)	Category /Sub- Category of the Company	Limited by shares / Non Government Company
v)	Address of the Registered office and contact details	1st Floor, 37A, Southern Avenue (Renamed as Dr. Meghnad Saha Sarani, Kolkata – 700 029) Tel: 033 2419 7542
vi)	Whether listed company	Yes / No. (YES)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	S.K. Infosolutions Pvt. Ltd 34/1A, Sudhir Chatterjee Street, Kolkata – 700 006 Tel: 033 2219 6797, Fax: 033 2219 4815 Email: mail@skcomputers.net Website:www.skcomputers.net

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company are given below :

Sl. No.	Name & Description of main products/services	NIC code of the Product/service	% to total turnover of the company
1.	Diagnostic Centre & Pathological Laboratory	86905	51.12
2.	Hospital Activities	86100	30.90
3.	Retail Pharmacy	47721	17.98

III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary and Associate Companies.

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1588800	0	1588800	47.42	1588800	0	1588800	47.42	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies corporate	819900	0	819900	24.47	819900	0	819900	24.47	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)	2408700	0	2408700	71.89	2408700	0	2408700	71.89	0
(2) Foreign									
a) NRIs-Individual	0	0	0	0	0	0	0	0	0
b) Other Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Bank/ FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A) (1)+ (A) (2)	2408700	0	2408700	71.89	2408700	0	2408700	71.89	0

B. Public Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt. (s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1) :-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	134761	1100	135861	4.05	56175	1100	57275	1.71	(2.34)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	244137	79737	323874	9.67	351980	68437	420417	12.55	2.88
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	318463	162000	480463	14.34	295619	162000	457619	13.66	(0.68)
c) Others (specify)									
Non Resident Indians	1602	0	1602	0.05	6489	0	6489	0.19	0.14
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	698963	242837	941800	28.11	710263	231537	941800	28.11	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	698963	242837	941800	28.11	710263	231537	941800	28.11	0
C. Shares held by Custodian for GDRs & ADRs									
	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3107663	242837	3350500	100	3118963	231537	3350500	100	0