

N G INDUSTRIES LTD
CIN:L74140WB1994PLC065937

ANNUAL REPORT 2020-2021

BOARD OF DIRECTORS : Mr. Rajesh Goenka, Chairman & Whole-time Director
Mr. Raj Kumar Bajoria
Mr. Jagdish Chand Kumbhat
Ms. Neha Goenka

CHIEF FINANCIAL OFFICER : Mr. Santosh Kumar Thakur

COMPANY SECRETARY : Mr. Dipak Kumar Shaw

AUDITORS : Pushpendra Jain & Co.

BANKERS : Indian Bank
Axis Bank Ltd.
HDFC Bank Ltd.
Standard Chartered Bank
State Bank of India
Bank of India

REGISTERED OFFICE : 1st Floor
37A, Dr Meghnad Saha Sarani,
Kolkata – 700 029
Phone: 033 2419 7542, 80175 20040
E-mail: ngmail@ngil.co.in
Website: www.ngind.com

DIVISIONS : 1. N G Medicare &
Calcutta Hope Infertility Clinic
123A, Rash Behari Avenue,
Kolkata – 700 029

: 2. N G Nursing Home
23, Dr Meghnad Saha Sarani,
Kolkata – 700 026

: 3. N G Pharmacy
-123A, Rash Behari Avenue,
Kolkata – 700 029
- 23, Dr Meghnad Saha Sarani,
Kolkata – 700 026

**REGISTRARS & SHARE
TRANSFER AGENTS** : S. K. Infosolutions Pvt Ltd
D/42, Katju Nagar, Ground Floor,
Jadavpur, Kolkata - 700032

LISTING OF SHARES : 1. The Calcutta Stock Exchange Limited
2. Bombay Stock Exchange Limited

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DIRECTORS' REPORT TO THE MEMBERS:

Your Directors have pleasure in presenting the 27th Annual Report on the affairs of the Company together with the Audited Financial Statements for the financial year ended on 31st March, 2021.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March, 2021 is summarized below:

| Particulars | 2020-21 (Rs. in lakhs) | 2019-20 (Rs. in lakhs) |
|------------------------|---------------------------|---------------------------|
| Income from Operations | 1188.36 | 1850.16 |
| Other Income | 14.16 | (04.42) |
| Total Income | 1202.52 | 1845.74 |
| Total Expenditure | 1119.25 | 1643.02 |
| Profit before Taxation | 83.27 | 202.72 |
| Less Tax Expenses | 21.89 | 56.09 |
| Profit after Tax | 61.38 | 146.63 |
| Earnings per Share (₹) | 1.83 | 4.38 |

OPERATIONS AND PROSPECTS :

As we report today, the country is emerging from the ravages of the second wave of Covid-19 pandemic. Our country as well as rest of the world is trying to adapt and fight the challenges posed by the pandemic in all possible ways with only a small part of our population vaccinated so far and the fears expressed by the scientific and medical community about the possibility of the third wave coming, it is clear that we are still in the midst of an unprecedented pandemic, never the likes of which has been experienced by the modern world and the uncertainties of its impact in all ways and its timelines for future are not known to us .

The company had released a detailed disclosure last year regarding its experience under Covid-19 lockdown and the consequent impact of this pandemic on the company's operations and although a very eventful year has gone by, we find when we visit that disclosure again, it still remains as relevant today especially with fresh new lockdowns following the second wave, back to severe restrictions and operating constraints, big setback for Clinics, elective treatments & surgeries, preventive healthcare, falling footfalls everywhere, and uncertainty of the evolving future.

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Directors' Report (cont.)

The Company achieved quarter to quarter recovery in terms of operating revenues close to 90% of pre-Covid levels in the fourth quarter. However, there still remain major deficits especially in our retail services of OPD and Clinics which will take time to recover. However, the second wave of the pandemic having hit us in late March-April 2021, has put us, in India in a spot very similar to the disrupted and uncertain period of last year.

In the healthcare sector, we had to rediscover our ways and means of functioning by establishing a thorough and well-rehearsed safety norms and other protocols. These protocols include encouraging patients to take an appointment before a visit to the premises, enabling cashless payment, sanitizing them before entering the premises, allowing limited number of persons inside, compulsory use of face masks, thermal scanning for all who are entering the premises, distancing in waiting areas, visitor restrictions etc. We had to put in place, proper measures for biosafety and sanitization in all our premises, provide gloves, masks and other appropriate protective gear for different functional employees. We have invested in installations, consumables, awareness campaign materials, training to instill confidence in our staff, doctors as well as patients. Later during the year, we could vaccinate all our employees as well. We had to create isolation floors, create ICU beds for those in isolation as well as increase oxygenation beds. These resulted in higher operational costs with reduced capacities in terms of operational facilities.

Under prevailing circumstances, the company had to navigate its operations under extremely challenging circumstances, keeping in mind its priority of keeping its employees safe and protected, while sustaining services wherever possible. Challenges included transporting staff and supplies during lockdowns, running an indoor establishment 24 by 7 under such situations, operating with low patient footfalls and admissions, many doctors not choosing to hold regular clinics, outpatient services/clinic as well as preventive healthcare services and elective surgeries all falling to very, very low levels. Covid care was the priority for the nation but for non Covid treatment establishments like ours, we too faced very difficult times. People at any cost would want to stay away from stepping into a medical setup.

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Directors' Report (cont.)

The company adopted all possible measures of prudent cost control management and operated with great emphasis on service without frills and with the immediate strategy to conserve resources for very uncertain times and ensure that we continue to serve our citizens ethically, to ensure that our employees are safe and their livelihood is secure and that the company's financial position remains sound and debt free and ready to take off once the pandemic is under control. Your Company's Whole time Director chose not to avail of his salary for the year in this endeavor.

The Company has introduced new Covid related pathological tests to its menu to help citizens avail of the same. We have started Covid Rapid Antigen test as well as test for Covid Antibodies. During April 2021, we got both our establishments approved as vaccination centers and carried out vaccinations from the government supplied **Covishield** as well as **Covaxin** vaccines. We have put in place infrastructure and manpower for carrying out vaccination as a regular activity at both our establishments.

Covid-19 pandemic has affected your company's revenues and profitability for the year and continues to do so at present, although to different measures at different times. We consider your company's performance for the year 2020-21 as satisfactory in the context of the prevailing pandemic and believe that the outlook of the company can be one of recovery and to be soon in line with its earlier consistent performance, once the country as a whole is able to put behind the Covid-19 pandemic. The Company is in the medium term, geared up with suitable strategies and policies to sustain the challenges posed by this Covid-19 pandemic and to protect the interests of all its stakeholders, having now the benefit of more knowledge and experience of the pandemic.

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

DIVIDEND AND TRANSFER TO RESERVE:

In the prevailing circumstances, conserving funds is felt to be prudent. In this context, your Directors have felt that the profit for the financial year ended 31st March, 2021, have been inadequate and therefore your Directors have not recommended any dividend for the year. The board has taken this course so that the company remains financially strong and can, if required deploy conserved funds for any eventualities that may pose challenges to its operation in the present prevailing pandemic. Also, the Board of Directors of the Company has decided not to transfer any amount to the Reserves for the year under review

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Directors' Report (cont..)

TRANSFER OF DIVIDEND AND CORRESPONDING EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:

In accordance with the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividends not encashed / claimed within seven years from the date of transfer to unpaid dividend account are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The IEPF Rules mandate Companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. List of such shareholders are also posted on the website (www.ngind.com) of the Company.

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Rs.89,555 of unpaid / unclaimed dividends and 621 shares were transferred during the financial year 2020-21 to the Investor Education and Protection Fund. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2020 on the Company's website at www.ngind.com and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

DETAILS OF DEMAT/UNCLAIMED SUSPENSE ACCOUNT:

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

DISCOUNT TO SHAREHOLDERS :

The Company has decided to offer a discount of 15% to all shareholders of the Company on all the diagnostic services being offered by us. The shareholders availing the discount will be required to state their Folio number/DP ID and produce only identity documents.

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Directors' Report (cont..)

AUDITORS:

M/s. Pushpendra Jain & Co., Chartered Accountants, Kolkata, (Firm Registration No. 320233E) holds office of the Auditors of the Company until the conclusion of the ensuing 27th AGM of the Company. Accordingly, the Company is required to appoint new Auditors in place of the retiring Auditors.

The Board of Directors on the recommendation of the Audit Committee has recommended to the members of the Company for appointment of M/s B. N. Jha & Associates, Chartered Accountant, Kolkata (Firm Registration No. 331925E) as Statutory Auditors of the Company for a term of one year commencing from the conclusion of the 27th AGM till the conclusion of the 28th AGM.

AUDITORS' REPORT :

The Auditors' Report on the financial Statement of the Company forms part of the Annual Report. There is no qualification, reservation, adverse remark, disclaimer or modified opinion in the Auditors' Report, which calls for any further comments or explanations. Further during the year under review, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, and therefore no details are required to be disclosed pursuant to Section 134(3)(ca) of the Companies Act, 2013.

DIRECTORS & KEY MANAGERIAL PERSONNEL :

Your Directors has recommended the re-appointment of Mr Rajesh Goenka as Whole-time Director of the Company for a period of three years from 01.09.2021 to 31.08.2024 subject to approval of the Shareholders at the ensuing Annual General Meeting.

Ms. Neha Goenka, Director of the Company, retires by rotation and being eligible, offers herself for re-appointment in the ensuing Annual General Meeting.

Mr Rajesh Goenka, designated as Whole-time-Director & Chairman, Mr. Santosh Kumar Thakur as Chief Financial Officer and Mr. Dipak Kumar Shaw as Company Secretary & Compliance Officer are identified as Key Managerial Personnel of the Company.

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Directors' Report (cont..)

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 :

This has been discussed in detailed in Corporate Governance Report forming part of this Report.

LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY :

During the year under review, 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.

MEETINGS OF BOARD :

Four Meetings of the Board of Directors were held during the year. For details relating to composition and dates of meeting please refer to clause 2 of report on Corporate Governance, which forms part of this Annual Report.

DETAILS OF THE 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 2020-21 and meeting attended by each member of the Committee as required under the Companies Act, 2013, are provided in Corporate Governance Report forming part of this Annual Report.

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

DIRECTOR REMUNERATION POLICY:

The Company has followed a Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and senior management personnel. The criteria for determining qualifications, positive attributes, independence of a Director, performance evaluation of Board, Committees and the Directors are laid down under the Nomination and Remuneration Policy of the Company. The performance evaluation of the Board, its Committees and of individual Directors was made by structured questionnaire and the Directors were satisfied with the evaluation process. Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company may be accessed on the Company's website at the link: <http://www.ngind.com/docs/Nomination%20and%20Remuneration%20Policy.pdf>.

The recommendation made by the Nomination and Remuneration Committee were accepted by the Board. The above policy was last amended by Board on 14.02.2020.

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Directors' Report (cont..)

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS:

Pursuant to Section 149(7) 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 Section 149(6) of the Act read with Regulation 16(1)(b) of SEBI (LODR) Regulation, 2015.

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 the 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 2020-21, no complaints were received by the said committee. The Company's Policy for Prevention, Prohibition and Redressal of Sexual Harassment may be accessed on the Company's Website at the following link <https://ngind.com/docs/Policy%20for%20Prevention,%20Prohibition%20&%20Redressal%20of%20sexual%20harassment.pdf>.

LISTING WITH STOCK EXCHANGES :

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

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Directors' Report (cont..)

The Company has not issued any sweat equity shares, bonus and 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.

COST AUDIT :

Cost Audit is not applicable to the Company.

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 / impact on conservation of energy;

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

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

Your Company is exploring the possibility of utilizing 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 air conditioners 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, 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 inflows or outgo of Foreign Exchange.

RISK MANAGEMENT:

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

CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the Company.

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Directors' Report (cont..)

PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION:

Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I: Ratio of remuneration of each Executive Director to median remuneration of the employees of the Company for the financial year 2020-21, percentage increase in remuneration of Directors, Chief-Financial Officer and Company Secretary during the financial year 2020-21:

| Sl. No. | Name of Director(s)/KMP | Designation | Ratio of remuneration of director to median employee remuneration | Percentage increase in Remuneration |
|---------|-------------------------|--------------------------------|---|-------------------------------------|
| 1 | Rajesh Goenka | Chairman & Whole-time Director | -* | - |
| 2 | Santosh Kumar Thakur | CFO | - | - |
| 3 | Dipak Kumar Shaw | Company Secretary | - | 3.15 |

*Mr. Rajesh Goenka, Whole-time Director of the Company voluntarily chose to not accept any remuneration during the year.

ii: The percentage increase in the median remuneration of Employees for the financial year 2020-21 was Nil.

iii: The Company has 67 permanent employees (excluding Whole-time Director) on the rolls of the Company as on 31st March, 2021

iv It is hereby affirmed that the remuneration paid during the year, is as per the Remuneration Policy of the Company.