

N G INDUSTRIES LTD
CIN:L74140WB1994PLC065937

ANNUAL REPORT 2021-2022

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	: B. N. Jha & Associates
BANKERS	: Indian Bank Axis Bank Ltd. HDFC Bank Ltd. Standard Chartered Bank State Bank of India Bank of India Yes Bank
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 28th Annual Report on the affairs of the Company together with the Audited Financial Statements for the financial year ended on 31st March, 2022.

FINANCIAL RESULTS:

The financial results of the Company for the year ended 31st March, 2022 is summarized below:

Particulars	2021-22 (₹ in thousands)	2020-21 (₹ in thousands)
Income from Operations	184206.52	118835.75
Other Income	16254.34	1416.07
Total Income	200460.86	120251.82
Total Expenditure	167274.09	111924.99
Profit before Taxation	33186.77	8326.83
Less Tax Expenses	7096.30	2188.49
Profit after Tax	26090.47	6138.34
Earnings per Share (₹)	7.79	1.83

OPERATIONS AND PROSPECTS :

As we report today, we step into the third year of the pandemic and it is abundantly clear that we are at the crossroads of a redefined future. While economic activities started rebounding, new challenges emerged including central bank imposed fiscal controls in most countries, increase in interest rates, inflationary headwinds as well as several supply chain disruptions, staff attrition, fears of recession etc. Our ability to adapt to the new normal and face the long term emerging challenges will reshape our country.

We are thus in the midst of this phase at present with much less fears of the Virus and its management but apprehensive about the new business challenges which are now posed ahead in the post Covid environment. We however, still are in midst of the possibilities of a fourth wave and this reality continues to affect us all in matters of healthcare, education, travel & leisure, etc. where footfalls are still far from normal and vulnerable. The government, healthcare system and citizens have all learnt now to take precautionary measures of safety , vaccinate themselves in time and cope with any fresh outbreaks without much of the past disruptions .The Company has also adopted measures to ensure business continuity with minimal disruption.

Covid impact for us in healthcare is still felt especially in terms of lesser footfalls, lower registrations of services, Clinics yet to open up to pre-Covid levels, loss of established doctors who chose to stop Clinics or relocate etc. Some services need to be practically rebuilt afresh like Clinics, Dentistry, Gastroenterology,

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Directors' Report (cont.)

Preventive Health Care etc. It may be pertinent to highlight that the worst phase of the Covid pandemic in its second wave burnt through our country during the 1st quarter of the year.

The Company carried out Covid related pathological tests like Covid Rapid Antigen test as well as test for Covid Antibodies. We operated both our establishments as approved vaccination centres and carried out vaccinations of **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. This has helped us in the short term. As we continue with this new activity, it has posed separate business risks with respect to unexpected turn of pandemic responses and accompanying government policy changes from time to time and uncertainties with respect to expiry period and dead stocks. The activity enabled thousands of additional, never before footfalls in our premises and thus would build up our goodwill as well as Brand recall subsequently. It added to our menu of services and also meant for us a challenging and satisfying activity and revenue which in fact helped us bridge gap of otherwise lower revenues from our Diagnostics division.

The long term impact of Covid-19 pandemic has affected your company's revenues and profitability for the year despite the evident recovery compared to previous year. We consider your company's performance for the year 2021-22 as satisfactory in the context of the prevailing pandemic and believe that the outlook of the company can be one of further recovery and consolidation and we hope the same to be soon, in line with our earlier consistent performance.

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

DIVIDEND AND TRANSFER TO RESERVE:

The Board is pleased to recommend a dividend of ₹ 3.50 per Equity Share of the Company of ₹ 10 each (i.e. 35%) for the year ended March 31, 2022. The said dividend on equity shares is subject to the approval of the shareholders at the ensuing Annual General Meeting ("**AGM**") scheduled to be held on Saturday, September 24, 2022. Dividend will be paid after it is approved at the forthcoming Annual General Meeting. 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, ₹ 53,900 of unpaid / unclaimed dividends and 1,025 shares were transferred during the financial year 2021-22 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, 2021 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. B. N. Jha & Associates, Chartered Accountants, Kolkata, (Firm Registration No. 331925E) had been appointed as Statutory Auditor of the Company at the 27th Annual General Meeting till the conclusion of the 28th Annual General Meeting.

The period of existing Auditor will expire at the ensuing AGM, so the Board of Directors on the recommendation of the Audit Committee has recommended to the members of the Company for appointment of M/s M.R. Singhwi & Co., Chartered Accountant, Kolkata (Firm Registration No. 312121E) as Statutory Auditors of the Company for first term of 5 (five) years commencing from the conclusion of the ensuing 28th AGM till the conclusion of the 33rd AGM subject to approval of shareholders.

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 :

Appointments & Cessation of Directors

Mr. Rajesh Goenka, (DIN: 00157319) Executive (Non-Independent) Director of the Company, whose period as Whole-time Director was expired on August 31, 2021 was re-appointed as Whole-time Director by Shareholders at the 27th AGM.

Ms. Neha Goenka (DIN 05215437) Non-Executive, (Non-Independent) Director of the Company, who was retiring by rotation at the 27th Annual General Meeting held on September 25, 2021 was re-appointed by the Members at 27th AGM.

Key Managerial Personnel

As on March 31, 2022, the following were Key Managerial Personnel ("KMP") of the Company as per Sections 2(51) and 203 of the Act:

- a) Mr. Rajesh Goenka, Chairman & Whole-time Director
- b) Mr. Santosh Kumar Thakur, Chief Financial Officer
- c) Mr. Dipak Kumar Shaw, Company Secretary & Compliance Officer

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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 :

Five 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 2021-22 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, it's 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 2021-22, 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 2021-22, percentage increase in remuneration of Directors, Chief-Financial Officer and Company Secretary during the financial year 2021-22:

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	12.77	-
2	Santosh Kumar Thakur	CFO	N.A.	8.30
3	Dipak Kumar Shaw	Company Secretary	N.A.	14.78

ii: The percentage increase in the median remuneration of Employees for the financial year 2021-22 was 11.53.

iii: The Company has 73 permanent employees (excluding Whole-time Director) on the rolls of the Company as on 31st March, 2022

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

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Directors' Report (cont..)

DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors state that:

- In the preparation of the annual accounts for the financial year ended on 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- Such accounting policies have been selected and applied 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 as at 31st March, 2022 and of 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 Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- internal financial controls have been laid down so that the same can be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

MANAGEMENT DISCUSSION & ANALYSIS

Our discussion & analysis may be perceived as repetitive over the years but constitutes the essence of wisdom about our field of operations as assimilated by us over two decades of experience and experience during the ongoing pandemic.

A) INDUSTRY STRUCTURE & DEVELOPMENT:

Rising incomes in the hands of our citizens, increase in health awareness in society at large, increasing population of older citizens, new technologies in the sector, longer life expectancy, health insurance penetration and medical tourism are contributing to the growth in healthcare sector. The new health Insurance schemes announced by the Union Government, when fully implemented, as well as State Government introduced health-card schemes will further increase penetration of insured healthcare in the country.

Covid-19 is an unprecedented, new, unknown, disruptive development which has hit globally as a whole including all countries, economies, sectors, companies and has affected in more ways than one can imagine and is still unfolding. The Company has released separate disclosure regarding impact of the pandemic and the challenges it has posed and the same is available on our website under "Information & Circulars for Shareholders." We have also discussed it earlier in the Directors Report under 'Operations and Prospects' and more exhaustively in our last year's Annual Report.