

# N G INDUSTRIES LIMITED

Regd. Office :

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CIN – L74140WB1994PLC065937

Date: 16/03/2015

To

Miss. Neha Goenka  
62-KAMDHENU BUILDING,4A, RAY STREET ,  
BHAWANIPUR, KOLKATA- 700020

Sub: LETTER OF APPOINTMENT AS ADDITIONAL DIRECTOR

Ref: Board Meeting held on 16<sup>th</sup> MARCH 2015

It is my pleasure to welcome you on Board of N.G. Industries Limited.

The Board of Directors at its meeting held on 16<sup>th</sup> March , 2015 considered your Qualification and experience in accounts and Front office management of a Limited Company and various other business Organisations and pleased to appoint you as an Additional Director of the Company with effect from 16<sup>th</sup> March, 2015 in terms of Section 161 of the Companies Act,2013 to hold the office upto the date of the next Annual General Meeting.

The Board took on record your consent to act as director in Form DIR-2 and other declaration submitted before the Board..

The following are the terms and conditions of your appointment as additional director of the Company.

## Terms of Appointment

You have been appointed as an Additional Director by the Board of Directors of the Company with effect from 16<sup>th</sup> March, 2015 to hold the office upto the date of the next Annual General Meeting . Your appointment is subject to members' approval at the next Annual General Meeting. You will continue in the office of the director of the Company on your re-election at forthcoming Annual General Meeting unless your appointment not otherwise terminating in accordance with the provisions of the Companies Act, 2013 or Articles of Association of the Company .

### **Expectations of the Board from the appointed Director**

1. The Company anticipates a commitment of sufficient time and attention as necessary in order to perform your duties under the appointment.
2. The Company expects that you will constructively challenge and contribute to the development of strategy.
3. The Company expects that you will assist in establishing policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
4. You shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
5. You should ensure that the Company's financial statements are true and fair and otherwise conform with provisions of the Companies Act, 2013 and the Company has appropriate financial control and risk management system..
6. You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the appointment or at any time after its termination) any confidential information concerning the Company and any group companies with which you come into contact by virtue of your position as a director of the Company .
7. All directors are expected to take decisions objectively in the interests of the Company. The board as a whole is collectively responsible for the success of the Company. All directors, whether non-executive or executive, have the same general legal responsibilities.

### **Fiduciary Duties that come with such appointment**

- 1) You shall not breach any of the terms and conditions pertaining to Directors of the Company as mentioned in the Companies Act, 2013 or any other Act or Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

Section 166 of the Companies Act, 2013 is reproduced below:-

- i. Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- ii. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.

- iii. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- iv. A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- v. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- vi. A director of a company shall not assign his office and any assignment so made shall be void.
- vii. If a director of the company contravenes the provisions of this section such director shall be punishable with fine, which shall not be less than one lakh rupees but which may extend to five lakh rupees.

Accordingly:-

- 2) You shall display utmost alacrity in approving financial statement.
- 3) You shall disclose interest in any of the contract or arrangement and also disclose the interest on periodical basis as required under Law.
- 4) You shall strive to attend all meeting including Board, Committee and general meetings. You shall actively participate in the meetings.
- 5) You shall not misuse the assets, property, information or any other matter that may be in possession, in the capacity as director of the company.
- 6) You shall ensure compliance of all the laws of the land.

The above list is only indicative and not exhaustive.

Any breach of fiduciary duties would warrant civil and criminal action or both by the Company, its shareholders, statutory authorities and others.

**As per Clause 49 of the Listing Agreement:**

**Responsibilities of the Board**

**1. Disclosure of Information**

- a. Members of the Board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company.

- b. The Board and Top management should conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision-making.

## 2. Key functions of the Board

The Board should fulfill certain key functions, including:

- a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.
- b. Monitoring the effectiveness of the company's governance practices and making changes as needed.
- c. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.
- d. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.
- e. Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- f. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- g. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- h. Overseeing the process of disclosure and communications.
- i. Monitoring and reviewing Board Evaluation framework.

## 3. Other responsibilities

- a. The Board should provide the strategic guidance to the company, ensure effective monitoring of the management and should be accountable to the company and the shareholders.
- b. The Board should set a corporate culture and the values by which executives throughout a group will behave.
- c. Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and the shareholders.

- d. The Board should encourage continuing directors training to ensure that the Board members are kept up to date.
- e. The Board should apply high ethical standards. It should take into account the interests of stakeholders.
- f. The Board should be able to exercise objective independent judgment on corporate affairs.
- g. Boards should consider assigning a sufficient number of non-executive Board members capable of exercising independent judgment to tasks where there is a potential for conflict of interest.
- h. The Board should ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognized or exposes the company to excessive risk.
- i. The Board should have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the company's focus.
- j. When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.
- k. Board members should be able to commit themselves effectively to their responsibilities.
- l. In order to fulfill their responsibilities, Board members should have access to accurate, relevant and timely information.
- m. The Board and senior management should facilitate the Independent Directors to perform their role effectively as a Board member and also a member of a committee.

#### **Provision for Directors and officers(D and O) insurance,if any**

The proposal for D and O Insurance for the Directors and Officers are under consideration.

#### **Code of Business Ethics**

The Company has formulated a code of conduct that sets out the standards that each director will adhere to whilst conducting their duties. The Code does not attempt to be comprehensive or cover all possible situations. It encourages the Directors, senior management and all other employees to take positive actions, which are not only commensurate with the value and beliefs but are also perceived to be so. The Board of Directors adopted a high standard of Code of Conduct some of which are produced below and all the directors are expected to adhere to standards of loyalty ,good faith, and the avoidance of conflict of interest that follow.

### Shareholdings by Directors in the Company

Directors are encouraged to hold shares in the Company. When buying or selling shares directors are expected to strictly observe the provisions of the Companies Act, 2013, the Company's own internal rules and all relevant legislative and regulatory procedures.

### Others:

The Appointment Letter is issued based on the Act, Rules and other Regulations prevalent at the time of appointment. Any change in above, shall automatically entail changes in the terms and conditions.

The Board is empowered to change the policy, from time to time. Such change in policy shall be informed to you.

The Board is empowered to review and change the terms and conditions of this letter. Any changes, thereof, will be informed to you.

A copy of the Board Resolution dated 16<sup>th</sup> March, 2015 pertaining to your appointment is attached herewith.

We are confident that the Board and the Company will benefit immensely from your rich experience.

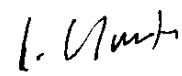
If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

Thanking You.

Yours faithfully

For, N G Industries Limited

  
Director  
Rajesh Goenka  
DIN- 00157319

### **AGREE AND ACCEPT**

I have read and understood the terms of my appointment as an Additional Director of the Company and I hereby affirm my acceptance to the same.

Signature :- Neha Goenka

Name: Miss Neha Goenka

Place: 62-Kamdhenu Building, 4A Ray Street, Kolkata -70020

Date: 16.03.2015