

N G INDUSTRIES LTD

CORPORATE GOVERNANCE REPORT

COMPANY VISION: Our vision for the next phase of development is to be considered amongst the best in Kolkata for affordable Healthcare by the Common Citizen.

MISSION STATEMENT: Our mission is to bring Complete Healthcare of excellent Standards in an affordable manner to all Citizens.

1. Company's Philosophy on Code of Governance:

N G Industries Ltd has over the years endeavored to follow practice of Corporate Governance. N G Industries Ltd's business objective and that of its management and employees is to provide world class Medical Services at economical rates to citizens. In addition to compliance with regulatory requirements, N G Industries Ltd endeavors to ensure that standards of ethical and responsible conduct are met throughout the organization. We believe that Corporate Governance is dependent on transparency, maximum disclosures, un-biased monitoring and being fair to all including shareholders, especially minority shareholders.

2. Board of Directors

As per the requirements of Corporate Governance the composition of Board of Directors is required to have combination of non-executive and independent Directors along with the executive Directors.

The Board of Directors of the Company includes eminent personalities from all walks of life.

Composition of Board of Directors:

The present strength of the Board is five Directors. The Board comprises of One Executive and four Non Executive Directors. Of these four Non Executive directors, three are Independent Directors.

Name of Director	Executive/ Non Executive/ Independent / Non Independent	No. of outside Directorship	Other Committees	
			Member	Chairman
Mr. Jagdish Chand Kumbhat	Non-Executive / Independent	3	-	-
Mr. Rajkumar Bajoria	Non-Executive / Independent	1	-	-
Mr. Rajesh Goenka	Executive / Non-Independent	2	-	-
Dr. Subash R. Kamath	Non-Executive / Independent	0	-	-
Ms. Neha Goenka	Non-Executive / Non-Independent	0	-	-

Inter Director Relationship:

Mr. Rajesh Goenka – Father of Ms Neha Goenka

Ms. Neha Goenka – Daughter of Mr. Rajesh Goenka

Attendance record of Directors:

Name of Director	No. of Board Meetings Held	Attended	Attended last AGM
Mr. Jagdish Chand Kumbhat	6	5	Yes
Mr. Rajkumar Bajoria	6	5	Yes
Mr. Rajesh Goenka	6	6	Yes
Dr. Subash R. Kamath	6	5	Yes
Mr. Vinod Kumar Singhi	2	2	No
Ms. Neha Goenka	6	6	Yes

The Chairman of the Board is an Executive Director and the number of Independent Directors on the Board meet the requirement of Corporate Governance.

No. of Board Meetings Held 2017-2018:

Total Six Meetings were held during the year 2017-2018. The dates on which the said Meetings were held are as follows:-

29th May, 2017	14 th November, 2017	28th February, 2018
11th August, 2017	14th February, 2018	08 th March, 2018

Separate meeting of Independent directors was held on 29th May, 2017.

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Details of Directors being appointed/re-appointed (Brief profile)

Name of Director	Mr. Rajesh Goenka
Date of Birth	18.05.1963
Qualification	B.Com
Experience	33 years in Finance and Corporate Management
List of other Companies in which Directorship held as on 31.03.2018	1.UNO METALS LTD 2. GANPATI DEALCOM PVT LTD.
Chairman/Member of the Committees of the Board of Directors of other Companies in which he is a Director as on 31.03.2018	UNO METALS LTD • Nomination and Remuneration Committee -Member
Shareholding in Company	329500

Updated Director Profile of entire Board has been put up on Company's website (www.ngind.com).

3. Code of Conduct

The Company has adopted a code of conduct for the Board of Directors and Senior Management Personnel of the Company and all of them have affirmed compliance of the same.

4. Audit Committee

The Company has constituted an Audit Committee comprising of Mr. Jagdish Chand Kumbhat, non-executive and independent Director, Mr. Rajkumar Bajoria, non-executive and independent Director and Dr. Subash R. Kamath, a non-executive and independent Director, Mr. Jagdish Chand Kumbhat being the Chairman of the Committee.

Out of the above, Mr. Jagdish Chand Kumbhat and Mr. Rajkumar Bajoria are highly experienced in accounting and financial aspects as well as Corporate laws.

Brief terms of references of the Audit Committee

The role and terms of reference of the Audit Committee covers the areas mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Company Act, 2013 besides other terms as may be referred to by the Board of Directors. These include oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible; reviewing annual and quarterly financial statements with management before submission to the Board; reviewing the adequacy of internal control systems with management, external and internal auditors and reviewing the Company's financial risk and management policies. Audit Committee also oversees the Whistle Blower Policy implementation. Audit Committee oversees & approves Related Party Transactions and disclosures of all Directors, senior management employees for submission to the Board.

Audit Committee Meetings and attendance during the year

During 2017-2018 The Audit Committee Meetings were held on 29.05.2017, 11.08.2017, 14.11.2017 & 14.02.2018.

Name of Director	No. of Meetings attended
Mr. Jagdish Chand Kumbhat	4
Mr. Rajkumar Bajoria	4
Dr. Subash R. Kamath	4

5. Subsidiary Companies

The Company does not have any Subsidiary/ Subsidiaries within the meaning of the Companies Act, 2013.

6. Disclosure of issue proceeds

The Company did not make any Public, Rights or Preferential Issue of Securities during 2017-2018.

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7. Shareholders Committee

a) Share Transfer Committee

The Share Transfer Committee was constituted to deal with various matters relating to share transfer/ transmission, issue of duplicate share certificates, approving the split and consolidation request and other matters relating to transfer and registration of shares.

The members of the committee are Mr. Rajkumar Bajoria, non-executive & independent Director, Mr. Rajesh Goenka, Whole-time-Director and Mr. Jagdish Chand Kumbhat, non-executive & independent Director. Mr. Rajesh Goenka is the Chairman of the Committee. During financial year 2017-2018, four share transfer committee meetings was held.

b) Stakeholders Relationship Committee

The earlier Shareholders/Investors grievances committee has been designated as Stakeholders Relationship Committee.

The company constituted the Stakeholders Relationship committee to oversee the redressal of shareholders' and investors' grievances in relation to transfer of shares, non-receipt of annual report and non-receipt of dividend, Issue of duplicate share certificate, oversee Registrar performance, ensure compliance to relevant codes adopted by the Board.

The Company has adopted Codes as prescribed under SEBI (Prohibition of Insider Trading) Regulations 2015 and has approved Mr. Dipak Kumar Shaw –Company secretary to act as Compliance Officer/ Chief Investor Relations Officer as set out therein. The Codes are posted on the Company's website.

Stakeholders Relationship Committee comprises of Mr. Rajesh Goenka, Whole-time-Director, Mr. Rajkumar Bajoria, non-executive & independent Director and Mr. Jagdish Chand Kumbhat, non-executive & independent Director. Mr. Jagdish Chand Kumbhat is the Chairman of the Committee. Mr. Dipak Kumar Shaw, Company secretary & Compliance Officer assists the committee.

Stakeholders Relationship Committee Meetings and attendance during the year

During 2017-2018 The Stakeholders Relationship Committee Meetings were held on 29.05.2017, 11.08.2017, 14.11.2017 & 14.02.2018.

Name of Director	No. of Meetings attended
Mr. Rajesh Goenka	4
Mr. Raj Kumar Bajoria	4
Mr. Jagdish Chand Kumbhat	4

A total of 2 complaints was received during the year under review, out of which none were pending as on 31st March, 2018.

8. Nomination & Remuneration Committee

Terms of reference

The functions of the committee include recommending appointments of Directors, senior members of management, framing evaluation criteria of performance of whole time /independent directors, and that of the board, recommending remuneration policies for directors and senior members of management to the board.

Composition

The Committee is comprising of three Directors, Mr. Rajkumar Bajoria, Chairman, Dr. Subash Ravalnath Kamath and Mr. Jagdish Chand Kumbhat. All of them are independent and non-executive Directors. During the Financial Year 2017-18, one Remuneration Committee Meeting was held on 14.11.2017.

Policy/Criteria for Director appointment

Policy for Director appointment has been framed based on broad principles for composition of the board for vacancies arising from time to time. Committee will consider while recommending a candidature of a director the knowledge of the field of the company's activity, fit and proper credentials of the candidate, eligibility of candidate in terms of laws & regulations in force, contribution to board diversity, potential of candidate to give adequate time & attend all meetings, contribute to guiding the company, have a stable tenure on board.

Director Remuneration Policy

The Company's Director Remuneration Policy as considered and recommended by the Nomination Committee and approved by the board is as follows:

- A) The non-executive & non Independent Directors as well as non-executive Chairman will not be entitled to any remuneration except for Director sitting fees.
- B) Independent Directors will enjoy benefits as spelled out in their appointment letters copy of which are available on the Company's website as Draft Appointment Letter -Independent Directors at http://ngind.com/policies_codes.php.
- C) Executive – Whole-time Directors terms are as approved by Shareholders in the 19th AGM of the Company are detailed in the Annual report 2012-13.
- D) Remuneration as well as revision of remuneration of senior management employees will be approved by the Nomination & Remuneration Committee based on the individuals potential to contribute to the Company, qualifications and experience as well as compatibility with remuneration levels for personnel in similar positions in organizations of comparable size in the city.

All non-executive/Independent Directors will be entitled to reimbursement of expenses for attending board/ committee meetings, official visits and participation in various forums on behalf of the Company.

The Company has policy to pay commission on net profits to executive Directors. The details of remuneration paid to the Directors are mentioned below:- During the year however no commission has been paid to executive Director.

Name of Director	Sitting fee	Salary & perks	Total
Mr.Jagdish Chand Kumbhat	20000	N.A	20000
Mr.Rajkumar Bajoria	20000	N.A	20000
Mr.Rajesh Goenka	N.A	1098000	1098000
Dr.Subash R. Kamath	20000	N.A	20000
Mr.Vinod Kumar Singhi	8000	N.A	8000
Ms.Neha Goenka	24000	N.A	24000

The Company does not have any stock option scheme.

The present appointment of Mr. Rajesh Goenka is from 1st September 2013 to 31st August, 2018. The Board has recommended the re-appointment of Mr. Rajesh Goenka as Whole-time Director of the Company for a period of three years from 01.09.2018 to 31.08.2021 subject to approval of the Shareholders at the ensuing Annual General Meeting.

Performance evaluation of the board and directors

Nomination and remuneration committee has put in place an evaluation framework for evaluation of the Board, Directors and chairman. The board also carries out an evaluation of the various committees. The evaluation of committees is based on the assessment of the compliance with the terms of reference of the same. Evaluation criteria of Independent directors is based on assessment of their fulfilment of responsibilities as set out in their letter of appointment and basically covers their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the board. Evaluation of Chairman is based on leadership and board management qualities to bring out the best from the team over time to fulfil the objectives of the Company. Evaluation of the Whole time director is done based on interactive session with all members wherein a presentation is given to the board annually on role played by them individually and their contribution to the Company. Evaluation criteria of non-executive non-independent directors is based on assessment of their fulfilment of responsibilities as set out under the law applicable and basically covers their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the board. Separate meeting of Independent Directors is held to evaluate and review the performance of Non-Independent Directors and the Board as a whole & the performance of the Chairperson of the Company taking into account views of executive and non-executive directors as well as above criteria.

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9. Board Meetings and Procedures

The Board of Directors met for six times during the year as mentioned in the beginning. The Agenda papers were sent to all the Directors well in advance for each Meeting and the management presented before the Board all statutory and other important items as recommended by the SEBI Committee including operational plans matters relating to work force and details of risk exposures etc.

The Company has adopted a 'Board Familiarisation Plan' for all Board members and details of the same are posted on the Company's website and can be accessed at http://ngind.com/policies_codes.php

10. Details of General Meetings

Location and time for last three Annual General Meetings held:

Year	Location	Date & Time	Special Resolutions passed
2014-2015	Community Hall, Jay Jayanti Building 2A, Mandeville Gardens, Kolkata-700 019	26.09.2015 10.30 A.M.	NIL
2015-2016	Community Hall, Jay Jayanti Building 2A, Mandeville Gardens, Kolkata-700 019	24.09.2016 10.30 A.M.	Adoption of newly substituted Articles of Association
2016-2017	1 st Floor, 37A Dr Meghnad Saha Sarani, Kolkata-700 029	23.09.2017 10.30 A.M.	NIL

All the Resolutions including the Special Resolutions set out in the respective notices were passed by the Shareholders. No postal ballots were used for voting at these Meetings. At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

There was no Extra-Ordinary General Meeting held in the three years and no resolution was put through postal ballot.

11. Certificate from Whole time Director and Chief Financial Officer

Certificate from Mr. Rajesh Goenka, Whole time Director and Mr. Santosh Kumar Thakur, Chief Financial Officer, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement with the Stock Exchange for the financial year ended 31st March, 2018 was placed before the Board of Directors of the Company in its meeting held on May 29, 2018. Copy of the same are annexed hereto in this Report.

12. Disclosures

- The Company had no materially significant related party transactions, which was considered to have conflict with the interest of the Company at large. The Company has adopted a Policy on materiality of dealing with related party transactions and same is posted on the Company's website and can be accessed through the link http://ngind.com/policies_codes.php.
- There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.
- The Company has complied with all the applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has adopted a Whistle Blower Policy and confirms that no person has been denied access to the Chairperson of the Audit Committee.
- The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations

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13. Means of Communication

a) Results published in the Newspapers:

Quarterly Results Quarterly Results were published in The Financial Express and Lottery Sambad and also informed to all the Stock Exchanges where the Shares are listed through portal upload/ email/ hand delivery.

Half Yearly Results Half Yearly Results were published in The Financial Express and Lottery Sambad and also informed to all the Stock Exchanges where the Shares are listed through portal upload/ email/ hand delivery.

b) Official News release Not Issued

c) Presentation to
Institutional Investors Not done.

d) Management Discussion Analysis Report forms part of the Directors Report.

e) BSE Corporate Compliance & Listing Centre/ SEBI Compliance Redress System-All compliances filed.

14. General Shareholders Information

a) Annual General Meeting:

Date and time : 22nd September, 2018 at 10.30 A.M.

Venue : 1st Floor, 37A Dr Meghnad Saha Sarani, Kolkata -700029.

b) Date of Book Closure : Monday, 17th September, 2018 to Saturday, 22nd September, 2018 (both days inclusive)

c) Dividend payment Date: On or before 22nd October, 2018. Payment of Dividend is subject to the approval of the members of the Company at the forthcoming Annual General Meeting.

d) Listing at Stock Exchanges : The Company's Equity Shares are listed at the following Stock Exchanges :
1. The Calcutta Stock Exchange Ltd.
2. BSE Ltd.

Listing Fee for the year 2017-2018 has been paid to the Stock Exchange(s) within the stipulated time.

e) Stock Code Physical : 1. The Calcutta Stock Exchange Ltd. Code – 10024075
2. BSE Ltd. Code – 530897

**Demat ISIN Number for
NSDL & CDSL** : INE825C01018

f) Website : The Company has put up a website www.ngind.com with all information for shareholders.

**g) Registrar and Share
Transfer Agent** : S.K. Infosolutions Pvt. Ltd.
34/ 1A, Sudhir Chatterjee Street, Kolkata – 700006
Phone: 033 2219 6797 Fax: 033 2219 4815
Email: skdilip@gmail.com

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h) Stock Market Data

The month wise High & Low quotations of the Shares Traded during April, 2017 to March, 2018 at CSE and BSE.

Month	The Calcutta Stock Exchange LTD (CSE)			BSE LTD (BSE)		
	Month's High Price	Month's Low Price	Volume	Month's High Price	Month's Low Price	Volume
April, 2017	-	-	-	91.95	77.00	60,144
May, 2017	-	-	-	87.05	77.05	10,004
June, 2017	-	-	-	86.95	78.20	7,93,604
July, 2017	-	-	-	99.50	79.50	1,65,955
August, 2017	-	-	-	96.75	65.00	1,62,374
September, 2017	-	-	-	84.00	71.10	42,415
October, 2017	-	-	-	79.50	72.00	38,291
November, 2017	-	-	-	80.90	74.00	58,643
December, 2017	-	-	-	94.40	74.00	88,836
January, 2018	-	-	-	93.00	81.00	87,165
February, 2018	-	-	-	89.00	73.70	19,213
March, 2018	-	-	-	80.00	71.00	16,795
Total			-			1543439

i) a) Shareholding pattern as on 31st March, 2018

SL No.	Category	No of Shares (Issued Equity)	Percentage
1	Promoters	2496000	74.50
2	Indian Financial Institutions, Bank , Mutual Funds	-	-
3	Foreign Institutions Investors/ NRIs	7341	0.22
4	Others	847159	25.28
	Total	3350500	100.00

b) Distribution of Shareholding as on 31st March, 2018

Shareholding of nominal Value of Rs.	Shareholders Folios		No. of Shares	
	No. of Shareholders	% to Total	No. of Equity Shares	% to Total
Upto - 5000	1128	80.98	162118	4.84
5010 - 10000	112	8.04	91859	2.74
10010 - 20000	57	4.09	86110	2.57
20010 - 30000	29	2.08	75790	2.26
30010 - 40000	14	1.01	47795	1.43
40010 - 50000	16	1.15	72544	2.17
50010 - 100000	17	1.22	133617	3.98
100010 - 500000	12	0.86	224667	6.71
500010 - 1000000	1	0.07	65000	1.94
1000010 and above	7	0.50	2391000	71.36
Total	1393	100.00	3350500	100.00

c) Disclosure with respect to shares lying in suspense account

There are no shares lying in suspense account at the beginning as well as at the end of the financial year.

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j) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity : The Company has not issued any of these instruments so far.

- k) Divisions**
- : 1. N G Medicare & Calcutta Hope Infertility Clinic
123A, Rash Behari Avenue, Kolkata – 700029
 - : 2. N G Nursing Home
23, Dr. Meghnad Saha Sarani,
Kolkata -700026
 - : 3. N G Pharmacy
- 123A, Rash Behari Avenue, Kolkata - 700029
- 23, Dr. Meghnad Saha Sarani, Kolkata - 700026

l) Dematerialisation of Shares

The Company has an Agreement with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) so that Shareholders of the Company could avail the benefits of the multi depository systems. Upto 31st March, 2018 – 3289632 Shares representing 98.18% of the total Share capital are already under demat which has resulted in reducing the physical delivery related problems to a large extent. Entire Promoter share holding has been dematerialized.

m) Financial Calendar (Tentative and subject to change) for the year 2018-2019

Financial reporting for the first quarter ending, 30th June, 2018	Week before 15 th August, 2018
Financial reporting for the second quarter ending, 30th September, 2018	Week before 15 th November, 2018
Financial reporting for the third quarter ending, 31st December, 2018	Week before 15 th February, 2019
Financial reporting for the year ending 31st March, 2019	Last week of May, 2019
Annual General Meeting for the year ending 31st March, 2019	Last week of September, 2019

n) Investors correspondence may be addressed to

S.K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street, Kolkata – 700006, Tel: 22196797, email : skcdilip@gmail.com

Or

Director, N G Industries Ltd
1st Floor, 37A, Dr. Meghnad Saha Sarani, Kolkata – 700029, Tel: 033 24197542
Fax : 033 2464 6390 email : ngmail@vsnl.com website : www.ngind.com

Shareholders holding Shares in electronic mode should address all their change of registered address to their respective Depository Participants.

o) Declaration by the Whole-time-Director on the Code of Conduct

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. I, Rajesh Goenka, Chairman & Whole-time-Director of N G Industries Ltd declare that all the Board Members and senior Executives of the Company have affirmed their compliance with the Code of Conduct of the Company during the financial year 2017-2018.

Kolkata
29th day of May, 2018

Rajesh Goenka
Chairman & Whole-time-Director
(DIN:00157319)

Whole-Time-Director and CFO Certification

The Board of Directors
N G Industries Ltd
Kolkata

Re : Financial Statements for the Financial Year 2017-2018 Certification by Whole-time-Director & CFO

We, Rajesh Goenka, Whole-time-Director and Santosh Kumar Thakur, CFO of N G Industries Ltd, on the basis of the review of the financial statements and the cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief, hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2018 which are fraudulent, illegal or violative of the company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
 - a) Any significant changes in internal control over financial reporting during the year covered by this report.
 - b) All significant changes in accounting policies during the year, if any, and the same has been disclosed in the notes to the Financial Statements.
 - c) Any Instances of significant fraud of which we are aware that involve the Management or other employees who have significant role in the Company's internal control system over Financial Reporting.

Place : Kolkata
Date : 29th Day of May, 2018

Rajesh Goenka
Whole-time-Director
(DIN:00157319)

Santosh Kumar Thakur
Chief Financial Officer



AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to:

To
The Members of
N G INDUSTRIES LTD

We have examined the compliance of the conditions of Corporate Governance by N G Industries Ltd during the year ended 31st March, 2018 as stipulated in the listing agreement of the said Company with Stock Exchange of India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2018 no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Pushpendra Jain & Co.**
Firm Registration Number: 320233E
Chartered Accountants

P. K. JAIN
Proprietor
Membership Number: 055400

Place: Kolkata
Date : 29.05.2018