

N G INDUSTRIES LIMITED

CORPORATE GOVERNANCE REPORT

COMPANY VISION : Our vision for the next phase of development is to be considered 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 Limited has over the years endeavored to follow practice of Corporate Governance. N G Industries Limited'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 Limited endeavors to ensure that standards of ethical and responsible conduct are met throughout the organisation. 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 alongwith the executive Directors. The Board of Directors of the Company include eminent personalities from all walks of life.

Composition of Board of Directors:

The present strength of the Board is seven Directors. The Board comprises of one Executive and six Non Executive Directors, of these six Non Executive Directors, four are Independent Directors.

Name of Director	Executive/ Non Executive/ Independent / Non Independent	No. of outside Directorship	Other Committees	
			Member	Chairman
Mr. Ashok Kumar Goenka	Non-Executive / Non-Independent	2	4	3
Mr. Jagdish Chand Kumbhat	Non-Executive / Independent	4	-	-
Mr. Rajkumar Bajoria	Non-Executive / Independent	1	-	-
Mr. Rajesh Goenka	Executive / Non-Independent	2	-	-
Dr. Subash R. Kamath	Non-Executive / Independent	0	-	-
Mr. Vinod Kumar Singhi	Non-Executive / Independent	0	-	-
Ms. Neha Goenka	Non-Executive / Non-Independent	0	-	-

Inter Director Relationship:

Mr.Ashok Kumar Goenka – Brother of Mr.Rajesh Goenka

Mr.Rajesh Goenka – Brother of Mr.Ashok Kumar 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.Ashok Kumar Goenka	6	6	Yes
Mr.Jagdish Chand Kumbhat	6	6	Yes
Mr.Rajkumar Bajoria	6	6	Yes
Mr.Rajesh Goenka	6	6	Yes
Dr.Subash R. Kamath	6	6	Yes
Mr.Vinod Kumar Singhi	6	6	Yes
Ms.Neha Goenka	6	6	No

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

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No. of Board Meetings Held 2015-2016:

Total Six Meetings were held during the year 2015-2016. The dates on which the said Meetings were held are as follows:-

28 th May, 2015	28 th September, 2015	12 th February, 2016
13 th August, 2015	13 th November, 2015	28 th March, 2016

Separate meeting of Independent directors was held on 28th May, 2016.

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	31 years in Finance & Corporate Management
List of other Companies in which Directorship held as on 31.03.2016	1. Ganpati Dealcom Pvt. Ltd. 2. Uno Metals Ltd.
Chairman / Member of the Committees of the Board of Directors of other Companies in which he is a Director as on 31.03.2016	None
Shareholding in Company	167500

Updated Director Profile of entire Board has been put up on Company's website.

3. Code of Conduct

The Company has adopted a code of conduct for the Board of Directors and Senior Management 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 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.

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Audit Committee Meeting and attendance during the year

During 2015 - 2016 The Audit Committee Meetings were held on 28.05.2015, 13.08.2015, 13.11.2015 & 12.02.2016.

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 2015-2016.

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.Vinod Kumar Singhi, non-executive & independent Director. Mr. Rajesh Goenka is the Chairman of the Committee. During financial year 2015-2016, four share transfer committee meetings was held.

b) Stakeholders Relationship Committee

The earlier Shareholders/Investors grievances committee has been now 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. Pritam Paul –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. Vinod Kumar Singhi, non-executive & independent Director. Mr. Vinod Kumar Singhi is the Chairman of the Committee. Mr.Pritam Paul Company secretary & Compliance Officer assists the committee.

Stakeholders Relationship Committee Meetings and attendance during the year

During 2015-2016 The Stakeholders Relationship Committee Meetings were held on 28.05.2015, 13.08.2015, 13.11.2015 & 12.02.2016.

Name of Director	No. of Meetings attended
Mr. Rajesh Goenka	4
Mr. Raj Kumar Bajoria	4
Mr. Vinod Kumar Singhi	4

A total of 15 complaints were received during the year under review, out of which none were pending as on 31st March, 2016.

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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, Mr. Vinod Kumar Singhi and Mr. Jagdish Chand Kumbhat. All of them are independent and non-executive Directors. During the Financial Year 2015-16, one Remuneration Committee Meeting was held on 12.02.2016.

Policy/Criteria for Director appointment

Policy for Director appointment has been framed based on broad principals 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 companies website as Draft Appointment Letter -Independent Directors at http://ngind.com/policies_codes.php.
- C) Executive-Wholetime Directors terms are as approved by Shareholders in the 19th AGM of the Company and detailed in the Annual Report 2012-2013, available on the companies website at <http://ngind.com/docs/Annual Report 2012-2013 with 19th AGM notice to shareholders, Attendance Slip & Proxy Form.pdf>
- 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 organisations 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.Ashok Kumar Goenka	24000	N.A	24000
Mr.Jagdish Chand Kumbhat	24000	N.A	24000
Mr.Rajkumar Bajoria	24000	N.A	24000
Mr.Rajesh Goenka	N.A	1098000	1098000
Dr.Subash R. Kamath	24000	N.A	24000
Mr.Vinod Kumar Singhi	24000	N.A	24000
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.

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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 fulfillment 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 fulfill 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 the contribution to the Company. Evaluation criteria of non-executive non-independent directors is based on assessment of their fulfillment 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.

9. Board Meetings and Procedures

The Board of Directors met for eight 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 and budgets, 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 Resolution passed
2012-2013	Community Hall, Jay Jayanti Building 2A, Mandeville Gardens, Kolkata-700 019	28.09.2013 11.00 A.M.	Re-appointed Mr. Rajesh Goenka as a Wholetime Director
2013-2014	Community Hall, Jay Jayanti Building 2A, Mandeville Gardens, Kolkata-700 019	24.09.2014 10.30 A.M.	NIL
2014-2015	Community Hall, Jay Jayanti Building 2A, Mandeville Gardens, Kolkata-700 019	26.09.2015 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 Wholetime 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, 2016 was placed before the Board of Directors of the Company in its meeting held on May 30, 2016. Copy of the same are annexed hereto to this Report.

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12. Disclosures

- a) 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
- b) 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.
- c) The Company has complied with all the applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d) The Company has adopted a Whistle Blower Policy and confirms that no person has been denied access to the Audit Committee.

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 | : 24th September, 2016 at 10.30 A.M. |
| Venue | : Community Hall, Jay Jayanti Building, 2A, Mandeville Gardens, Kolkata - 700019. |

- b) **Date of Book Closure** : Monday, 19th September, 2016 to Saturday, 24th September, 2016 (both days inclusive)
- c) **Dividend payment Date** : On or before 24th October, 2016. 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 Association Ltd.
2. BSE Ltd.

Listing Fee for the year 2015-2016 has been paid to the Stock Exchange(s) within the stipulated time.

- e) **Stock Code Physical** : 1. The Calcutta Stock Exchange Association 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.

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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: skcomputers_kolkata@vsnl.net, skc@skinfo.in

h) Stock Market Data

The month wise High & Low quotations of the Shares Traded during April, 2015 to March, 2016 at CSE and BSE.

Month	The Calcutta Stock Exchange Association Limited (CSE)			BSE Limited (BSE)		
	Month's High Price	Month's Low Price	Volume	Month's High Price	Month's Low Price	Volume
April, 2015	-	-	-	86.00	68.25	182
May, 2015	-	-	-	71.65	68.10	493
June, 2015	-	-	-	80.00	66.75	2351
July, 2015	-	-	-	86.00	76.00	13712
August, 2015	-	-	-	85.95	69.20	33844
September, 2015	-	-	-	80.00	66.05	10687
October, 2015	-	-	-	83.90	67.05	13316
November, 2015	-	-	-	75.55	65.50	17099
December, 2015	-	-	-	79.90	70.50	99896
January , 2016	-	-	-	109.00	74.60	314401
February, 2016	-	-	-	92.50	67.45	20611
March, 2016	-	-	-	81.80	70.50	16565
Total			-			543157

i) a) Shareholding pattern as on 31st March, 2016

SL No.	Category	No of Shares (Issued Equity)	Percentage
1	Promoters	2408700	71.89
2	Indian Financial Institutions, Bank , Mutual Funds	-	-
3	Foreign Institutions Investors/ NRIs	6489	0.19
4	Others	935311	27.92
	Total	3350500	100.00

b) Distribution of Shareholding as on 31st March, 2016

Shareholding of nominal Value of Rs.	Shareholders Folios		No. of Shares	
	No. of Shareholders	% to Total	No. of Equity Shares	% to Total
Upto - 5000	1002	82.88	141874	4.23
5010 - 10000	100	8.27	81442	2.43
10010 - 20000	37	3.06	54635	1.63
20010 - 30000	20	1.65	49384	1.47
30010 - 40000	13	1.08	44417	1.33
40010 - 50000	7	0.58	33312	0.99
50010 - 100000	10	0.83	79117	2.36
100010 - 500000	9	0.74	204338	6.10
500010 - 1000000	3	0.25	228281	6.82
1000010 and above	8	0.66	2433700	72.64
Total	1209	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, 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

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, 2016 ,3118963 Shares representing 93.09% 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 2016-2017

Financial reporting for the first quarter ending, 30th June, 2016	Week before 15th August, 2016
Financial reporting for the second quarter ending, 30th September, 2016	Week before 15th November, 2016
Financial reporting for the third quarter ending, 31st December, 2016	Week before 15th February, 2017
Financial reporting for the year ending 31st March, 2017	Last week of May, 2017
Annual General Meeting for the year ending 31st March, 2017	Last week of September, 2017

n)Investors correspondence may be addressed to

S.K.Infosolutions Pvt.Ltd.
34/1A, Sudhir Chatterjee Street, Kolkata – 700006, Tel: 22196797, email :skcomputers_kolkata@vsnl.net, skc@skinfo.in

Or

Director, N.G.Industries Ltd.
1st Floor, 37A, Southern Avenue (Renamed as Dr. Meghnad Saha Sarani, Kolkata–700029, Tel: 033 24197542
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 Limited, 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 2015-2016.

Kolkata
30th day of May, 2016

Rajesh Goenka
Chairman & Whole-time-Director