



Corporate Information

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Board of Directors

Chairman	: A. C. Chakrabortti
Managing Director	: Sushil Jhunjhunwala
Dy. Managing Director	: Ajit Jhunjhunwala
Executive Director	: Nidhi Jhunjhunwala
Directors	: G Narayana Shakir Ali Arun Churiwal Rajiv Gujral
General Manager Finance & Secretary	: Alok Pandey
Auditors	: Doshi, Chatterjee, Bagri & Co.
Banker	: State Bank of India
Registrar & Share Transfer Agent	: MCS Limited 77/2A, Hazra Road, Kolkata 700 029
Registered Office	: 'Chitrakoot', 10th Floor 230A, A.J. C. Bose Road, Kolkata 700 020, India Tel.: 3053 6656 / 57 / 58, Fax: 3053 6659 Email: laopala@eth.net Website: www.laopala.in
Works	: Post: Madhupur, Dist. Deoghar Jharkhand B-108, ELDECO SIDCUL Industrial Park Sitargunj, Udham Singh Nagar Uttarakhand 262 405



Notice

NOTICE is hereby given that 24th Annual General Meeting of the Company will be held at 'Kala Kunj', at 48, Shakespeare Sarani, Kolkata 700 017 on Saturday the 30th July, 2011 at 11.30 A.M. to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt Directors' Report and Auditors' Report and audited statement of accounts for the year ended 31st March, 2011;
2. To declare dividend for the year ended 31st March, 2011;
3. To appoint a Director in place of Sri Arun Churiwal who retires

by rotation and being eligible offers himself for reappointment.

4. To appoint a Director in place of Sri G Narayana who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and fix their remuneration.

By Order of the Board

Place: Kolkata

Date: 14th May, 2011

Alok Pandey

G.M. Finance & Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective, must be lodged at the Company's Registered Office not less than 48 hours before the commencement of the Meeting.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 regarding the Special Business contained in the notice is annexed.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 21st July, 2011 to 30th July, 2011 (both days inclusive).
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Shareholders requiring any information regarding accounts are requested to write to the company in advance so that the relevant information can be furnished by the Company.
7. Members of the Company are requested to intimate immediately to the Registered Office of the Company about the change of address, if any.

8. Members/Proxies are requested to bring the Attendance Slip duly filled in and hand it over at the entrance of the Meeting hall.

9. Reappointment of Directors

Sri Arun Churiwal was appointed as a Director on 26th June 2004. He is a Graduate and has got vast working experience. He is presently the Chairman cum Managing Director of M/s BSL Ltd., Managing Director of M/s RSWM Ltd. and holding the directorship in M/s LNJ Financial Services Ltd., M/s Siltex Ltd., M/s Churiwal Properties & Investments Pvt

Ltd., M/s PRC Niyogan Pvt. Ltd. He is a Governing Council Member of M/s LNJ Bhilwara Anusandhan Vikas Kendra and a Managing Committee Member of Merchants' Chamber of Commerce.

Sri G Narayana was appointed as a Director on 25th November, 1996. He is a Corporate Advisor, Management Author and Trainer. Currently he is a Chairman & Director of Punjab Chemicals & Crop Protection Ltd. and Yash Papers Ltd. and Director of Aryan Paper Mills Ltd. He is also a Chairman Emeritus in Excel Industries Ltd.



Directors' Report

To the Members

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2011.

Performance Review

During the year under review, the Company's performance showed substantial improvement both in respect of turnover and profitability. The turnover increased by 28.25% from ₹76.81 crores to ₹98.51 crores and the profit after tax from ₹277 lacs in the previous year to ₹932 lacs in the current year. This has been possible partially due to over all economic growth leading to

upsurge in consumer demand, changing lifestyle etc. and partially due to intensive efforts made by the Company's management in diverse directions such as cost control, higher utilization of production facilities, better technological absorption and expansion in marketing and distribution network. This achievement was all the more creditable, because the Company was able to withstand, to certain extent, the effect of very severe competition from products imported from various countries which are trying to penetrate Indian market.

The summarized results of the current year's performance are given hereunder:

Sl. No.	Particulars	₹ lacs	₹ lacs
		Year ended 31st March'11	Year ended 31st March '10
1	Net Sales / Income from operations	10051.00	7782.55
2	Other Income	40.74	13.52
3	Total expenses before interest and depreciation	7952.46	6514.65
4	Interest	352.04	405.23
5	Gross profit after interest but before depreciation	1787.24	876.19
6	Depreciation	449.75	428.31
7	Profit before taxation	1337.49	447.88
8	Tax expenses	405.13	171.15
9	Net profit	932.36	276.73
10	Surplus available	932.36	276.73
11	Dividend	158.96	79.48
12	Tax on Dividend	25.79	13.51
13	Transferred to General Reserve	157.80	—
14	Balance as per last year	1533.16	1349.41
15	Balance carried to Balance Sheet	2122.97	1533.16

Dividend

Your Directors are pleased to recommend, for consideration of shareholders at the 24th Annual General Meeting, payment of dividend of 15% i.e. ₹1.50 per share on equity shares of the face value of ₹10/- each for the year ended 31st March 2011.

Corporate Governance

Management Discussion and Analysis, Corporate Governance Report and the Auditors' Certificate regarding compliance of the same are given separately, which form part of this Report.

Responsibility Statement

Your Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for that period;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

Auditors

M/s Doshi Chatterjee Bagri & Co., retire and are eligible for reappointment. As per proviso to Section 224(1) of the Companies Act, 1956, a written certificate has been obtained by the Company from the Auditors stating that if they are reappointed Auditors of the Company, such re-appointment would be within the limits specified in Section 224(1B) of the Companies Act, 1956.

Comments on Auditors' Report

The Report of the Auditors read with the Notes on Accounts is self-explanatory and needs no further clarification.

Directors

Sri Arun Churiwal and Sri G Narayana retire by rotation and being eligible offer themselves for re-appointment.

Conservation of energy and technology absorption and foreign exchange earnings and outgo

In accordance with the requirement of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars with respect to conservation of energy and technology absorption and foreign exchange earnings and outgo are given in Annexure 'A' forming part of this report.

Particulars of employees

The information of employees getting salary in excess of the limits as prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, who were employed throughout or for part of the financial year under review is given as Annexure – 'B' forming part of this report.

Acknowledgement

The Directors express their grateful appreciation of the assistance and cooperation extended by Banks, various Government and other agencies, shareholders and the suppliers and solicit their continued support. Your Directors also wish to place on record their deep sense of appreciation of the devoted services of the Executives, Staff and Workers of the Company for its success.

By Order of the Board

Place: Kolkata

Date: 14th May, 2011

Sri A C Chakraborti

Chairman



Annexure 'A' to Directors' Report for the year ended March 31, 2011

Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo under Section 217(1)(e) of the Companies Act, 1956

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988.

A	Conservation of Energy	2010-11	2009-10
1.	Electricity		
	(a) Purchased		
	Unit: KWH	8999060	5582815
	Total amount (₹ Lakhs)	380.80	214.19
	Rate/Unit (₹)	4.23	3.84
	(b) Own Generation		
	Through Generator		
	Unit: KWH	4898477	5042752
	Unit: Litre of oil	3.27	3.16
	Cost/Unit (₹)	8.30	7.76
2.	Furnace Oil		
	Quantity		
	Unit: Litre	1878902	1859129
	Total cost (₹ Lakhs)	501.22	444.90
	Cost/Unit (₹)	26.68	23.93
3.	Others		
	(a) HSD		
	Quantity		
	Unit: Litre	235335	108674
	Total cost (₹ Lakhs)	79.95	32.41
	Cost/Unit (₹)	33.97	29.82
	(b) GAS		
	Quantity		
	Unit: Kgs	508773	517615
	Total cost (₹ Lakhs)	224.71	190.41
	Cost/Unit (₹)	44.17	36.79
	(c) COAL		
	Quantity		
	Unit : Kgs.	84514	–
	Total cost (₹ Lakhs)	3.92	–
	Cost / Unit (₹)	4.64	–
4.	Consumption per Unit of Production		
	Unit Pcs	27022689	20046896
	Electricity :KWH	0.51	0.53
	Furnace Oil:Litre	0.07	0.09
	HSD : Litre	0.01	0.005
	GAS : Kgs	0.02	0.026
	COAL:Kg	0.003	–

**B Technology Absorption**

Continuous research is being carried out with the objective to improve the quality of the product and to reduce rejection, energy and raw material cost. Several tangible and intangible benefits are derived in area of energy consumption and product quality.

C Foreign Exchange Earnings & Outgo

Particulars with regard to Foreign Exchange Earnings and Outgo appear in schedule 15 to the accounts.

On behalf of the Board

Place: Kolkata

Dated: 14th May, 2011

Sri A C Chakrabortti

Chairman

Annexure 'B' to Directors' Report for the year ended March 31, 2011

Statement of Particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956

(A) Persons employed throughout the financial year

Name of Employees	Designation	Remuneration	Qualification	Experience (Years)	Commencement of Employment	Age (Years)	Last Employed	
							Organization	Post Held
Sushil Jhunjhunwala	Managing Director	6,322,154	B.Com.	43	01.10.1994	61	Radha Glass & Industries Ltd.	Director

Note: 1. All appointments are contractual

On behalf of the Board

Place: Kolkata

Dated: 14th May, 2011

Sri A C Chakrabortti

Chairman



Annexure to Directors' Report

Corporate Governance Report

(Pursuant to clause 49 of the Listing Agreement)

1. Company's Philosophy

The company firmly believes in and has proactively adopted the adequate policies of Corporate Governance to ensure transparency, professionalism and accountability in its dealings with shareholders, customers, creditors, employees and with every person who comes in contact with the company.

2. Board of Directors

The business of the company is managed by the Board of

Directors ("the Board"). The Managing Director along with Executive Directors manages day to day operations of the Company. As on 31st March 2011 the Board consisted of three executive and five non-executive independent Directors. The Chairman of the Board is a non-executive independent director.

During the financial year under review five Board Meetings were held on following dates: May 20, 2010, July 31, 2010; August 28, 2010; October 27, 2010 and January 29, 2011;

Constitution of Board of Directors and related information

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorship excluding Private Companies as on March 31, 2011	No. of outside Board Committee membership/ Chairmanship excluding Private Companies as on March 31, 2011
Sri A C Chakrabortti	Chairman Non Executive and Independent	5	Yes	11	6 (including 3 Chairmanship)
Sri Sushil Jhunjunwala	Managing Director	5	Yes	3	2 (including 1 Chairmanship)
Sri Ajit Jhunjunwala	Deputy Managing Director	5	Yes	1	Nil
Smt. Nidhi Jhunjunwala #	Executive Director	5	Yes	Nil	Nil
Sri Arun Churiwal	Non Executive and Independent	4	Yes	4	1
Sri G Narayana	Non Executive and Independent	5	Yes	3	Nil
Sri Shakir Ali	Non Executive and Independent	3	No	1	Nil
Sri Rajiv Gujral	Non Executive and Independent	2	No	5	Nil

Appointed as Executive Director w.e.f. 20th May 2010.

There are no pecuniary relationship or transactions with non-executive directors vis-à-vis the company and except for payment of sitting fees commission.

3. Audit Committee

The Audit Committee was constituted by the Board of Directors on May 25, 2002 and it consists of three non-executive independent directors. During the period under review the Audit Committee met on four occasions viz. May 20, 2010, July 31, 2010, October 27, 2010 & January 29, 2011. The constitution of Audit Committee also meets the requirements of section 292A of the Companies Act, 1956 and guidelines set out in listing agreement.

Constitution of Audit Committee and related information

Name of the Directors	Category	No. of meetings attended during the financial year ended 31st March 2011
Sri G Narayana	Chairman Non Executive and Independent	4
Sri A C Chakrabortti	Non Executive and Independent	4
Sri Shakir Ali	Non Executive and Independent	3

The role of Audit Committee and terms of reference specified by the Board to the Audit Committee are to overview the accounting systems, financial reporting and internal controls of the company and are wide enough to cover the requirements under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956. The broad terms are as under:

- Review of the Company's financial reporting process, the financial statements and financial / risk management policies.
- Review of quarterly and Annual Financial Accounts of the Company and discuss with Auditors.
- To meet and review with External and Internal Auditors the Internal Control Systems and to ensure their compliance.
- To review matters as required under the terms of Listing Agreement.
- To investigate matters referred to it by the Board.

The Company Secretary acts as secretary to the committee. The Managing Director, Dy Managing Director, Statutory Auditor and Internal Auditor are the invitees of all the meetings of the Committee

4. Remuneration Committee

a) Composition:

The Remuneration Committee of the Board of Directors has been constituted in accordance with the prescribed guidelines. The committee comprises of 3 Directors, all of whom are non-executive and independent.

Constitution of Audit Committee and related information are as under:

Name of the Directors	Category	No. of meetings attended during the financial year ended 31st March 2011
Sri A C Chakrabortti	Chairman Non Executive and Independent	1
Sri G Narayana	Non Executive and Independent	1
Sri Arun Churiwal	Non Executive and Independent	1

The Remuneration Committee met on one occasions viz. 20th May 2010

The Remuneration Committee approves the remuneration payable to all executive directors and non-executive directors.

b) Remuneration Policy:

Remuneration to Managing/ Executive Directors is paid as per their terms of appointment duly approved by the shareholders. Commission to the Director is paid as approved by the Board within the limits prescribed under the Companies Act, 1956.

c) Remuneration to directors:

The details of the remuneration paid/ payable to the directors during the year 2010-11 are as follows:



Executive Directors' Remuneration details for the financial year ended March 31, 2011

Name of the Directors	Salary and perquisites	Commission	Total
Sri Sushil Jhunjunhuala, Managing Director	49,84,667	13,37,487	63,22,154
Sri Ajit Jhunjunhuala, Dy. Managing Director	37,02,333	13,37,487	50,39,820
Smt Nidhi Jhunjunhuala, Executive Director	14,27,366	6,68,743	20,96,109
	1,01,14,366	33,43,717	1,34,58,083

Non-executive Directors' Remuneration details for the financial year ended March 31, 2011

Name of the Directors	Sitting Fees	Commission	Total
Sri A C Chakrabortti	20,000	50,000	70,000
Sri G Narayana	20,000	50,000	70,000
Sri Shakir Ali	12,000	50,000	62,000
Sri Arun Churiwal	16,000	50,000	66,000
Sri Rajiv Gujral	8,000	50,000	58,000
	76,000	2,50,000	3,26,000

Salary and perquisites include Company's contribution to Provident Fund. The company does not have any stock option scheme.

5. Investors' Grievance Committee

Chairman	: Sri Shakir Ali
Members	: Sri Sushil Jhunjunhuala Sri Ajit Jhunjunhuala Sri G Narayana
Compliance Officer	: Sri Alok Pandey
No. of complaints received by Company's Registrar & Share Transfer Agents M/s MCS Ltd during the financial year ended March 31, 2011	: 5(Five)
No. of complaints resolved to the satisfaction of shareholders during the financial year ended March 31, 2011.	: 5(Five)
No. of pending share transfers as on March 31, 2011	: Nil

6. General Body Meeting

AGM for the financial year	Location of holding AGM	Date and time of AGM
2009- 2010	'Gyan Manch'. 11 Pretoria Street, Kolkata 700 071	August 28, 2010 12.00 Noon
2008- 2009	'Gyan Manch'. 11 Pretoria Street, Kolkata 700 071	August 29, 2009 11.30 AM
2007- 2008	'Gyan Manch'. 11 Pretoria Street, Kolkata 700 071	September 27, 2008 11.30 AM