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1999-2000



LA OPALA SOLITAIRE

LA OPALA RG LIMITED

LA OPALA RG LIMITED

- BOARD OF DIRECTORS
- CHAIRMAN
A. C. Chakrabortti
- MANAGING DIRECTOR
Sushil Jhunjhunwala
- DEPUTY MANAGING DIRECTOR
Ajit Jhunjhunwala
- DIRECTORS
P. N. Roy
G. Narayana
Shakir Ali
- GENERAL MANAGER (CORPORATE AFFAIRS) & SECRETARY
Swapn Kumar De
- AUDITORS
Rajneesh Agarwal & Co.
- BANKERS
State Bank of India
Bank of Baroda
- REGISTRAR & SHARE TRANSFER AGENT
Computech International Ltd.
77/2A Hazra Road
Calcutta - 700 029
- REGISTERED OFFICE
"Chitrakoot" (10th Floor)
230A, Acharya J. C. Bose Road
Calcutta - 700 020
- WORKS
Madhupur
Deoghar
Bihar

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NOTICE

NOTICE is hereby given that 13th Annual General Meeting of the Company will be held at Kala Kunj, 48 Shakespeare Sarani, Calcutta 700 017 on Friday, the 8th September, 2000 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, 2000.
2. To decide final dividend for the year ended 31st March, 2000.
3. To appoint a Director in place of Mr. P. N. Roy who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS**5. As Ordinary Resolution**

To consider and, if thought fit, to pass with or without modifications, the following resolution :

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and all other applicable statutory provisions, if any, approval of the members be and is hereby accorded to the revision of the remuneration payable to Mr. Sushil Jhunjunwala, Managing Director on the following terms and conditions provided such remuneration is also to be minimum remuneration payable to Mr. Sushil Jhunjunwala in the event of loss or inadequacy of the profits of the Company for any financial year during the remaining period of his reappointment.

a. Salary

Rs. 60,000/- per month in the scale of Rs. 60,000/- — Rs. 85,000/-.

b. Perquisites

- i) In addition to the above, Mr. Sushil Jhunjunwala shall be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with utilities such as gas, electricity, water, furnishing & repairs, medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance, personal accident insurance etc. in accordance with the rules of the Company or as may be agreed to by and between the Board of Directors and Mr. Sushil Jhunjunwala. Such perquisites for each year not to exceed his annual Salary.

For the purpose of calculating the above ceiling perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules perquisites shall be evaluated at actual cost.

Provision of the Company's car and telephone at residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceilings.

- ii) Company's contribution to Provident Fund is not taxable under the Income Tax Act. Gratuity payable as per rules of the Company and encashment of leave shall not be included in the computation of limits for the remuneration or perquisites as aforesaid.

c. Commission

As may be decided by the Board of Directors, but not exceeding 24 months of his salary within the overall ceilings stipulated as per the provisions of the Companies Act, 1956.

d. Leave

On full pay and allowance as per the rules of the Company but not exceeding one month's leave for eleven months of service.

- e. Mr. Sushil Jhunjunwala shall also be entitled to be reimbursed all entertainment and/or travelling, hotel and other expenses actually incurred by him in performance of the duties on behalf of the Company.

The above terms and conditions are to be effective from 1st April, 2000.

6. As Ordinary Resolution

To consider and, if thought fit, to pass with or without modifications, the following resolution :

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and all other applicable statutory provisions, if any, approval of members be and is hereby accorded to the revision of the remuneration payable to Mr. Ajit Jhunjunwala, Dy Managing Director on the following terms and conditions provided such remuneration is also to be minimum remuneration payable to Mr. Ajit Jhunjunwala in the event of loss or inadequacy of the profits of the Company for any financial year during the remaining period of his reappointment.

f. Salary

Rs. 35,000/- per month in the scale of Rs. 35,000/- — Rs. 60,000/-.



g. Perquisites

- iii) In addition to the above, Mr. Ajit Jhunjhunwala shall be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with utilities such as gas, electricity, water, furnishing & repairs, medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance, personal accident insurance etc. in accordance with the rules of the Company or as may be agreed to by and between the Board of Directors and Mr. Ajit Jhunjhunwala. Such perquisites for each year not to exceed his annual salary.

For the purpose of calculating the above ceiling perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules perquisites shall be evaluated at actual cost.

Provision of the Company's car and telephone at residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceilings.

- iv) Company's contribution to Provident Fund is not taxable under the Income Tax Act. Gratuity payable as per rules of the Company and encashment of leave shall not be included in the computation of limits for the remuneration or perquisites as aforesaid.

h. Commission

As may be decided by the Board of Directors, but not exceeding 24 months of his salary within the overall ceilings stipulated as per the provisions of the Companies Act, 1956.

i. Leave

On full pay and allowance as per the rules of the Company but not exceeding one month's leave for eleven months of service.

- j. Mr. Ajit Jhunjhunwala shall also be entitled to be reimbursed all entertainment and/or travelling, hotel and other expenses actually incurred by him in performance of the duties on behalf of the Company.

The above terms and conditions are to effective from 1st April, 2000.

7. As Ordinary Resolution :

To consider and if thought fit, to pass with or without modifications, the following resolution :

"RESOLVED THAT subject to the applicable clauses of the standard listing agreement and the guidelines of Securities and Exchange Board of India, consent of the Company be and is hereby given to delist the shares of the Company from the Ahmedabad Stock Exchange."

"RESOLVED FURTHER THAT Mr. Swapan Kumar De, General Manager (Corporate Affairs) & Secretary be and is hereby authorised to do and perform all such acts, deeds, matter and things as may be considered necessary, useful or expedient to give effect to this resolution."

By Order of the Board

Place : Calcutta
Dated : 27th May, 2000

SWAPAN KUMAR DE
G.M. (Corporate Affairs) & 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 1st September to 8th September, 2000 (both days inclusive).
 5. Dividend that may be declared by the Company will be paid to those members whose names will appear on Register of Members of the Company or to their mandatees on 1st September, 2000.
 6. Members are requested to bring their copy of Annual Report to the Meeting.
 7. 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.
 8. Members of the Company are requested to intimate immediately to the Registered Office of the Company about the change of address, if any.
 9. Members/proxies are requested to bring the Attendance slip duly filled in and hand it over at the entrance of the Meeting hall.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. (5)

In the 12th Annual General Meeting held on 14th August, 1999 Mr. Sushil Jhunjhunwala was reappointed as the Managing Director of the Company for a further period of 5 (five) years with effect from 1st October, 1999 with the terms and conditions of the remuneration as per Resolution No. 6 adopted in the Annual General Meeting.

The Board of Directors in their meeting held on 29th January, 2000 subject to the approval of the members unanimously approved the revision of remuneration payable to Mr. Sushil Jhunjhunwala with effect from April 1, 2000.

The resolution as set out in Item No. 5 may be considered accordingly and the Board of Directors recommends the same for your approval.

Excepting Mr. Sushil Jhunjhunwala and Mr. Ajit Jhunjhunwala, no other Director is interested in the above referred resolution.

Item No. (6)

In the 12th Annual General Meeting held on 14th August, 2000, consent of the Company was given to Mr. Ajit Jhunjhunwala being redesignated as Deputy Managing Director of the Company with the same terms and conditions of remuneration as per the Resolution No. 7 adopted at the said Annual General Meeting.

The Board of Directors in their meeting held on 29th January, 2000 subject to the approval of the members unanimously approved the revision of remuneration payable to Mr. Ajit Jhunjhunwala with effect from April 1, 2000.

The resolution as set out in Item No. 6 may be considered accordingly and the Board of Directors recommends the same for your approval.

Excepting Mr. Ajit Jhunjhunwala and Mr. Sushil Jhunjhunwala, no other Director is interested in the above referred resolution.

Item No. (7)

The shares of the Company were listed in Ahmedabad Stock Exchange in the year 1995 with the objective of facilitating the dealings of the same by general public. It has since been observed that the volume of transactions of the shares in the Ahmedabad Stock Exchange has been negligible with no transactions during last two years. In a bid to avoid the extra burden of expenditure, the Board of Directors at their meeting held on 27th May, 2000 decided to delist the shares in Ahmedabad Stock Exchange subject to the approval of the members.

The resolution as set out in Item No. 7 may be considered accordingly and the Board of Directors recommends the same for your approval.

By Order of the Board

SWAPAN KUMAR DE
G.M. (Corporate Affairs) & Secretary

Place : Calcutta
Dated : 27th May, 2000



DIRECTORS' REPORT to the Members

Your Directors have pleasure in presenting the 13th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2000.

THE PERFORMANCE DURING THE CURRENT YEAR

During the year under review, your Company recorded a significant improvement in its turnover despite a depressed market condition which continued from the previous year and improved only during the second half of the current financial year. There has been an all round improvement in the performance of the Company's Crystalware Division which contributed to the higher turnover. In addition, aggressive marketing strategies adopted by the Company, extensive and focused advertising campaign particularly in the electronic media, introduction of new and innovative products, successive participation in consumer goods trade fair in Frankfurt, Germany lending a boost towards the export efforts, had their beneficial impact on Company's performance.

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

PERFORMANCE OF COMPANY		Rs. in lacs	Rs. in lacs
Sl. No.	Particulars	Year ended 31st March, 2000	Year ended 31st March, 1999
1.	Net Sales/Income from operations	3806.15	3072.45
2.	Other Income	40.17	10.30
3.	Total expenses before interest and depreciation	3131.02	2622.06
4.	Interest	12.80	18.07
5.	Gross profit after interest but before depreciation	702.50	442.62
6.	Depreciation	104.10	67.32
7.	Profit before taxation	598.40	375.30
8.	Provision for taxation	199.00	111.10
9.	Net Profit	399.40	264.20
10.	Tax Provision for earlier year	(5.96)	—
11.	Prior period adjustment	—	0.60
12.	Provision written back	0.20	3.33
13.	Surplus available	393.64	268.13
14.	Dividend	132.47	115.68
15.	Tax on Dividend	17.48	11.57
16.	Transferred to General Reserve	150.00	100.00
17.	Balance as per last year	204.83	163.95
18.	Balance carried to Balance Sheet	298.52	204.83

CHALLENGES

As in the previous year, your Company has to contend with the threat of increased competition from international players making their inroads into domestic market under the umbrage of the policy of liberalisation. Your Company's business strategies are designed to face these perceived threats by pre-emptively offering globally competitive products of world class quality banking on its timetested innovative approach. This coupled with Company's strong customer franchise and extensive marketing and distributor network has enabled the Company to successfully compete against both domestic and international players.

DIVIDEND

An Interim Dividend @ 20% was declared by the Board of Directors in March, 2000. Your Directors are now pleased to propose the final Dividend @ 5% for your approval for the year ended 31st March, 2000.

FUTURE OUTLOOK

With major thrust on technological upgradation of Company's products, introduction of new product range, newer avenues of marketing and emphasis on qualitative benchmarking, the Company is poised, barring unforeseen circumstances, for maintaining its trend of growth in the millennium year.

Y2K

There has been no problem to any system or other areas of your Company's business during the changeover to Y2K.

RETAIL SHOWROOM

For the first time in Indian tableware industry, Company's exclusive showroom was opened in a prestigious business district of Calcutta which has been highly acclaimed by the valued customers.