LA OPALA

25 Years of Leadership

# LEADING

# THROUGH

# INNOVATION

LA OPALA RG LIMITED

25TH ANNUAL REPORT 2012

LA OPALA

25 Years of Leadership

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# The Strive for Excellence

LA OPALA
25
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It takes a visionary to see beyond the obvious. It takes a leader to venture unchartered terrains. It takes a pioneer to create new horizons and make history. This is the story of La Opala.

The first milestone was with the birth of La Opala in 1987, the first opalware brand in India. A relentless dedication for innovation followed, leading to the introduction of the sophisticated crystalware brand, Solitaire.

It didn't take long to capture the imagination of every Indian. Confident in their success, they ventured into unchartered territories; taking their popular products overseas.

The tracks were laid; the dream was turning into a reality and thanks to the state-of-the-art manufacturing plant the desire to achieve excellence, soared. As a result, opalware was perfected and Diva was born.

It wasn't long before the public began to relate tableware to La Opala and Diva. Another first step was to bring in Bipasha Basu as Diva's Brand Ambassador, bringing the brand and its consumers even closer.

Such is the sophistication and brilliance of Diva's design and functionality that presently famed designer, Manish Malhotra has become its Brand Ambassador, promising for the first time, an exclusive Manish Malhotra Diva Collection.

La Opala's dream of adding style to lifestyle is ever growing. The desire to innovate is immovable.

Barriers will be broken, perfection will be reached and tableware will never be the same.

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# The Remarkable Journey

1987–2012

**1987**
The journey began for La Opala Glass Private Limited

**1988**
Pioneering in Opal Glass technology in India, the first Opal Glass plant was set up at Madhupur, Bihar

**1988**
Witnessed overwhelming market acceptance

**1991**
La Opala earned the honour to be the first exporter of Opal Glass tableware

**1995**
La Opala became the first Public Limited tableware company

**1996**
Pioneered 24% Lead Crystal Glassware technology in India and set up the first Crystal Glass plant at Madhupur, Bihar

**1996**
Launched India's first 24% Lead Crystal Glassware, under the brand name 'Solitaire'

**1997**
Became the first Indian company to export 24% Lead Crystal tableware

**1999**
The merger of La Opala Glass Ltd, with Radha Glass & Industries Ltd, forming La Opala RG Ltd

**2005**
Received the honour of recognition as Export House from the Government of India

**2007**
First Indian company to supply 24% Lead Crystal Glassware to world renowned 'Rosenthal'

**2007**
Fully automatic state-of-the-art plant set up at Sitarganj, Uttarakhand, to produce worldclass Opal Glass tableware

**2008**
Witnessed the launch of 'Diva' , the hi-tech, worldclass opal brand in the premium segment

**2011**
Ranked as 250 among the top 400 small cap companies of India, by Dalal Street

**2012**
The company completed the major expansion plan at their Sitarganj, Uttarakhand plant

# Board of Directors

## Mr A C Chakrabortti

Mr A C Chakrabortti was appointed as the Chairman and Non-executive Director on the Board of La Opala RG Limited effective 29th October, 1994. He is the fellow member of the Institute of Chartered Accountants in England & Wales and India. He is formerly, Senior Partner of S R Batliboi & Co., Chartered Accountants, Chairman of Ernst & Young, President of Institute of Chartered Accountants of India and a Governing Committee Member of International Federation of Accountants. He is also the Chairman of Peerless Funds Management Co. Ltd., Grindwell Norton Ltd. and also on the Boards of numerous prominent companies. He is also Trustee and Governing Committee Member of three public / private schools.

## Mr Sushil Jhunjhunwala

Mr Sushil Jhunjhunwala is the Promoter and Managing Director of the Company. He was appointed as the Managing Director on the Board of La Opala RG Limited effective 29th October, 1994. He has over 40 years of specialisation in the Glass Industry. He has held important honorary positions in many organisations that include, the President of All India Glass Manufacturers Federation, President of Society of Glass Technology (Indian Section) and President of Calcutta Chamber of Commerce. He is also a Non-executive Director of M/s RSWM Limited and M/s BSL Limited.

## Mr Ajit Jhunjhunwala

Mr Ajit Jhunjhunwala is the Promoter and Dy Managing Director of the Company. He was appointed as a Director on the Board of La Opala RG Limited effective 3rd October, 1989 and subsequently appointed as the Dy Managing Director of La Opala RG Limited effective 1st October, 1997. He has over 20 years of experience in the Glass Industry. He is the former President of Eastern India Glass Manufacturers Association and Committee Member of Confederation of Indian Industries (Marketing Committee).

## Ms Nidhi Jhunjhunwala

Ms Nidhi Jhunjhunwala was appointed as an Executive Director on the Board of La Opala RG Limited effective 14th May, 2010. She is responsible for the marketing, planning and product designing of the Company. She is an active member of Ladies Study Group, Indian Chamber of Commerce.

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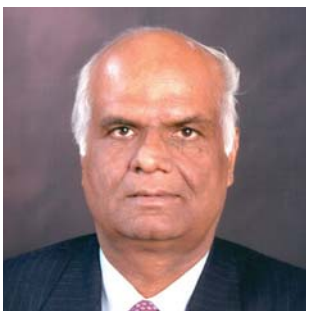
# Board of Directors

## Mr G Narayana

Mr G Narayana was appointed as a Non-executive Director on the Board of La Opala RG Limited effective 25th November, 1996. He has over 45 years of experience in the field of Engineering, General Management, Human Relations, developing leaders and in teaching. He has authored many path making books on management and leadership. At present he is a Chairman Emeritus of Excel Industries Limited and Chairman of M/s Punjab Chemicals & Pharmaceuticals Limited.



## Mr Arun Churiwal

Mr Arun Churiwal was appointed as a Non-executive Director on the Board of La Opala RG Limited effective 26th June, 2004. He has over 40 years of experience in the segments of textiles and agro products. He is currently the Managing Director of M/s RSWM Limited and Chairman & Managing Director of M/s BSL Limited, a part of M/s LNJ Bhilwara Group. He has held many important positions of honour in many organistions, such as President of Merchants' Chamber of Commerce, Kolkata, Chairman of Indian Woolen Mills Federation, Mumbai and President of Mewar Chamber of Commerce & Industry Bhilwara, Rajasthan.

## Mr Rajiv Gujral

Mr Rajiv Gujral was appointed as a Non-executive Director on the Board of La Opala RG Limited effective 26th October, 2007. He has been associated with the Tata Group for over 38 years and has been in senior management positions with Taj Group of Hotels. Presently he is the CEO of Tata International / Taj Hotels JV for Africa. He is also on the Board of M/s Peerless Hotels Ltd. and Ex Board Members of Taj International Hotels (HK) Ltd. and Oriental Hotels International (HK) Ltd.

## Mr Shakir Ali

Mr Shakir Ali was appointed as a Non-executive Director on the Board of La Opala RG Limited effective 11th June, 1987. He is a reputed lawyer and specialises in Industrial & HR Relations. He is associated with many companies of repute, such as, M/s Century Ply Limited and M/s Manaksia Group of Industries.

# Corporate Information

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## Board of Directors

| | |
|---|---|
| Chairman | Mr A C Chakrabortti |
| Managing Director | Mr Sushil Jhunjhunwala |
| Dy Managing Director | Mr Ajit Jhunjhunwala |
| Executive Director | Ms Nidhi Jhunjhunwala |
| Directors | Mr G Narayana<br>Mr Shakir Ali<br>Mr Arun Churiwal<br>Mr Rajiv Gujral |
| Vice President Finance & Secretary | Mr Alok Pandey |
| Auditors | Doshi, Chatterjee, Bagri & Co |
| Bankers | State Bank of India |
| Registrar & Share Transfer Agent | MCS Limited<br>77/2A, Hazra Road, Kolkata 700 029<br>Phone +91 33 2454 1892/93, 4072 4051-53<br>Fax +91 33 2454 1961/4072 4050<br>Email mcskol@rediffmail.com |
| Registered Office | 'Chitrakoot', 10th Floor<br>230A, AJC Bose Road, Kolkata 700 020, India<br>Phone +91 33 3053 6656/57/58<br>Fax +91 33 3053 6659<br>Email laopala@eth.net<br>Website www.laopala.in |
| Works | Post Madhupur, District Deoghar<br>Jharkhand<br><br>B-108, ELDECO SIDCUL Industrial Park<br>Sitarganj, Udham Singh Nagar<br>Uttarakhand 262 405 |

# Notice

LA OPALA 25 Years of Leadership

NOTICE is hereby given that the **25th Annual General Meeting** of the Company will be held at 'Gyan Manch' at 11, Pretoria Street Kolkata 700 071 on Friday 10th August, 2012 at 11:30 am 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, 2012;
2. To declare dividend for the year ended 31st March 2012;
3. To appoint a Director in place of Sri Shakir Ali who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sri Rajiv Gujral who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint Auditors and fix their remuneration.

## AS SPECIAL BUSINESS

6. As Special Resolution

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

"RESOLVED THAT pursuant to sections 198, 269 and 309 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), consent of the Company be and is hereby accorded to the re-appointment of Sri Ajit Jhunjhunwala as the Dy Managing Director of the Company for further period of 5 (five) years with effect from 1st October 2012 on the following terms and conditions, provided such remuneration is also to be a minimum remuneration payable to Sri Ajit Jhunjhunwala in the event of loss or inadequacy of the profits of the company in any financial year.

a. Salary

Rs 3,00,000/- per month in the scale of Rs 3,00,000/- Rs 6,00,000/-.

b. Perquisites

(i) 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 & repair, 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.

(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, within the overall ceiling 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.

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.

7. As Special Resolution

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

"RESOLVED THAT pursuant to provision of Section 314 of the Companies Act, 1956, consent of the Company be and is hereby accorded to Mr Himanshu Jhujhunwala, a relative of Mr Sushil Jhunjhunwala, Managing Director of the Company to hold the office or place of profit as Manager - New Business Development of the Company with effect from 1st July 2011 at an enhanced/changed remuneration as per details given below:

| | | | |
|---|---|---|---|
| (a) | Basic Salary | : | Rs 11,000/- (Rupees eleven thousand only) per month in the scale of Rs 10,000/- to Rs 50,000/- |
| (b) | Perquisites | | |
| (i) | House Rent Allowance | : | Rs 3,000/- (Rupees Three thousand only) per month |
| (ii) | Special Allowance | : | Rs 12,200/- (Rupees Twelve thousand two hundred only) per month |
| (iii) | Reimbursement of Conveyance not exceeding | : | Rs 3,000/- (Rupees Three thousand only) per month |
| (iv) | Contribution to Provident Fund | : | As per the rules of the Company |
| (v) | Bonus & Medical Allowance | : | As per the rules of the Company |

8. As Special Resolution

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

RESOLVED THAT pursuant to provision of Section 314 of the Companies Act, 1956, consent of the Company be and is hereby accorded to Mrs Shruti Kishorpuria, a relative of Mr Sushil Jhunjhunwala, Managing Director and Mr Ajit Jhunjhunwala, Dy Managing Director of the Company to hold the office or place of profit as Executive – Product Development of the Company with effect from 1st July, 2011 at an enhanced/changed remuneration as per details given below:

| | | | |
|---|---|---|---|
| (a) | Basic Salary | : | Rs 50,000/- (Rupees Fifty thousand only) per month in the scale of Rs 50,000/- to Rs 1,00,000/- |
| (b) | Perquisites | | |
| (i) | House Rent Allowance | : | Rs 12,500/- (Rupees Twelve thousand five hundred only) per month |
| (ii) | Special Allowance | : | Rs 2,500/- (Rupees Two thousand five hundred only) per month |
| (iii) | Contribution to Provident Fund | : | As per the rules of the Company |
| (iv) | Bonus & Medical Allowance | : | As per the rules of the Company |

By Order of the Board

Place: Kolkata
Date: 21st May, 2012

**Alok Pandey**
V. P. 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 Wednesday the 1st August, 2012 to Friday, the 10th August, 2012 (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 Shakir Ali was appointed as a Director on 11th June 1987. He is an Advocate and reputed Labour Advisor. Currently he is also a Director of M/s Eri-tech Limited. As on 31.03.2012 he was holding 'NIL' Equity share of the Company.

   Sri Rajiv Gujral was appointed as a Director on 26th October, 2007. He is a graduate in Business Management with Marketing as core subject from Benaras University. He is presently a Director of M/s Peerless Hotels Ltd., Kolkata, M/s Peerless Hospitex Hospital & Research Centre Ltd., Kolkata. He is also a Managing Trustee of Indian Crafts Village Trust, Kolkata and Chairman of All India Board of Hotel Management and Catering Technology (appointed by the Union Ministry of Human Resource). As on 31.03.2012 he was holding 'NIL' Equity share of the Company.

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

### Item No. (6)

In the 20th Annual General Meeting held on 4th September 2007 the shareholders approved the appointment of Ajit Jhunjhunwala as the Dy Managing Director of the Company for a period of 5 years with effect from 1st October 2007 which was further modified in the 21st Annual General Meeting held on 27th September 2008. His tenure of office as Deputy Managing Director expires on 30th September 2012 and being eligible Ajit Jhunjhunwala offers himself for reappointment as the Deputy Managing Director of the Company for a further period of 5 (five) years with effect from 1st October 2012.