

The New Family Silver

LA OPALA.
THE CONSUMER'S
PRIDE



LA OPALA RG LIMITED
ANNUAL REPORT 2015-16



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THE OVER-ARCHING STORY
IN INDIA IN 2015-16 WAS
LARGELY THE SAME.

DROUGHT. PESSIMISM.
GUARDED SPENDING.

AND YET, LA OPALA REPORTED
11.80 PER CENT GROWTH IN
REVENUES.

A 40.68% PER CENT INCREASE
IN BOTTOMLINE.

PROFITABLE GROWTH.

**Despite
every
thing.**

A NUMBER OF ANALYSTS HAVE TRIED TO ANALYSE THE SECRET BEHIND LA OPALA REPORTING YET ANOTHER PROFITABLE GROWTH YEAR IN 2015-16. OR REPORTING AN EBIDTA MARGIN OF 34.82% PER CENT. OR HOW VIRTUALLY EVERY RETAILER OR DEALER WORTH HIS CREDIT-RATING WANTED TO STOCK OUR PRODUCTS.

THEY HAVE MADE MODEST ATTEMPTS EXPLAINING THE WHITENESS ON OUR PRODUCTS. THE FEEL-GOOD OF OUR DESIGNS. THE PRICE-VALUE CURVE OF WHAT WE MAKE. ETCETERA. ETCETERA. ETCETERA.

And th
all the

Profitable growth for a number of successive years. *∞* Increased EBIDTA margins for a number of successive years. *∞* No debt; 95.38 crore investment in short/long term funds.

TRUST US, THE TRUTH IS IN THE OPEN. WHEN SOMEONE GOES TO BUY ATTRACTIVE CROCKERY, SHE OR HE IS NOT QUITE ABLE TO ARTICULATE 'OPALWARE' AND FANCY TECHNICAL TERMS. AND NEITHER DOES SHE WISH TO USE WORDS LIKE 'CHAAI KA PYAALA'.



BUT WHAT DOES SAVE HER FROM EMBARRASSMENT ARE TWO WORDS. 'LA OPALA'.

SO SHE SAYS WHAT COMES SIMPLEST TO HER MIND. 'WOH ZARAA LA OPALA JAISA DIKHAIYYEGA..'

THIS IS WHAT THE STORE OWNERS SHOW HER. THIS IS WHAT SHE BUYS.

TOP OF THE MIND. TOP OF HER TONGUE. TOP OF THE LIST.

**at has made
difference.** 

Expansion funded completely by accruals.  Only 61 per cent of sanctioned working capital drawn.  Increasing revenue proportion from value-added products.

**What we
manufacture
in our
plants is
crockery.
What we
market in
the stores is
pride.**



When it is time to exchange gifts during the shaadi, one of the 'musts' on the list is the La Opala dinner set.

When someone has to be felicitated for putting in 25 years at the company, the inevitable gift of first choice is the La Opala dinner set.

After the members of the local club have debated till dawn what the raffle prize should be, peace breaks out after someone whispers, 'What about La Opala?'

When the kitty party needs to give out a surprise prize from all the cash it has pooled across the months, the general consensus is 'La Opala' because 'Ghar me subko kaam aayega'.

When it is time to give the couple something memorable on their anniversary, the La Opala bouquet figures as the undisputed winner.

When the speaker at the weekly Rotary get-together needs to be presented a memento for having 'enlightened the audience with her precious wisdom', a box of half a dozen Soliatire glasses wrapped in pink paper makes the give-away look so respectable that the recipient feels 'Oh my god, this must be something expensive.'

When the boy's side of the family visits the home of the prospective bride, the aesthetic index is not what sari the womenfolk have worn or what TV brand they have on the walls, but what crockery they put out when it is time for tea. If it is La Opala, they pass the test.

When the proud home-buyers buy a showcase for the drawing room, there is a standard response as to what needs to be displayed within: the 35-piece La Opala dinner set, what else?

There is more La Opala in our lives than we care to think.

La Opala. Where India eats. No more, no less.

Our Vision

Our vision is to be the chosen tableware of every home across the world.

Our Mission

Our mission is to continuously satisfy our consumers through our world-class products and services. This, we believe, is the best way to ensure consistent success for our Company, shareholders and employees.

Our business

La Opala RG Limited has been nearly three decades in business (established 1987). The Company is India's only listed pure-play tableware company.

The company was established with the missionary enthusiasm to market modern tableware products in India.

The Company is engaged in the manufacture and marketing of opal glass tableware and 24% lead crystalware products.

Over the years, the Company's opal glassware portfolio has widened: plates, bowls, dinner sets, cup-saucer sets, coffee mugs, coffee cups, tea sets, soup sets, pudding and dessert sets; the crystalware products comprise barware, vases, bowls, stemware and heat-resistant borosilicate cookware.

Our capacities

La Opala RG Limited possesses the largest opal glass tableware capacity in India across its Sitarganj and Madhupur facilities.

Location

Sitarganj

State

Uttarakhand

Products manufactured

Opalware

Location

Madhupur

State

Jharkhand

Products manufactured

- Crystalware
- Opalware

Our locations

La Opala RG Limited is headquartered in Kolkata (West Bengal) with all its manufacturing operations in India. The Company exports products to more than 40 countries.

Our brands

The Company's prominent brands comprise La Opala, Diva and Solitare.

Diva (tableware) and Solitare (crystalware) address premium consumer needs.

The La Opala brand addresses the largest end of the market.

Our management

The management of La Opala RG Limited comprises Mr. Sushil Jhunjhunwala as Vice Chairman & Managing Director, Mr. Ajit Jhunjhunwala as Joint Managing Director and Ms. Nidhi Jhunjhunwala as Executive Director. The Company's employees comprise technologists, professionals and shopfloor professionals.

Awards and accolades

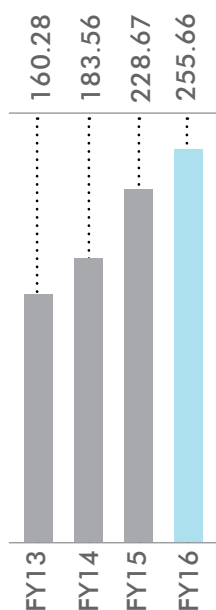
Receive an award in the category of Best Financial Performance (Rs 100 – 300 crore) in the ET Bengal Corporate Awards, 2016

Ranked as India's Most Trusted Dinnerware Brand in a study covering 20,000 brands across 16 cities by the Brand Trust Report

Accorded the status of One Star Export house in accordance with the provisions for the Foreign Trade Policy, 2015-2020 by the Directorate General of Foreign Trade

THIS IS HOW WE REPORTED A RECORD 2015-16

Higher revenues (Rs cr)



Definition

Revenue growth without deducting excise duties.

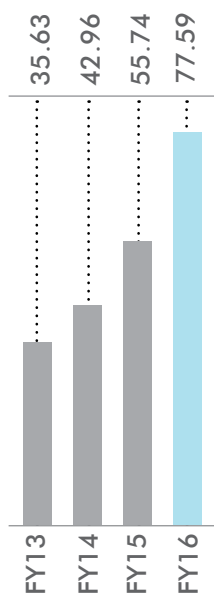
Why we measure

This measure reflects the result of our capacity to understand market needs and service them with corresponding manufacture, relevant brands, dealer engagement and supply chain – virtually the entire supply chain.

Performance

Our aggregate revenue increased 11.80 per cent to Rs 255.66 cr in FY 16, which compared favourably with the 7.3 per cent growth of the country's economy.

Operating profit growth (Rs cr)



Definition

What the company earned before the deduction of interest, extraordinary items, tax and non-operating income.

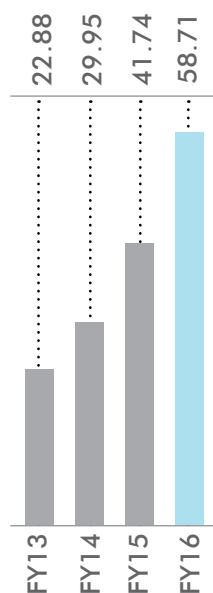
Why we measure

This measure is an index of the company's operating profitability (as distinct from financial), which can be easily compared with sector peers.

Performance

The company's operating profit grew every single year through the last many years. The company reported a 39.20 per cent increase in its operating profit in FY 16, which was the sharpest increase reported by the company in a number of years. This was the result of capacity investments, cost reduction and product mix changes.

Profit after tax (Rs cr)



Definition

What the company earned after interest, depreciation, extraordinary items and tax.

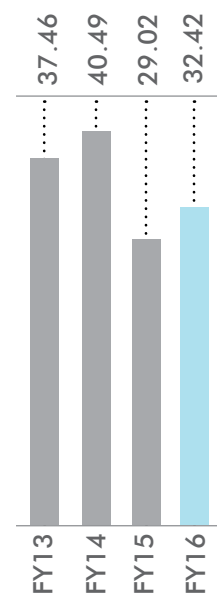
Why we measure

This measure is an index of the company's net profitability, which can be easily compared with sector peers.

Performance

The company's net profit grew every single year through the last many years.

Return on Capital Employed (%)



Definition

What the Company earned after interest, depreciation, extraordinary items and tax as a percentage of capital employed (total assets – current liabilities) during the year under review.

Why we measure

This measure is an index of the company's operating profitability, indicating whether the company is enhancing value over the cost of capital or not peers.

Performance

The company's ROCE has increased from 29.02 per cent in FY15 to 32.42 per cent in FY16. The Company reported 340 bps increase in ROCE in FY16.

16.34%

Revenue growth
(CAGR over 5 years)

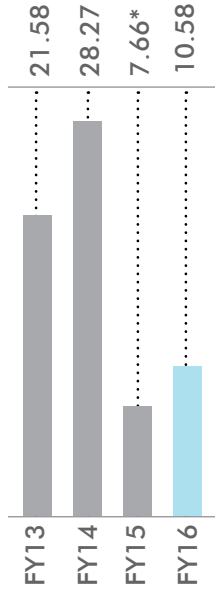
26.71%

EBIDTA growth
(CAGR over 5 years)

36.04%

Net profit growth
(CAGR over 5 years)

Earning per share (Rs)



Definition

The profit after tax divided by the number of equity shares outstanding.

Why we measure

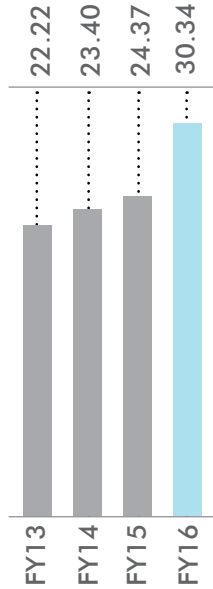
This measure is an index of the company's earnings capability filtering down to the shareholder level which can be easily compared with sector peers.

Performance

The company's EPS increased from Rs 7.66 in 2014-15 to Rs 10.58 in 2015-16.

* Stock split in the ratio of 1:5

Operating margin movement (%)



Definition

The movement in percentage points in profit before interest, exceptional items, tax and non-operating income divided by Company revenue.

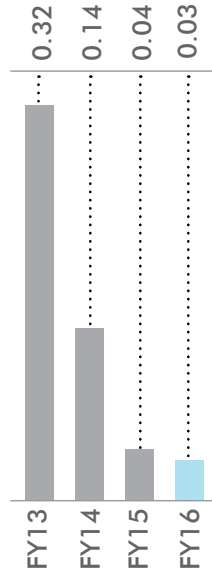
Why we measure

This movement essentially indicates whether the business is becoming more efficient or not.

Performance

The company's operating profit margin has been continuously increasing. The company reported a 597 bps increase in operating profit in FY 16.

Gearing



Definition

This is derived through the ratio of debt to net worth (less revaluation reserves).

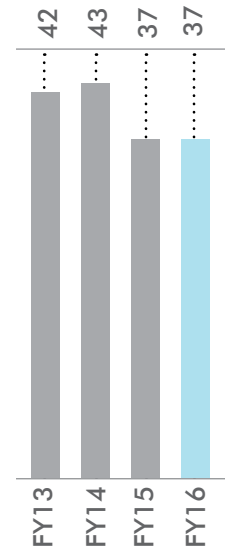
Why we measure

This is one of the defining measures of a company's financial health, indicating the ability of the company to remunerate shareholders over debt providers (the lower the gearing the better). In turn, it indicates the ability of the company to sustain growth in profits, margins and shareholder value.

Performance

The company's gearing strengthened from 0.32 in 2013 to 0.03 in FY16.

Receivables (days of turnover equivalent)



Definition

This is the company's sundry debtors as a proportion of turnover (expressed in number of days).

Why we measure

Receivables (in terms of the number of days) expressed how fast the company was getting sales proceeds into the company, the lower the better.

Performance

The company's receivables of 37 days of turnover equivalent were achieved through modest credit tenures.

31.54%

Cash profit growth
(CAGR over 5 years)

3314_{cr}

Enterprise value
(March 31, 2016)

65%

Promoter holding
(March 31, 2016)

CHAIRMAN'S REVIEW

**With great size
comes great
responsibility**



La Opala RG Limited continued to report another outstanding year, relatively insulated from the country's economic slowdown, weak home building, successive drought and hesitant consumer spending.

The Company reported 11.80 per cent revenue growth and 40.68 per cent PAT growth.

The highlight of the company's working during the financial year under review was the commissioning of the expansion in the second half the financial year under review.

This expansion represents a watershed in the company's existence for a number of reasons.

One, this was the largest expansion attempted in India's tableware sector; the company added 62 per cent to its installed capacity.

Two, this expansion was implemented completely through own source as opposed to our erstwhile strategy of financing all capacity expansions through a combination of accruals and debt.

Three, until now, all our capacity expansions were incremental at a time when the country was playing catch-up with established demand. This significant expansion will place a pressure on the company to market its products without compromising realisations and margins. In view of these priorities, the company will not just be required to service an existing demand; it will be required to create a market and then account for a disproportionately large share of it.

This brings me to an important point: as an industry leader, our responsibility will progressively evolve from market capture

to market creation for a product that I believe is fundamental to lifestyles and should grow in demand across the next number of years.

We possess the credentials to play this statesman role in India's tableware sector for a number of reasons.

We possess a Balance Sheet with 95.38 crore investment in short/long term funds and virtually no debt. We possess an excellent distribution network marked by years of enduring engagement. We possess a complement of brands addressing various income segments.

Over the foreseeable future, I see some positive developments that can catalyse our growth. The introduction of the Real Estate Regulatory Authority will lay the foundation of a robust real estate development sector in India, which is expected to emerge as the principal driver of the offtake of our products. I see the possibility of monsoonal rebound as a driver of rural income and GDP growth, which should translated into an increased offtake of products. I foresee the proposed introduction of the Goods and Services Tax as a development that will widen the tax net, either bringing a large number of unorganised players into the tax net (hence higher costs) or compelling them to exit.

In view of these realities, I am optimistic the expansion could not have come at a more opportune time and that the company will continue sustain its growth, albeit on a large revenue base, enhancing value for all our stakeholders.

A. C. Chakrabortti
Chairman

“A number of decisive initiatives which we undertook to strengthen our business paid off in 2015-16”



Sushil Jhunjhunwala,
Vice Chairman and Managing Director,
reviews the company's working in 2015-16

Q WERE YOU PLEASED WITH THE PERFORMANCE OF THE COMPANY DURING THE YEAR UNDER REVIEW?

A We did well during the year under review considering that we grew our revenues and profit after tax by 11.80% and 40.68%, respectively. This positive divergence made it possible for the Company to report yet another year of profitable growth. The nature of this performance validates

the robustness of the Company's business model. I must however indicate that the performance of the Company would have been better but for the muted performance during the fourth quarter when we were able to grow our volumes by a mere 4% y-o-y.

Q WHAT REASONS WOULD YOU ASCRIBE TO THE IMPROVEMENT IN THE COMPANY'S REVENUES AND PROFITS?

A One of the reasons for the improvement was the completion of our expansion programme that enhanced our throughput, November 2015 onwards. The incremental


production at the our Sitargunj unit started coming into play in the second half of the financial year under review, the full impact of the same will start manifesting during 2016-17.

Q WHAT WENT RIGHT FOR THE COMPANY DURING THE YEAR?

A: There were a number of decisive initiatives which we undertook to strengthen our business. We commissioned the expansion at our plant within the stipulated timeline. We

increased the proportion of value-added products and distributors. We widened our footprint across more states and expanded in the global market.

WHAT IS THE OUTLOOK FOR THE COMPANY?

 In one word— positive. This is true because of a number of reasons.

One, the Company introduced a new product category – cups, saucers and mugs in February 2016 with the objective to help customers buy something that complemented what they had originally bought.

Two, the Company introduced the process of tempering for the Diva range of tea and coffee crockery, lending the products a strength that can't be found in glass or bone china variants.

Three, we leveraged our widespread sales channels to ensure that the newly-introduced products occupied shelf spaces across the nation prominently.

Four, we hived off underperforming distributors and added more, enhancing overall productivity.


Five, we initiated the process of changing the positioning of dinner sets from the casual to the formal under the Diva brand, which will open up a new revenue source when implemented.

Six, we intend to increase our branding and promotion budget in the coming year.

Seven, we aim to lay a keen emphasis on the export of our products.

In view of these initiatives, we expect to create a sense of excitement surrounding our products that should translate into yet another year of profitable growth.

HOW COMPETITIVELY IS THE COMPANY PLACED FROM A SECTORAL STANDPOINT?

 We possessed a revenue potential of Rs. 400 crore and a capacity of 21,000 tonnes per annum as of 31st March 2016. One might think that this should allow us to rest easy. However, it actually places a on us responsibility as market leaders to keep on widening and deepening our marketing footprint, heightening consumption appetite among those who have never used opaware and then to spin off strategic product extensions to enhance the lifestyle quotients of our patrons.

From a financial perspective, the Company had 95.38 crore investment in short/long term funds at the close

of 2015-16 even as the investments in additional capacity (came on stream during the course of the last financial year) were sourced completely from our net worth and internal accruals. The result is that we not only possess the resources to commission the next round of capacity expansion but also the have resources needed to invest in promotion and the working capital to sustain our growth during the years to come.

Besides, one must indicate that despite an increase in capacity during the last financial year, we were successful in reducing our receivables cycle.

Q HOW DID THE COMPANY RESPOND TO A MUTED FOURTH QUARTER?

A We responded though farsighted initiatives mediated towards enhancing plant efficiency. These initiatives made it possible for us to offset the decline in sales and allowed us to report attractive results for the entire year.

Q ARE YOU OPTIMISTIC OF THE MEDIUM-TERM PROSPECTS OF THE COMPANY?

A Absolutely. In fact, our optimism has only become stronger on the back of a perceptible shift from stainless steel utensils to melamine, opal ware and bone china alternatives. People who are moving into better and grander homes do not want stainless steel utensils on their dinner tables, because they are not upmarket and chic enough. One of our consumers told us that despite eating out of stainless steel utensils on a daily basis, whenever the children feel like eating out, they simply replace the stainless steel utensils with our products – this is their version of eating out!

We believe that this trend will accelerate on the back of a seamless transition from the unbranded to the branded propelled by the proposed introduction of GST. Unorganised manufacturers will find it difficult to compete following the imposition of GST.

In view of these macroeconomic realities, we foresee attractive and sustainable growth during the years to come.

ONE OF OUR CONSUMERS TOLD US THAT DESPITE EATING OUT OF STAINLESS STEEL UTENSILS ON A DAILY BASIS, WHENEVER THE CHILDREN FEEL LIKE EATING OUT, THEY SIMPLY REPLACE THE STAINLESS STEEL UTENSILS WITH OUR PRODUCTS – THIS IS THEIR VERSION OF EATING OUT!

How we have continuously transformed ...

1

Large proportion of the population using stainless steel cutlery > Growing incidence of young home owners > Widely travelled, better exposed > Enhanced home price > Higher disposable incomes > Accelerating progression from stainless steel cutlery to opal ware, melamine and bone china alternatives

2

Proposed introduction of GST > An increase in manufacturing costs of unorganised manufacturers > Narrowing cost differential between organized and unorganized players > Brand and quality advantage of organized players like La Opala > Quicker switch over from unbranded to branded products

3

Capacity explain in 2015-16 > Higher output expected to generate larger surplus > Quantum of larger surplus more than adequate to fund next expansion round > Next expansion likely to reduce operating costs > Adequate room for the company to pass cost declines to consumers, widen market and increase capacity utilisation

4

Large Indian population still utilising steelware > La Opala investing in promotions around pride of ownership > Emphasising that its brands are good for special and everyday use > Widening and deepening its distribution presence > Enhancing shelf space > Carving away a disproportionately higher market share over competing brands

5

Qualified institutional placement at Rs 1100 a share > Company mobilized Rs 55 cr in 2014-15 > Attracted marquee investors > Precious growth capital for organic or inorganic expansions > To generate treasury income until prudent deployment

6

Focus on running a quality business > Moderated the receivables cycle even though production increased > Prudent selection of channel partners > Focus on liquidity paid off > Translated into enhanced market capitalisation

"IT IS IRONIC BUT PEOPLE BUY LA OPALA FOR THE SAME REASON THEY USED TO ONCE BUY STAINLESS STEEL CUTLERY – LONG LASTING!"

– **BANGALORE DEALER, LA OPALA**

"LA OPALA IS LIKE AN FMCG PRODUCT. A HOUSEHOLD BRAND."

– **BANGALORE DEALER, LA OPALA**

"WE HAVE SEEN SO MUCH OF COMPETITION IN THE CROCKERY SEGMENT IN THE LAST 20 YEARS. KITNE AAYE, KITNE GAYE. BUT LA OPALA GOES ON."

– **AHMEDABAD DEALER, LA OPALA**

"LA OPALA HAS A 65% MARKET SHARE IN KERALA. JUST THINK. SIXTY FIVE! "

– **KERALA DEALER, LA OPALA**

Why
people
la Opal

“THERE IS ONE
THING WE
JUST DON'T
HAVE. LA OPALA
INVENTORY.
ALWAYS
SELLS OUT!”
– **KOLKATA
DEALER,
LA OPALA**

“WE DON'T
NEED TO PUSH
LA OPALA. LA
OPALA PULLS
CUSTOMERS
INTO OUR
STORE.”
– **KOLKATA
DEALER,
LA OPALA**

“LA OPALA
IN ONE
SENTENCE?
EXPORT
QUALITY 'MAAL'
BEING MADE
RIGHT HERE
IN INDIA.”
– **KOLKATA
DEALER,
LA OPALA**

“AS FAR AS
OPALWARE IS
CONCERNED,
LA OPALA IS
NOT A BRAND.
IT IS A GENERIC
NAME.”
– **DELHI
DEALER,
LA OPALA**



e buy
ala

THE SECRET OF WHAT MAKES
LA OPALA A SUSTAINABLY
PROFITABLE COMPANY

“ONE INDIAN OPALWARE BRAND SELLS FOR A MAXIMUM PRICE OF RS 2000 PER SET WHILE THE COMPETING PRODUCT OF LA OPALA SELLS FOR RS 6000. AND YET, LA OPALA SELLS MORE!”

– **DELHI DEALER, LA OPALA**

“EVEN AS THERE HAVE BEEN NEW COMPETING BRANDS, YOU STILL GET MOST PEOPLE TURNING UP WITH THE QUERY ‘LA OPALA DIKHAAYEGA’.”

– **BANGALORE DEALER, LA OPALA**


The logo for La Opala Premium features a decorative light blue swirl on the left side. The text 'La Opala.' is in a grey serif font, and 'Premium' is in a light blue sans-serif font below it.

“IN EVERYTHING THAT I STOCK, THE CUSTOMER GENERALLY SEEKS TO BUY AMONG THE LOWEST-PRICED PRODUCTS. EXCEPT IN OPALWARE WHERE THE CONSUMER TEND TO BUY THE PREMIUM – LA OPALA.”

– **BANGALORE DEALER, LA OPALA**

“WHAT SURPRISES ME IS THAT WHEN IT COMES TO A DINNER SET, CUSTOMERS DO NOT WANT TO COMPROMISE ON QUALITY AND ARE ALWAYS WILLING TO PAY MORE FOR THE LA OPALA GUARANTEE.”

– **KOLKATA DEALER, LA OPALA**



La Opala. Lifestyle

“OPAL CROCKERY IS FAST REPLACING STEELWARE IN MOST HOUSEHOLDS. HAWA KA RUKH BADAL RAHA HAI.”

– **AHMEDABAD DEALER, LA OPALA**

“BUYING A LA OPALA DINNER SET IS A PRIORITY FOR GIFT AT WEDDINGS.” – **KERALA DEALER, LA OPALA**

“LA OPALA HAS TRANSFORMED OPAL GLASS INTO A MASS APPEAL PRODUCT.” – **BANGALORE DEALER, LA OPALA**

“EVEN AS BANGALORE IS STILL CONSERVATIVE AND EVEN THE RICH HAVE A STAINLESS STEEL CUTLERY SET, THERE IS A SHIFT TOWARDS FINE OPAL GLASS CROCKERY.”

– **BANGALORE DEALER, LA OPALA**



La Opala. Value for money

“PEOPLE WHO DO NOT WANT
TO PURCHASE EXPENSIVE ITEMS
PURCHASE LA OPALA. SASTE
KHAREEDARI ME SAMAJHDAARI HAI.”

– **AHMEDABAD DEALER, LA OPALA**

“I STOCK LA OPALA FOR A SIMPLE
REASON. THE STOCK CLEARS
FASTER THAN OTHER BRANDS DOES
WONDERS FOR MY WORKING
CAPITAL EFFICIENCY.”

– **AHMEDABAD DEALER, LA OPALA**

“THE MAGIC AT LA OPALA LIES
IN ITS PREMIUM AFFORDABILITY.
WHICH MEANS THAT IT IS PREMIUM
ALRIGHT BUT EVERYONE STRETCHES
TO OWN IT.”

– **KERALA DEALER, LA OPALA**

“LA OPALA ANNUAL SALES GROWTH OF 20-25%. 10% PROFIT MARGIN. WHO WOULD NOT WANT TO BE A LA OPALA DEALER?” – **BANGALORE DEALER, LA OPALA**

“WITH INTERNATIONAL BRANDS COMING IN, THEIR MARKETING SETUPS KEEP CHANGING RESULTING IN NO CONTINUITY. THE OPPOSITE IS TRUE AT LA OPALA. IT HAS BEEN POSSIBLE TO BUILD A RELATIONSHIP.”

– **DELHI DEALER, LA OPALA**

“I SELL RS 1.50 CR OF LA OPALA A YEAR AND I SELL RS 2 CR OF ALL THE OTHER CUTLERY BRANDS PUT TOGETHER. I TURN OUR LA OPALA INVENTORY 4-5 TIMES A YEAR.” – **AHMEDABAD DEALER, LA OPALA**

La
Opala.
Relation
ships

**This is
how we
have
selected
to grow
our
business**



FOCUS

La Opala is a focused player providing products addressing the growing demand of the Indian (and global) tableware, crystalware and borosilicated cookware products.

SUSTAINABLE GROWTH

La Opala has built its business around long-term sustainability. A long-termism guides our decision making, reflected in stable sticker prices. The business is also marked by governance and a process-driven approach.

The Company is managed through strategic decision making and hands-on business review by the promoters coupled with day-to-day management by professionals.

BRAND

The quality and quantum of brand spend represent a business moat, making it virtually impossible for competition to outspend the Company. The brand evoked desired recalls of 'excellent quality', 'vibrant design' and 'proven longevity'.

VALUE-ADDITION

The Company has selected to be present in spaces where it can generate an optimal mix of volumes and value. The La Opala brand targets the mass segment, Diva range addresses the mid-income class and Solitaire, the premium consumer class. The Company has progressively evolved: from an

excessive dependence on La Opala to the value-added Diva segment; within the Diva segment, we created two sub-categories (Classic and the higher value Ivory).

MULTI-PRODUCT REVENUES

La Opala's business is weighted towards opal tableware even as it has widened its portfolio towards crystalware, complementary opal tableware products and borosilicate range of cookware.

RANGE

La Opala provides the widest price choice: the Company's opal tableware commences from Rs 650 for a six-piece set and rises to Rs 6300 for a 65-piece set; the crystalware range extends from Rs 300 to Rs 1950.

FISCAL EFFICIENCY

La Opala selected to import a borosilicate cookware range for onward sale in India without corresponding investments in manufacturing facilities. The Company generated a substantial proportion of its revenues from a tax-efficient location (Sitargunj).

CUTTING-EDGE TECHNOLOGY

La Opala invested in state-of-the-European technology and equipment from the best manufacturers in the world, reflected in higher asset utilization, faster investment returns and environment-friendly processes.

How we mitigate risks at La Opala

THE INDIAN ECONOMIC SLOWDOWN

IMPACT

Consumers postpone purchases.

MITIGATION

La Opala RG's product portfolio is affordable at competitive price points. The products are aspirational. They address all those intend to graduate from conventional steelware to modern alternatives (opal).

RESULT

The Indian tableware industry is passing through long-term correction, outperforming national GDP growth. La Opala outperformed its sectoral growth by growing revenues 11.80% in 2015-16.

UNORGANIZED COMPETITION

IMPACT

Increased unorganized competition outside tax coverage could affect competitiveness.

MITIGATION

There is a growing preference for branded products for their quality, innovation and service. La Opala RG diversified into new segments and is positioned to capture a larger market share.

RESULT

The Company has been growing its organised market share every year.

RAPIDLY CHANGING CONSUMER PREFERENCES

IMPACT

Any consumer preference change can impact profitability.

MITIGATION

La Opala RG introduces two design collections a year, phases out designs that have fatigued and nurses an active portfolio of not more than []SKUs.

RESULT

The Company introduces a number of new designs and range of products every year.

INADEQUATE RESOURCES FOR INVESTMENTS

IMPACT

Lower profitability and weaker market share.

MITIGATION

La Opala RG is zero-debt. The Company generated Rs.67.69 crore in cash profit in 2015-16. The Company funded its Sitargunj capacity expansion through own source and generated a surplus considerably higher than what could be consumed by the business.

RESULT

The Company drew only 61 percent of its fund-based working capital limit; it ended the year with Rs 95.38 crore investment in short/long term funds.

FUEL INFLATION COULD AFFECT PROFITABILITY

IMPACT

Increasing fuel cost could impact profitability.

MITIGATION

The Company switched from the use of a fuel-based furnace to an electric arc furnace in 2013-14.

RESULT

The Company saved a substantial amount due to the electric furnace in 2015-16.

Statutory section



C O R P O R A T E I N F O R M A T I O N

Board of Directors	
Chairman	Mr. A. C. Chakrabortti
Vice Chairman & Managing Director	Mr. Sushil Jhunjunwala
Joint Managing Director	Mr. Ajit Jhunjunwala
Executive Director	Ms. Nidhi Jhunjunwala
Directors	Mr. G. Narayana Mr. Shakir Ali Mr. Arun Churiwal Mr. Rajiv Gujral
Chief Financial Officer & Company Secretary	Mr. Alok Pandey
Auditors	Doshi, Chatterjee, Bagri & Co.
Bankers	State Bank of India
Registrar & Share Transfer Agent	Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd floor Kolkata – 700 001 Telephone nos: 033-22482248, 2243-5809 Facsimile no: 033-22484787 Email id: mdpldc@yahoo.com
Registered Office	'Chitrakoot', 10th floor 230A, A.J.C. Bose Road Kolkata 700 020 Telephone nos: 033-6503 6656/57/58/59 Facsimile nos: 033-2287 0284 E-mail: info@Laopala.in Website: www.laopala.in CIN: L26101WB1987PLC042512
Works	Post Madhupur, District Deoghar Jharkhand. B-108, ELDECO SIDCUL Industrial Park, Sitargunj, Udham Singh Nagar, Uttarakhand 262405.

N O T I C E

NOTICE is hereby given that the 29th Annual General Meeting of the Company will be held at 'Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017 on Saturday, the 13th August, 2016 at 11.00 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, 2016;
2. To declare dividend for the year ended 31st March, 2016;
3. To appoint a Director in place of Mr Sushil Jhunjunwala (DIN 00082461) who retires by rotation and, being eligible, offers himself for reappointment
4. To appoint a Director in place of Mr Arun Churiwal (DIN 00001718) 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: 13th May, 2016

Alok Pandey
CFO & Company 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 Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 3rd August, 2016 to Saturday, the 13th, August, 2016 (both days inclusive).
4. Members are requested to bring their copy of Annual Report to the Meeting.
5. 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.
6. Members of the Company are requested to intimate immediately to the Registered Office of the Company about the change of address, if any.
7. Members/Proxies are requested to bring the Attendance Slip duly filled in and hand it over at the entrance of the Meeting hall.
8. **Reappointment of Directors**
Mr Sushil Jhunjunwala (DIN 00082461) aged about 65 Years was appointed as Managing Director of the company on 30th September, 1994 and at present he is Vice Chairman and Managing Director of the Company. He has over 44 years of specialization in the Glass



Industry. He has held important honorary positions in many organizations 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 Director in BSL Ltd, Genesis Exports Limited, Anuradha Designers (P) Ltd, Ishita Housing (P) Ltd, SKJ Estate (P) Ltd and GDJ Housing (P) Ltd

Mr Arun Churiwal (DIN 00001718) aged about 65 Years was appointed as Non-Executive Director of the company on 26th June, 2004. He has over 44 years of experience in the segments of textiles and agro products. He has held many important positions of honorary in many organisations, such as President of Merchants' Chamber of Commerce, Kolkata, Chairman of Indian Woolen Mills Federations, Mumbai and President of Mewar Chamber of Commerce & Industry Bhilwara, Rajasthan. He is currently the Chairman and Managing Director of BSL Limited and Director in LNJ Financial Services Ltd., Churiwala Properties & Investment Pvt. Ltd., PRC Niyojan Pvt. Ltd., LNJ Bhilwara Textile Anusandhan Vikas Kendra, Mandapam Vikas Pvt. Ltd., Mandawa Niyojan Pvt. Ltd., Prapti Apparels Co. Pvt. Ltd.

The Company has entered into an agreement with National Securities Depository Limited for availing Electronics Voting facilities which is mandatory as per Companies (Management & Administration) Rule, 2015.

The facility of voting has been made available at the Annual General Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right and that the members who have cast their vote by remote e-voting prior to the date of meeting may also attend the meeting but shall not be entitled to cast their vote again.

Electronic Voting Instructions, User Id and Password are being informed by National Securities Depository Limited separately.

Place: Kolkata
Date: 13th May, 2016

Alok Pandey
CFO & Company Secretary

D I R E C T O R S ' R E P O R T

TO THE MEMBERS,

Your Directors have pleasure in presenting the 29th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March 2016.

Performance Review

Your Directors are pleased to inform you that during the year under review, there has been substantial improvement in the overall performance of the company. The revenue from operation increased from Rs.228.67 crores to Rs.255.66 crores, profit before tax from Rs.55.76 crores to Rs.77.92 crores and profit after tax from Rs.41.74 crores to Rs.58.71 crores.

Increase in overall performance of the company can be attributed to increased production, expansion at Sitarganj Unit, reduction in power and fuel cost , economy of scale and aggressive in marketing strategy .

Some new players are expected to enter into the market and the competition and other challenges in the Domestic as well as in the International market is likely to pose challenges hitherto unknown. In order to combat competition, various steps are to be initiated by the management for further improvement in quality, expansion in marketing network and introduction of new designs. Barring unforeseen circumstances, the future of the company appears to be encouraging

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

₹ in Lacs

Particulars	Year ended 31st March'16	Year ended 31st March'15
Sales/Income from operations	25,565.94	22,866.61
Other Income	145.09	85.33
Total expenses before interest and depreciation	16,909.62	16,262.81
Finance Cost	111.44	84.02
Profit after Interest but before Depreciation	8,689.97	6,605.11
Depreciation	897.54	1,029.60
Profit before Taxation	7,792.43	5,575.51
Tax Expenses	1,921.01	1,401.80
Net Profit	5,871.42	4,173.71
Surplus Available	5,871.42	4,173.71
Depreciation on transition to Schedule II of the Companies Act, 2013	-	(79.53)
Dividend	999.00	721.50
Tax on Dividend	203.38	146.88
Transferred to General Reserve	1,000.00	750.00
Balance as per last year	8,642.02	6,166.22
Balance carried to Balance Sheet	12,311.06	8,642.02



Dividend

Your Directors are pleased to recommend, for consideration of shareholders at the 29th Annual General Meeting, payment of dividend of 90% i.e. Rs.1.80 per share on equity shares of the face value of Rs. 2 each (Previous year 65% i.e. Rs. 1.30 per share on equity shares of the face value of Rs. 2 each) for the year ended 31st March 2016.

Transfer to Reserves

Your Directors are proposing to transfer Rs. 1000 lacs to General Reserves.

Brief Description of the Company's Working During the Year

The capacity of the Sitargunj plant has been substantially increased during the period under review . New Product development, better utilization of exiting capacity, cost reduction efforts, expansion of Distribution Network , Introduction of New Designs and Improved Packaging contributed to overall better performance of the company

Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has appointed a firm of Chartered Accountant as Internal Auditor to ensure compliance and effectiveness of the Internal Control Systems in place. The Audit Committee is regularly reviewing the Internal Audit Reports for the audits carried out in all the key areas of the operations.

Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

Auditors

The Company's Auditors M/s Doshi, Chatterjee, Bagri & Co., retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The observations of the Auditors, if any, are explained wherever necessary, in the appropriate Note to the Accounts.

Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers Made by the Auditor

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors.

Extract of Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No MGT 9 is furnished in "Annexure A" and is attached to this Report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in 'Annexure B' and is attached to this report.

Details of Policy Developed and Implemented by the Company on Its Corporate Social Responsibility Initiatives

The Company has developed and implemented the Corporate Social Responsibility initiatives during the year under review. The Annual Report on Company's CSR activities of the Company is furnished in 'Annexure C' and attached to this report.

Appointment and Reappointment of Directors

Mr. Sushil Jhunjhunwala and Mr. Arun Kumar Churiwal retire by rotation and being eligible offer themselves for re appointment. The details in respect to this are being covered under the Corporate Governance report under the heading Disclosures.

Declaration of Independent Directors

The provisions of Section 149 pertaining to the appointment of Independent Directors apply to our Company. The Independent Directors have

submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Formal Evaluation

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, executive and non-executive Directors individually. The detail on the same is given in the Corporate Governance Report.

Number of Board Meeting

During the financial year under review Six Board meetings and One independent directors meeting were convened.

Audit Committee

Pursuant to section 134(3) and section 177(8) of The Companies Act, 2013 the Audit Committee comprises of total 4 members. The names are as follows:-

- 1) Mr. G Narayana, Chairman
- 2) Mr. A.C. Chakrabortti
- 3) Mr Arun Churiwal
- 4) Mr. Rajiv Gujral

During the reporting period under review four committee meetings have been convened. The Board of Directors accepted all recommendations of the Audit Committee in the reporting period.

Vigil Mechanism

In pursuant to section 177(9) and (10) of The Companies Act, 2013, a vigil mechanism for directors and employees to report genuine concerns has been formulated under the name "Whistle Blower Policy". The details of the policy have been posted on the website of the Company.

Remuneration Policy

The Board has, on recommendation of the Nomination & Remuneration Committee

framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters as per section 178 of Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. The Nomination & Remuneration Policy is stated in the Corporate Governance Report.

Particulars of Loans, Guarantees or Investments Made Under Section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

Particulars of Contracts or Arrangements Made with Related Parties

The particular of Contracts or Arrangement made with the related parties pursuant to section 188 are furnished in Annexure D (Form No AOC-2) and is attached to this report. The same have also been disclosed under Note No 33 of the Notes to the Financial Statements.

Managerial Remuneration

Pursuant to section 178(1) of The Companies Act, 2013 the Nomination and Remuneration Committee comprises of total 3 Non-Executive Directors out of which two are Independent Directors. The names are as follows:-

- 1) Mr. G Narayana, Chairman
- 2) Mr. A C Chakrabortti
- 3) Mr. Arun Churiwal

Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in Annexure E and is attached to this Report.

Details of every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial



Personnel) Rules, 2014 is furnished in Annexure F and is attached to this Report.

Secretarial Audit

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/S Drolia and Company, Company Secretaries, Kolkata, to undertake the Secretarial Audit of the Company. The details forming part of Secretarial Audit report in FORM MR-3 is enclosed herewith as Annexure G for financial year 2015-16. There are no reservations, qualification, adverse remark or disclaimer contained in the Secretarial Audit Report.

Corporate Governance

Report on Corporate Governance along with the Certificate of Auditors M/S Doshi, Chatterjee, Bagri & Co. Chartered Accountants, Kolkata confirming the compliances to conditions of Corporate Governance as stipulated in SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, form part of the Annual Report.

Business Risk Management

Like all businesses, we are affected by a number of risks and uncertainties. These may be impacted by internal and external factors. The Company has framed a policy and process to help identify, assess and manage risks, pursuant to section 134(3) (n) of The Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The policy and process has been in place throughout the reporting period.

The Risk Management Process passed through a rigorous discussion to assess the relative profile of each risk. The suggestions of the Internal Auditors are taken into consideration while evaluating the risk and its mitigation process.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

(a) in the preparation of the annual accounts for the year ended March 31, 2016, the

applicable accounting standards had been followed and there are no material departures from the same;

- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Acknowledgement

The Directors express their grateful appreciation of the assistance and cooperation extended by Banks, various Governments and other agencies, shareholders and the suppliers and solicits 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 another year of successful operation.

By Order of the Board

Place Kolkata
Date: 13th May 2016

A.C. Chakraborti
Chairman

ANNEXURE A

FORM NO. MGT-9
Extract of Annual Return
as on financial year ended on 31st March, 2016

I. Registration and Other Details

(I)	CIN	L26101WB1987PLC042512
(II)	Registration Date	11-06-87
(iii)	Name of the Company	La Opala RG Limited
(iv)	Category/ Subcategory of the Company	Public Company/Limited by Shares
(v)	Address of the Registered Office and Contact Details	'Chittrakoot', 10th Floor, 230A AJC Bose Road, Kolkata 700 020. India Telephone No. 033-6503 6656/57/58/59 Fax No. 033-2287 0284 E-mail id: info@laopala.in Website:- www.laopala.in
(vi)	Whether listed Company	Yes
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if Any	Maheshwari Datamatics Pvt Ltd. CIN: U20221WB1982PTC034886 6, Mangoe Lane, 2nd Floor, Kolkata- 700 001 Telephone No. 033-22482248,2243-5809 Fax:- 033-22484787 Email id:- mdpl@cal.vsnl.in

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of Main products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Manufacture of Table or Kitchen Glassware	23105	99.91%

III. Particulars of Holding, Subsidiary and Associate Companies

There is no Holding, Subsidiary and Associates Companies



IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year As on 01-04-2015				No. of Shares at the end of the Year As on 31-03-2016				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individuals/ HUF	10,762,150	-	10,762,150	19.39%	10,733,000	-	10,733,000	19.34%	-0.27%
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	25,354,500	-	25,354,500	45.68%	25,354,500	-	25,354,500	45.68%	-
(e) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(f) Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	36,116,650	-	36,116,650	65.08%	36,087,500	-	36,087,500	65.02%	-0.08%
(2) Foreign									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/Fl	-	-	-	-	-	-	-	-	-
(e) Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	36,116,650	-	36,116,650	65.08%	36,087,500	-	36,087,500	65.02%	-0.08%
B.Public shareholding									
1. Institutions									
(a) Mutual Funds	973,297	-	973,297	1.75%	786,907	-	786,907	1.42%	-19.15%
(b) Banks/Fl	17,516	-	17,516	0.03%	6,816	-	6,816	0.01%	-61.09%
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	5,228,736	-	5,228,736	9.42%	1,585,772	-	1,585,772	2.86%	-69.67%
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i) Any Other (specify)	-	-	-	-	-	-	-	-	-
- Foreign Portfolio Investors	-	-	-	-	8,295,926	-	8,295,926	14.95%	100.00%
Sub-Total (B)(1)	6,219,549	-	6,219,549	11.21%	10,675,421	-	10,675,421	19.24%	71.64%

Category of Shareholder	No. of Shares held at the beginning of the year As on 01-04-2015				No. of Shares at the end of the Year As on 31-03-2016				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-institutions									
(a) Bodies Corporate									
(i) Indian	3,002,247	20,515	3,022,762	5.45%	11,60,562	18,510	1,179,072	2.12%	-60.99%
(ii) Overseas	2,512,340	5,000	2,517,340	4.54%	2,512,340	5,000	2,517,340	4.54%	0.00%
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs 1 lakh	3,603,072	488,741	4,091,813	7.37%	2,430,117	4,50,950	2,881,067	5.19%	-29.59%
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	2,129,029	-	2,129,029	3.84%	9,19,248	-	9,19,248	1.66%	-56.82%
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(c) Other (specify)									
(c-i) Trusts	401,500	-	401,500	0.72%	401,500	-	401,500	0.72%	0.00%
(c-ii) Clearing Member	11,450	-	11,450	0.02%	24,049	-	24,049	0.04%	110.03%
(c-iii) Non Resident Individual	865,407	124,500	989,907	1.78%	688,283	124,500	812,783	1.46%	-17.89%
Sub-Total (B)(2)	12,525,045	638,756	13,163,801	23.72%	8,138,119	598,960	8,737,079	15.74%	-33.63%
Total Public Shareholding (B) = (B) (1) + (B)(2)	18,744,594	638,756	19,383,350	34.92%	18,813,540	5,98,960	19,412,500	34.98%	0.15%
TOTAL (A)+(B)	54,861,244	638,756	55,500,000	100.00%	54,901,040	598,960	55,500,000	100.00%	0.00%
C. Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	54,861,244	638,756	55,500,000	100.00%	54,901,040	598,960	55,500,000	100.00%	0.00%

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year as on 01-04-2015			Shareholding at the end of the Year as on 31-03-2016.			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Genesis Exports Limited	25,354,500	45.6838	-	25,354,500	45.6838	-	-
2	Ajit Jhunjunwala	7,193,000	12.9604	-	7,193,000	12.9604	-	-
3	Gyaneshwari Devi Jhunjunwala	1,950,000	3.5135	-	1,950,000	3.5135	-	-
4	Shruti Kishorepuria	840,000	1.5135	-	840,000	1.5135	-	-
5	Sushil Jhunjunwala	750,000	1.3514	-	750,000	1.3514	-	-
	Total	36,087,500	65.0226	-	36,087,500	65.0226	-	-

(iii) Change in Promoters' Shareholding

There is no change in Promoters' Shareholding



iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the Year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Westbridge Crossover Fund, LLC							
	At the beginning of the year	2,512,340	4.53%	01/04/15				
	At the end of the year			31/03/16	2,512,340		2,512,340	4.53%
2	Steadview Capital Mauritius Limited							
	At the beginning of the year	898,288	1.62%	01/04/15				
				10/04/15	17,697	Transfer	915,985	1.65%
				17/04/15	102,303	Transfer	1,018,288	1.83%
				10/07/15	27,019	Transfer	1,045,307	1.88%
				17/07/15	80,447	Transfer	1,125,754	2.03%
				07/08/15	138,870	Transfer	1,264,624	2.28%
				14/08/15	217,000	Transfer	1,481,624	2.67%
				21/08/15	215,424	Transfer	1,697,048	3.06%
				28/08/15	344,880	Transfer	2,041,928	3.68%
				04/09/15	15,461	Transfer	2,057,389	3.71%
				11/09/15	35,449	Transfer	2,092,838	3.77%
				18/09/15	7,439	Transfer	2,100,277	3.78%
				30/09/15	110,159	Transfer	2,210,436	3.98%
				18/03/16	181,600	Transfer	2,392,036	4.31%
	At the end of the year			31/03/16	2,392,036		2,392,036	4.31%
3	ABG Capital							
	At the beginning of the year	504,950	0.91%	01/04/15				
				10/04/15	37,891	Transfer	542,841	0.98%
				17/04/15	132,303	Transfer	675,144	1.22%
				17/07/15	249,553	Transfer	924,697	1.67%
				07/08/15	128,549	Transfer	1,053,246	1.90%
				14/08/15	172,769	Transfer	1,226,015	2.21%
				21/08/15	107,241	Transfer	1,333,256	2.40%
				28/08/15	276,075	Transfer	1,609,331	2.90%
				04/09/15	15,133	Transfer	1,624,464	2.93%
				11/09/15	2,546	Transfer	1,627,010	2.93%
				18/09/15	7,736	Transfer	1,634,746	2.95%
				30/09/15	127,017	Transfer	1,761,763	3.17%
				18/03/16	(157,000)	Transfer	1,604,763	2.89%
	At the end of the year			31/03/16	1,604,763		1,604,763	2.89%

Sl. No.		Shareholding at the beginning of the Year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
4	Kotak Mahindra (International) Limited							
	At the beginning of the year	1,623,845	2.93%	01/04/15				
				29/05/15	(200,428)	Transfer	1,423,417	2.56%
	At the end of the year			31/03/16	1,423,417		1,423,417	2.56%
5	LTR Focus Fund							
	At the beginning of the year	369,171	0.67%	01/04/15				
				17/04/15	150,000	Transfer	519,171	0.94%
				07/08/15	188,837	Transfer	708,008	1.28%
				14/08/15	83,088	Transfer	791,096	1.43%
				21/08/15	122,503	Transfer	913,599	1.65%
				28/08/15	214,220	Transfer	1,127,819	2.03%
				30/09/15	83,422	Transfer	1,211,241	2.18%
				18/03/16	5,000	Transfer	1,216,241	2.19%
	At the end of the year			31/03/16	1,216,241		1,216,241	2.19%
6	Malabar India Fund Limited							
	At the beginning of the year	1,460,475	2.63%	01/04/15				
				10/04/15	6,803	Transfer	1,467,278	2.64%
				08/05/15	30,156	Transfer	1,497,434	2.70%
				15/05/15	9,596	Transfer	1,507,030	2.72%
				05/06/15	217,372	Transfer	1,724,402	3.11%
				12/06/15	44,929	Transfer	1,769,331	3.19%
				19/06/15	80,091	Transfer	1,849,422	3.33%
				26/06/15	7,608	Transfer	1,857,030	3.35%
				30/06/15	12,546	Transfer	1,869,576	3.37%
				03/07/15	46,800	Transfer	1,916,376	3.45%
				10/07/15	1,901	Transfer	1,918,277	3.46%
				17/07/15	(20,000)	Transfer	1,898,277	3.42%
				07/08/15	(40,000)	Transfer	1,858,277	3.35%
				14/08/15	(219,390)	Transfer	1,638,887	2.95%
				21/08/15	(175,610)	Transfer	1,463,277	2.64%
				28/08/15	(240,000)	Transfer	1,223,277	2.20%
				06/11/15	(14,699)	Transfer	1,208,578	2.18%
				20/11/15	(2,067)	Transfer	1,206,511	2.17%
	At the end of the year			31/03/16	1,206,511		1,206,511	2.17%



Sl. No.		Shareholding at the beginning of the Year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
7	Mathews India Fund							
	At the beginning of the year	-	0.00%	04/01/15				
				07/10/15	575,000	Transfer	575,000	1.04%
				07/17/15	171,323	Transfer	746,323	1.34%
	At the end of the year			03/31/16	746,323		746,323	1.34%
8	UTI-MID Cap Fund							
	At the beginning of the year	826,500	1.48%	04/01/15				
				07/17/15	(26,500)		800,000	1.44%
				08/07/15	(59,000)	Transfer	741,000	1.34%
				08/21/15	(75,000)	Transfer	666,000	1.20%
				03/18/16	41,502	Transfer	707,502	1.27%
	At the end of the year			03/31/16	707,502		707,502	1.27%
9	Mathews Asia Small Companies Fund							
	At the beginning of the year	-	0.00%	04/01/15				
				07/17/15	139,064	Transfer	139,064	0.25%
				07/24/15	81,912	Transfer	220,976	0.40%
				07/31/15	147,925	Transfer	368,901	0.66%
				08/07/15	161,747	Transfer	530,648	0.96%
				10/30/15	3,213	Transfer	533,861	0.96%
				11/06/15	3,609	Transfer	537,470	0.97%
				11/27/15	44,805	Transfer	582,275	1.05%
				01/22/16	1,004	Transfer	583,279	1.05%
				01/29/16	366	Transfer	583,645	1.05%
				02/05/16	20,411	Transfer	604,056	1.09%
	At the end of the year			03/31/16	604,056		604,056	1.09%
10	Kishorilal Kataruka							
	At the beginning of the year	511,000	0.92%	04/01/15				
	At the end of the year			03/31/16	511,000		511,000	0.92%

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Ajit Jhunjhunwala							
	At the beginning of the Year	7,193,000	12.96%	01-04-15			7,193,000	12.96%
	At the end of the Year	-	-	31-03-16			7,193,000	12.96%
2	Sushil Jhunjhunwala							
	At the beginning of the Year	750,000	1.35%	01-04-15			750,000	1.35%
	At the end of the Year	-	-	31-03-16			750,000	1.35%
3	A C Chakraborti							
	At the beginning of the Year	10,000	0.02%	01-04-15			10,000	0.02%
				08-01-16	(1,000)	Transfer		-
	At the end of the Year	-	-	31-03-16			9,000	0.02%
4	Arun Kumar Churiwal							
	At the beginning of the Year	6,700	0.01%	01-04-15			6,700	0.01%
	At the end of the Year	-	-	31-03-16			6,700	0.01%

Note: No other Director or Key Management Personnel hold any shares of the Company.



V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	78,618,199	-	-	78,618,199
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)	78,618,199	-	-	78,618,199
Change in Indebtedness during the financial year				
*Addition	-	-	-	-
*Reduction	(17,697,726)	-	-	(17,697,726)
Net Change	17,697,726	-	-	17,697,726
Indebtedness at the end of the financial year				
(i) Principal Amount	60,920,473	-	-	60,920,473
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)	60,920,473	-	-	60,920,473

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Sushil Jhunjhunwala- Vice Chairman & Managing Director	Ajit Jhunjhunwala- Joint Managing Director	Nidhi Jhunjhunwala- Executive Director	
1	Gross Salary				
	(a) Salary as per Provisions contained in section 17(1) of the Income Tax Act, 1961	15,652,772	11,193,611	4,475,566	31,321,949
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of Salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of Profit	15,584,867	15,584,867	7,792,433	38,962,167
	- others, specify				-
5	Others, please specify				-
	Total (A)	31,237,639	26,778,478	12,267,999	70,284,116
	Ceiling as per the Act	Being 10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013			85,814,359

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		AC Chakrabortti-Chairman	G Narayana	Rajiv Gujral	Arun Churiwal	Shakir Ali	
1	Independent Directors						
	Fee for attending board committee meetings	195,000	115,000	140,000			450,000
	Commission	350,000	350,000	350,000			1,050,000
	Others, please specify				-	-	-
	Total (1)	545,000	465,000	490,000	-	-	1,500,000
2	Other Non- Executive Directors						
	Fee for attending board committee meetings	-	-	-	135,000	60,000	195,000
	Commission	-	-	-	350,000	350,000	700,000
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	485,000	410,000	895,000
	Total (B)= (1+2)	545,000	465,000	490,000	485,000	410,000	2,395,000
	Total Managerial Remuneration*						72,679,116
	Overall Ceiling as per the Act						94,395,795

*Total remuneration to Vice Chairman & Managing Director; Joint Managing Director; Whole time Director and other Non-Executive and Non-Executive Independent Directors being total of A and B.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Chief Financial Officer & Company Secretary Alok Pandey
1	Gross Salary	
	(a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961	2,732,358
	(b) Value of perquisites u/s 17(2) Income Tax Act,1961	-
	(c) Profits in lieu of Salary under section 17(3) Income Tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	- as % of Profit	-
	- others, specify	-
5	Others, please specify	
	Total (A)	2,732,358



VII. Penalties/Punishment/Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment			NIL		
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			NIL		
Compounding					

By Order of the Board

Place Kolkata
Date: 13th May 2016

A.C. Chakraborti
Chairman

ANNEXURE B

Statement of Energy, Technology Absorption, Foreign Exchanges and Outgo

A. Conservation of Energy

The Company has well-structured energy management system in place. Regular efforts are made to optimize process parameters, modernize Plant and Machinery and upgrade Technology and Equipment. The Company also took the necessary steps to reduce Fuel consumption, Electricity and Gas.

B. Technology Absorption, Adaption & Innovation

Your Company has always endeavored to maintain its technology leadership, through up gradation of technology, absorption of knowledge and thus offering market new, efficient and sustainable products. We constantly evaluate opportunities for reducing the weight of materials. The Company regularly review the production process so that the generation of waste products always be minimum.

C. Foreign Exchange Earnings & Outgo

Particulars with regard to Foreign Exchange Earnings and Outgo appear in note 41 and 42 of financial Statements.

By Order of the Board

Place Kolkata
Date: 13th May 2016

A.C. Chakraborti
Chairman



A N N E X U R E C

Corporate Social Responsibility

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

The Board of Directors at the meeting held on 13th May, 2014 constituted "Corporate Social Responsibility Committee" as required under section 135 of The Companies Act, 2013. The Company also adopted the policy on the Corporate Social Responsibility which basically has all objectives as specified in the Schedule VII of The Companies Act, 2013 few of them illustrated here such as Rural Development project, Eradicating hunger, Poverty and malnutrition, Healthcare and Sanitation, Animal welfare, etc as specified in above mentioned schedule of The Companies Act.

The web link of the policy is as below;-

<http://www.laopala.in/pdf/corporate-social-responsibility-policy.pdf>

- 2. The Composition of the CSR Committee**

The Corporate Social Responsibility Committee is comprises of total 4 Members. The names are as follows:-

- 1) Mr. Arun Churiwal, Chairman
- 2) Mr Sushil Jhunjhunwala
- 3) Mr. G Narayana
- 4) Mrs. Nidhi Jhunjhunwala

- 3. Average Net Profit of the Company for last three financial years**

Average Net Profit is Rs. 4,402.35 lacs.

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The Company is required to spend Rs. 88.05 lacs.

- 5. Details of CSR spent for the financial year;**

- (a) Total Amount Spent for the financial year :- Rs. 80.98 lacs
- (b) Amount Unspent:- Rs. 7.07 lacs

(c) Manner in which the amount spent during the financial year is detailed below:

₹ in lacs

Sl. No.	CSR project or activity identified	Sector in which project is covered	Location Area/ District (States)	Amount outlay (Budget Project or programme-wise)	Amount spent on the project	Cumulative Expenditure up to the reporting period	Amount spent: through implementing agency
1	Traveller Ambulance and Medical Equipment	Promoting Preventive healthcare under Sl. (I)	Kolkata, West Bengal		1.00	1.00	Diabetes awareness and you
2	Community hall at village	Rural Development Project Under Sl. (X)	Tammacheruvukatta, Manthani, Karimnagar Dist. (Andhra Pradesh)		4.00	4.00	Sri Seetha Ram Seva Sadan
3	Desk & Bench at School	Promoting Education	Madhupur (Jharkhand),		0.36	0.36	Direct
4	20 Dustbins	Healthcare & Sanitation Under Sl. (I)	Kolkata, West Bengal		0.50	0.50	Direct
5	Education	Promoting Education & Empowering Woman	P.O. Lachmangarh, Dist. - Sikar (Rajasthan)	-	2.00	2.00	Raghunath Balika Vidyalaya
6	Research and Development	Healthcare Under Sl. (I)	Kolkata, West Bengal		5.00	5.00	Institute of Neurosciences
7	Renovation of Gaushala including Electric wiring and Fan fittings etc.	Animal Welfare Under Sl. (IV)	Kolkata, West Bengal		5.00	5.00	Shee Lachman Garh Pinjrapole
8	Sports	Training to promote Rural Sports under Sl. No. (vii)	Deoghar, Jharkhand		0.50	0.50	District Sports Authority, Deoghar
9	Construction of Sulabh Sochalaya	Healthcare & Sanitation	Uttar Barandari , Bagunpota (West Bengal)	-	1.00	1.00	Jan Mangal Nyas
10	Sponsored of 10 destitute children	Setting up homes Under Sl.No. (III)	Barrackpore, West Bengal		4.80	4.80	Barrackpore Avenue Womens Cultural & Social Welfare Society
11	Sheltered Workshop for specially-abled young adults	Differently abled and livelihood enhancement projects Under Sl. (II)	Bangalore. Karnataka		1.00	1.00	Parents Association of Persons with Cerebral Palsy and Associated Disorders
12	Promotion and development of traditional arts	Promotion and development of traditional arts under Sl. (V)	Kolkata, West Bengal		0.50	0.50	Pariwar Milan
13	Construction of Sulabh Sochalaya	Healthcare & Sanitation Under Sl. (I)	Sitarganj, Uttarakhand		4.00	4.00	Saraswati Sishu Mandir



Sl. No.	CSR project or activity identified	Sector in which project is covered	Location Area/ District (States)	Amount outlay (Budget Project or programme-wise)	Amount spent on the project	Cumulative Expenditure up to the reporting period	Amount spent: through implementing agency
14	Education	Promoting Education Under SL. (II) & Empowering Woman under SL. (III)	Sitarganj, Uttarakhand		0.16	0.16	Kumaun Sewa Samiti-KSS
15	Contribution or provided the funds for R&D	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government Under Sl. No. (IX)	Kolkata, West Bengal		10.00	10.00	Manovikash Kendra
16	Promoting Education	Promoting Education Under SL. (II)	Dumka, Jharkhand		0.25	0.25	Action Committee
17	Child Health Care	Child Health under Sl. No. (I)	Kolkata, West Bengal		10.00	10.00	Rotary Club Of Calcutta Welfare Trust
18	Education	Promoting Education Under SL. (II)	Kolkata, West Bengal		15.00	15.00	Friends Of Tribals Society
19	Education	Promoting Education Under SL. (II)	Kolkata, West Bengal		10.00	10.00	Vivekananda Vidyavikash Parishad
20	Promotion and development of traditional arts	Promotion and development of traditional arts under Sl. (V)	Kolkata, West Bengal		0.36	0.36	Pariwar Milan
21	Distribution of Sewing Machines	Reducing inequalities Faced by socially and economically backward groups under Sl. No. (III)	Dadar, Mumbai, Maharashtra		0.55	0.55	Suttraway Sewing Machine Co.
22	Education	Promoting Education Under SL. (II)	South 24 Paraganas, West Bengal		5.00	5.00	Pace India Foundation
					80.98	80.98	

6. The reasons for not spending the amount:

Your Company is committed to spend on CSR Activities but during the period under review the company has not come across a suitable project for spending as per the Companies CSR Policies.

7. In accordance with the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014 the members of the Corporate Social Responsibility hereby submits the responsibility Statement:

That the implementation and monitoring of Corporate Social Policy, is in compliance with Corporate Social Responsibility objectives and Policy of the Company

Sushil Jhunjhunwala
Vice Chairman & Managing Director

Arun Churiwal
Chairman of CSR Committee

ANNEXURE D

Form No AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	N.A.
(b)	Nature of contracts/arrangements/transactions	N.A.
(c)	Duration of the contracts / arrangements/transactions	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e)	Justification for entering into such contracts or arrangements or transactions	N.A.
(f)	date(s) of approval by the Board	N.A.
(g)	Amount paid as advances, if any:	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Genesis Exports Ltd (Associate)	Mr Sushil Jhunjhunwala (KMP)	Mr Ajit Jhunjhunwala (KMP)	Mrs Nidhi Jhunjhunwala (KMP)
(b)	Nature of contracts/ arrangements/ transactions	Leasing of Real Estate	Appointment as Vice Chairman & Managing Director	Appointment as Joint Managing Director	Appointment as Executive Director
(c)	Duration of the contracts / arrangements/ transactions	3 years	5 years	5years	5 years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has taken on lease the office and car parking space at Kolkata and New Delhi. The rent paid by Company is Rs. 34,50,000/- P.A.	Remuneration	Remuneration	Remuneration
(e)	Date(s) of approval by the Board, if any:	12-05-2015	13-05-2014	04-02-2013	12-05-2015
(f)	Amount paid as advances, if any:	Rs. 40,00,000/-	Not Applicable	Not Applicable	Not Applicable

By Order of the Board

Place Kolkata
Date: 13th May 2016

A.C. Chakrabortti
Chairman



ANNEXURE E

[Remuneration pursuant to Section 197 (12) of The Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- 1) The ratio of remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year 2015-16 and the percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager are as under:-

Sl. No.	Name	Designation	Ratio to Median	Percentage increase in Remuneration
1	Mr. A.C. Chakrabortti	Chairman & Non Executive Independent Director	1.26	Nil
2	Mr. Sushil Jhunjhunwala	Vice Chairman & Managing Director	118.86	29.03
3	Mr Ajit Jhunjhunwala	Jt Managing Director	100.40	28.21
4	Mrs Nidhi Jhunjhunwala	Executive Director	45.68	32.03
5	Mr. G Narayana	Non-Executive & Independent Director	1.26	Nil
6	Mr. Rajiv Gujral	Non-Executive & Independent Director	1.26	Nil
7	Mr Arun Churiwal	Non-Executive Director	1.26	Nil
8	Mr. Shakir Ali	Non-Executive Director	1.26	Nil
9	Mr. Alok Pandey	Chief Financial Officer and Company Secretary	Not Applicable	14.03

- 2) The percentage increase in the median remuneration of employees in the financial year is 10.98%.
- 3) The permanent number of employees on the rolls of the Company is 293.
- 4) **Relationship between average increase in remuneration and company performance:**
- The profit before tax for the financial year ended March 31, 2016 increased by 39.76% whereas increase in median remuneration was 10.98%.
- 5) **Comparison of Remuneration of the Key Managerial Personnel against then performance of the Company:-** The total remuneration of Key Managerial Personnel increased by 28.51% from Rs. 608.32 lacs in FY 2014-15 to Rs. 781.79 lacs FY 2015-16 whereas Profit before tax increased by 39.76% from Rs. 5575.51 lacs in FY 2014-15 to Rs. 7792.43 lacs in FY 2015-16. The key Managerial Personnel were paid around 13.32% of the Profit after Tax in the FY 2015-16 and 14.58% in the FY 2014-15.
- 6) Variations in the Market capitalization of the Company, price earnings ratio as at closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the

company came out with the last public offer:-

Particulars	31-03-16	31-03-15
Market Capitalization (Rs. In crores)	3308.91	2102.06
Price Earnings Ratio	56.35	49.45
Increase in the market quotations of the equity shares in comparisons to the rate at which the last public offer made in Feb 1995*	9837%	4634%

*The Calculation of percentage increase in market quotation of equity shares does not include the effect of issue of Bonus Shares made by the Company on 7th October, 2006 in the ratio of 1:1.

- 7) The average percentile increase in the salaries of employees other than the managerial personnel in the last financial year is 13.61% as against an increase of 25.83% in the salary of managerial personnel. The increment given to each individual employee is based on the employee's potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against comparable in the industry.
- 8) **Comparison of remuneration of each Key Managerial Personnel against the performance of the Company:-** The increase in Profit before tax is 39.76% whereas increase in remuneration to each KMP and ratio of the remuneration to the PAT.

Name	Percentage of increase	Ratio to the PAT
Mr Sushil Jhunjhunwala	29.03%	5.78%
Mr Ajit Jhunjhunwala	28.21%	4.83%
Mrs Nidhi Jhunjhunwala	32.03%	2.16%
Mr Alok Pandey	14.03%	0.55%

- 9) Key Parameters for any variable component of remuneration availed by the Directors: - The Company pays remuneration by way of commission as variable component to the Managing Directors and Executive Director. Commission is calculated with reference to the net profits of the Company in a particular financial year, based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceilings stipulated in the Companies Act, 2013.

The variable component of Non-Executive Director's remuneration consists of commission. In terms of the shareholder's approval obtained at the Annual General Meeting. Commission is paid at a rate not exceeding 1% per annum of the profits of the Company, computed in accordance with the Companies Act.

- 10) The ratio of the remuneration of the highest paid director to that of the employee who are not directors but receive remuneration in excess of the highest paid Director during the year: - The highest paid Director is the Managing Director. No employee has received remuneration in excess of the Managing Director during the year.
- 11) Affirmation that the remuneration is as per the Remuneration Policy of the Company:- It is affirmed that the remuneration paid is as per the remuneration Policy for directors, Key Managerial Personnel and other employees, adopted by the Company

By Order of the Board

Place Kolkata
Date: 13th May 2016

A.C. Chakraborti
Chairman



ANNEXURE F

Statement of Particulars of employees pursuant to Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013

(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
Mr. Sushil Jhunjhunwala	Vice Chairman & Managing Director	32,908,449	Graduate in Commerce	48	01.10.1994	66	Radha Glass & Industries Ltd.	Director
Mr. Ajit Jhunjhunwala	Jr. Managing Director	27,796,572	Graduate in Commerce	27	01.10.1997	45		
Mrs. Nidhi Jhunjhunwala	Executive Director	12,648,321	Graduate in Arts	14	01.07.2002	43		

Note 1. All appointments are contractual.

By Order of the Board

Place Kolkata
Date: 13th May 2016

A.C. Chakrabortti
Chairman

ANNEXURE G

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year ended 31st Day of March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
La Opala RG Ltd.
(L26101WB1987PLC042512)
Chitrakoot, 10th Floor
230A, AJC Bose Road, Kolkata-700 020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S La Opala RG Limited (L26101WB1987PLC042512) (hereinafter called "the Company"). The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the M/S La Opala RG Limited (L26101WB1987PLC042512) and also the information provided by the Company, its officers, and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013(the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;
- V. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (d) The SEBI Listing (Listing obligation and disclosure requirements) Regulations 2015

[The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31-03-2016:-

 - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;



- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;]
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- VI. The following Industry Specific laws:
- a. Factories Act, 1948
 - b. Industrial Disputes Act, 1947
 - c. The Payment of Wages Act, 1936
 - d. The Minimum Wages Act, 1948
 - e. Employee State Insurance Act, 1948
 - f. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - g. The Payment of Bonus Act, 1965
 - h. The Payment of Gratuity Act, 1972
 - i. The contract Labour (regulations and Abolition) Act, 1970
 - j. The Maternity Benefit Act, 1961
 - k. Environment protection Act and rules

We have also examined compliance with the applicable clauses of the following:

- (i) The Listing Agreement and LODR entered into by the Company with The BSE & NSE.
- (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that

took place during the period under review were carried out in compliance with the provisions of the Act and Listing Agreement

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management. All decisions of the Board were unanimous and the same was captured and recorded as part of the Minutes.

We further report that during the audit period, the Company has not made any :

- (i) Public/Right/ Preferential issue of Shares/ Debentures/Sweat Equity or any other Security.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/Amalgamation/Reconstruction etc
- (v) Foreign technical collaborations.

For Drolia & Company
Company Secretaries

Pravin Kumar Drolia
Proprietor
FCS: 2366
C.P.No.: 1362

Place: Kolkata
Date: 06-05-2016

Place: 9, Crooked Lane,
Kolkata-69

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE A

To,
The Members,
La Opala RG Ltd.
(L26101WB1987PLC042512)

Our report of even date is to be read along with this letter.

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express as opinion on these secretarial records based on our audit. 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. 4. Where ever required, we have obtained the management representation about the | <p>compliance of laws, rules and regulations and happening of events etc.</p> <ol style="list-style-type: none"> 5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis 6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company. |
|---|--|

For Drolia & Company
Company Secretaries

Pravin Kumar Drolia
Proprietor
FCS: 2366
C.P. No.: 1362

Place: Kolkata
Date: 06-05-2016



ANNEXURE TO DIRECTORS' REPORT

Corporate Governance Report

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.

Board of Directors

The Board of Directors of the company comprises of chairman who is an independent director, 3 executive directors, 2 Independent Non-Executive Directors and 2 other non-executive directors. The business of the company is managed by the Vice Chairman & Managing Director and two whole time Executive Directors under the guidance, supervision and control of the Board of Directors.

During the financial year under review six Board Meetings were held on following dates: May 12, 2015, August 13, 2015, November 14, 2015, December 15, 2015, February 03, 2016, March 22, 2016.

Constitution of Board of Directors and related information

Name of the Director	Category	No. of Board Meetings Attended	Attendance At last AGM	No. of Directorships in other public limited companies as on March 31, 2016	No. of membership / Chairmanship in other Board Committee of Public Limited Companies as on March 31, 2016*
Mr. A C Chakrabortti	Chairman Non-Executive & Independent	6	Yes	3	3 (including 2 Chairmanship)
Mr. Sushil Jhunjhunwala	Vice Chairman & Managing Director	6	Yes	2	1
Mr. Ajit Jhunjhunwala	Jt. Managing Director	6	Yes	1	Nil
Mrs. Nidhi Jhunjhunwala	Executive Director	5	Yes	1	Nil
Mr. G Narayana	Non-Executive & Independent	3	Yes	0	Nil
Mr. Rajiv Gujral	Non-Executive & Independent	5	Yes	2	2
Mr. Arun Churiwal	Non-Executive	4	Yes	3	2
Mr. Shakir Ali	Non- Executive	3	Yes	2	Nil

Mr. Ajit Jhunjhunwala is son of Mr Sushil Jhunjhunwala and Mrs Nidhi Jhunjhunwala is spouse of Mr Ajit Jhunjhunwala and none of the other Directors are related to each other.

*Only two Committees Viz. Audit Committee and the Stakeholders Relationship Committee of all public limited companies are considered

Independent Directors and Non-Executive Directors

Your Company appointed Independent Directors who are renowned people having expertise/experience in their respective field/profession. There is no pecuniary relationship or transaction of Independent and non-executive directors vis-à-vis the Company except for payment of commission and sitting fees. The Non-executive Directors namely Mr. A C Chakrabortti holds 9,000 equity shares and Mr. Arun Churiwal hold 6,700 equity shares in the Company.

Every Independent Director, at the meeting of the Board in which they participate as Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that they meet the criteria of Independence as required under Section 149(7) of The Companies Act, 2013. All Independent Directors maintain their limits of Directorships as required under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015. The Company had issued formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed in the website of the Company.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 a meeting of Independent Directors was held on 22nd March, 2016 where they evaluated the performance of –

- i) Chairman
- ii) Non-Executive Directors
- iii) Executive Directors &
- iv) Overall performance of the Board

On an overall basis, the working of the Board was found to be satisfactory and it was felt that a good governance system prevails and the agenda papers are well prepared for consideration of various aspects of the business. There is transparency, openness and exchange of different views at the Board Meeting and strategic decisions on the company's performance and activities are derived after due deliberation.

The Company's performance and operation is being reviewed at periodic intervals by the Chairman and the other Directors of the Company, and in this regard the discussions are also held with statutory and internal auditors of the Company. Considerable time is being devoted by the Chairman and other directors in the Company's matters. The leadership and guidance is provided to the Company as and when required. The targets are set-forth at the beginning of the year, and in this respect, Chairman played a key role as a mentor by co-coordinating the activities between the Board and Executive Directors to ensure that Board's views are duly taken into consideration while formulating action plans.

Adherence to Code of Conduct was ensured and risk management also figured in the board meetings. The compliance and other legal requirements were also reviewed in the Board Meetings.

Independent Directors carried out an evaluation of performance of the Executive Directors on the basis of a detail check list prepared for this purpose and they formed the opinion that the Executive Directors have performed excellently well during the current year.

However, they have suggested several areas of operations which offer scope for improvement. The management has been advised to take appropriate measures relating thereto.

On an overall basis, they commended the Executive Directors and the top management for a very successful year under review.

Familiarisation Programme

The Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business



model of the Company etc through various means. Periodic presentations are made at then Board meetings on business and performance, long term strategy, initiatives and risks involved.

The details of familiarisation programme have been posted in the website of the Company www.laopala.in.

Audit Committee

The Audit Committee consists of four Non-Executive directors out of which three are Independent Directors. During the period under review the Audit Committee met on four occasions viz. May 12, 2015, August 13, 2015, November 14, 2015 & February 03, 2016. The constitution of Audit Committee also meets the requirements of section 177 of the Companies Act, 2013 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 2016
Mr. G Narayana	Chairman Non Executive and Independent	3
Mr. A C Chakrabortti	Non Executive and Independent	4
Mr. Arun Churiwal	Non Executive	3
Mr. Rajiv Gujral	Non-Executive and Independent	2*

*Appointed with effect from 13th August, 15

The role of Audit Committee and terms of reference specified by the Board to the Audit Committee are wide enough to cover the mandatory items, as required, under Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- Review of the Company's financial reporting process, the financial statements and financial / risk management policies.
- Review Quarterly, Half-yearly and Annual Financial Accounts of the Company and discuss with Auditors.
- To meet and review with External and Internal Auditors the Internal Control Systems
- Discussion with internal auditors of any significant findings and follow up there on
- Significant adjustments made in the financial statements arising out of audit findings if any
- Qualification in the draft audit report if any
- Changes, if any, in accounting policies and practices and reasons for the same.
- To review matters as required under the terms of Listing Agreement.
- To oversee & review the function of Vigil Mechanism implemented by Company as a Whistle Blower Policy and renew the findings of investigations and action taken in respect thereof.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Review Independence of Auditors.
- Evaluate internal financial control and risk management systems
- Disclosure of related party transactions
- To investigate matters referred to it by the Board.

The Company Secretary acts as secretary to the committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors has been constituted in accordance with the prescribed guidelines. The committee comprises of 3 Non-Executive Directors, out of which two are Independent Directors. The Nomination and Remuneration Committee comprises of the following:

- (a) Mr. G Narayana, Chairman
- (b) Mr. A C Chakrabortti
- (c) Mr. Arun Churiwal

The Nomination and Remuneration Committee approved the remuneration payable to all executive directors and non-executive directors within the over-all limits approved by the shareholders and in accordance with the provisions of Companies Act, 2013 and rules made there under or any other enactment for time being in force.

The role of Nomination and Remuneration Committee and terms of reference inter alia include the following

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, Key Management Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board
3. Review the performance of the Board of Directors and senior Management employees and based on criteria as approved by the Board.

During the period under review the committee met on 12th May 2015 which were attended by all the members and 22nd March 2016 which were attended by all the members except Mr G Narayana

Executive Directors' Remuneration details for the financial year ended March 31, 2016

Name of the Directors	Salary and perquisites	Commission	Total
Mr. Sushil Jhunjunwala, Vice Chairman & Managing Director	1,73,23,582	1,55,84,867	3,29,08,449
Mr. Ajit Jhunjunwala, Jt. Managing Director	1,22,11,705	1,55,84,867	2,77,96,572
Mrs Nidhi Jhunjunwala, Executive Director	48,55,888	77,92,433	1,26,48,321

Non-executive Directors' Remuneration details for the financial year ended March 31, 2016

Name of the Directors	Sitting Fees	Commission	Total
Mr. A C Chakrabortti	1,95,000	3,50,000	5,45,000
Mr. G Narayana	1,15,000	3,50,000	4,65,000
Mr. Shakir Ali	60,000	3,50,000	4,10,000
Mr. Arun Churiwal	1,35,000	3,50,000	4,85,000
Mr. Rajiv Gujral	1,40,000	3,50,000	4,90,000

Salary and perquisites include Company's contribution to Provident Fund. The company does not have any stock option scheme. It includes Sitting Fees of all Committee Meetings. The Remuneration Policy of the Company is furnished in Annexure A and attached to this Report.



Stakeholders' Relationship Committee

Chairman	:	Mr. G Narayana
Members	:	Mr. Sushil Jhunjunwala Mr. Ajit Jhunjunwala Mr. Shakir Ali
Compliance Office	:	Mr. Alok Pandey
No. of complaints received by Company's Registrar & Share Transfer Agents M/s Maheshwari Datamatics Pvt. Ltd during the financial year ended March 31, 2016	:	11 (Eleven)
No. of complaints resolved to the satisfaction of shareholders during the financial year Ended March 31, 2016.	:	11 (Eleven)
No. of pending share transfers as on March 31, 2016	:	Nil

Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under section 135 of the Companies Act, 2013. The Committee has been constituted with the following terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically
- Attend to such other matters and functions as may be prescribed from time to time

The Company has adopted the CSR Policy and the same is displayed on the website of the Company. The Annual report on CSR activities for the year 2015-16 forms part of the Directors report. The Corporate Social Responsibility Committee comprises of the following:

- (a) Mr. Arun Churiwal, Chairman
- (b) Mr. Sushil Jhunjunwala
- (c) Mr. G Narayana
- (d) Mrs. Nidhi Jhunjunwala

Risk Management

The Company laid down procedures to inform Board Members about risk assessment and minimizations and has implemented the Risk Management plan through adoption of Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Company has constituted a Risk Management Committee comprises of the following:

- 1) Mr. Sushil Jhunjunwala, Chairman,
- 2) Mr Arun Churiwal
- 3) Mr Shakir Ali

The Committee ensures that the Company has an appropriate and effective Enterprise Risk Management System with appropriate policies and process which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals.

General Body Meeting

AGM for the financial year	Location of holding AGM	Date and time of AGM
2014 – 2015	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017	13th August, 2015 03.30 p.m.
2013- 2014	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017	13th August, 2014 03.30 p.m.
2012- 2013	'Gyan Manch'. 11 Pretoria Street, Kolkata 700 071	13th August, 2013 12.30 p.m.

Special Resolution passed in the last three years

(a) Special Resolution passed at the 26th Annual General Meeting held on August 13, 2013

- (i) Approval for increase in remuneration of Mr Sushil Jhunjhunwala on being promoted from Managing Director to Vice Chairman & Managing Director with effect from 1st February 2013.
- (ii) Approval for increase in remuneration of Mr Ajit Jhunjhunwala on being promoted from Dy. Managing Director to Jt. Managing Director with effect from 1st February 2013.
- (iii) Approval for increase in remuneration of Mrs Nidhi Jhunjhunwala with effect from 1st February 2013.

(b) Special Resolution passed at the 27th Annual General Meeting held on August 13, 2014

- (i) Re-appointment of Mr Sushil Jhunjhunwala as Vice Chairman & Managing Director of the Company for a further period of 5 (five) years with effect from 1st October, 2014 with modification of remuneration.
- (ii) Authorization to pay remuneration by way of commission to Directors other than the Managing and Whole Time Directors for a period of 5 years commencing from 2014-15.
- (iii) Authorization to alter Clause V of the Memorandum & Articles of Association with power to increase and reduce the capital of the Company.
- (iv) Authorization to alter the Article 100 and insertion of new article 76A after Article 76.

(c) Special Resolution passed at the 28th Annual General Meeting held on August 13, 2015

- (i) Re-appointment of Mrs. Nidhi Jhunjhunwala (DIN 01144803) as Executive Director of the Company for a further period of 5 (five) years with effect from 20th May ,2015 with modification of remuneration.

Postal Ballot

During the year 2015-16 no resolution was passed through Postal Ballot by the Company. No special resolution is proposed to be conducted through postal ballot in the current year.

Disclosure

(a) Related Party Disclosure:

All transactions entered into with the related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 during the year



were in ordinary course of business and on arm's length basis. During the year under review, no transaction of material nature has been entered into by the Company with its promoters, the directors or the management or relatives etc. that may have potential conflict with the interests of the Company. Suitable disclosure as required by the Accounting Standard (AS-18) has been made note No. 33 of the Financial Statements. All related party transactions have been placed before the Audit Committee for review and approval. The policy on dealing with Related Party transactions has been posted on the Company's website www.laopala.in.

(b) Compliances by the Company

There has been no instance of non-compliance by the Company on any matter related to Capital Markets during the last three financial years. Hence, the question of penalties or strictures being imposed by SEBI, the Stock Exchanges or any statutory authorities does not arise.

(c) Whistle Blower Policy

As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has adopted the Whistle blower policy for prevention, detection, Investigation of Frauds & Protection of Whistle Blowers. The same has been posted on the Company's Website www.laopala.in.

(d) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to The Companies (Accounts) Rules, 2014 (as amended) and relevant provisions of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(e) Details of directors seeking re-appointment in the forthcoming Annual General Meeting:

	Sushil Jhunjunwala	Arun Kumar Churiwal
Date of birth	23/08/1950	15/05/1950
Appointed on	30/09/1994	26/06/2004
Qualification	Graduate in Commerce	Graduate in Arts
Expertise	In the field of Glass Industry	In the field of textiles and agro products
Directorship held in other public companies	Genesis Exports Ltd BSL Ltd.	BSL Ltd. RSWM Ltd. LNJ Financial Services Ltd.
Membership/Chairmanship of committee in other public companies	1	2

(f) The details of compliance with Mandatory/Non Mandatory requirements:

The Company has complied with all the mandatory requirements of the Corporate Governance Code including Board Composition, Audit Committee, Stakeholder's Relationship Committee, and Disclosures to be made to the Board and Audit Committee including related party transactions, Accounting treatments, Risk Management etc.

Means of Communication

The Company has published its quarterly results in all editions of The Business Standard (English) and Arthik Lipi (vernacular) in Kolkata. The results are displayed at the website of the company i.e. www.laopala.in.

Management's Discussion & Analysis forms part of the Annual Report which is also being posted to all the shareholders of the Company.

Code of Conduct

All the members of the Board and senior management personnel have affirmed compliance with the Company's Code of Conduct which has been posted on the website of the company www.laopala.in. The company through the appointment letter of Independent Director informed them about their roles and duties as laid down in the Schedule IV of The Companies Act, 2013. A declaration of Vice Chairman & Managing Director (CEO) of the company is attached to the Annual Report.

CEO / CFO Certification

The Managing Director and the Chief Financial Officer have furnished the necessary certificate to the Board of Directors with respect to financial statements for the year ended 31st March, 2016 and the same is enclosed with this report.

General Shareholders' Information

AGM date, time and venue	Saturday, the 13th August, 2016 at 11.00 A.M. at "Kala Kunj", 4, Shakespeare Sarani, Kolkata 700 017.
Financial Year 2016-2017 (tentative)	1st Qtr. Result - Second week of August'16 2nd - Qtr. Result Second week of Nov.'16 3rd - Qtr. Result Second week of Feb'17 Audited Accounts Fourth week of May'17
Date of Book Closure	3rd August, 2016 to 13th August, 2016 (both days inclusive)
Date of dividend payment	On or after 16th August, 2016.
Listing at Stock Exchanges	The National Stock Exchange Ltd (Listing Fee Paid) The Stock Exchange, Mumbai (Listing Fee Paid) The Calcutta Stock Exchange Association Limited, Kolkata (Applied for delisting)
Stock Code	
The National Stock Exchange Ltd	LAOPALA
The Stock Exchange, Mumbai	526947
The Calcutta Stock Exchange Association Ltd, Kolkata	22016
Demat ISIN No. for CDSL & NSDL	INE 059D01020



Market Price Data: High/Low during each month during the last financial year

Month	Share Price		Sensex	
	High	Low	High	Low
April 2015	502.80	382.70	29094.61	26897.54
May 2015	434.40	376.80	28071.16	26423.99
June 2015	392.90	312.40	27968.75	26307.07
July 2015	507.40	336.95	28578.33	27416.39
August 2015	627.30	415.00	28417.59	25298.42
September 2015	619.90	536.50	26471.82	24833.54
October 2015	580.70	456.10	27618.14	26168.71
November 2015	625.00	499.00	26824.30	25451.42
December 2015	654.65	533.00	26256.42	24867.73
January 2016	652.60	531.00	26197.27	23839.76
February 2016	669.70	558.00	25002.32	22494.61
March 2016	605.00	561.20	25479.62	23133.18

Registrar & Share Transfer Agents : Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd floor, Kolkata – 700 001
Telephone nos. 033-22482248, 2243-5809
Facsimile no: 033-22484787
Email id: mdpldc@yahoo.com

Share Transfer System Registrar and Share Transfer Agents attends to share transfer formalities once in a fortnight. Demat requests are normally confirmed within 4 days

Distribution of Shareholding as on March 31, 2016

No. of equity Shares held	Shareholder(s) Nos.	Shareholder(s) %	Shareholding(s) Nos.	Shareholding(s) %
1 to 500	7428	84.7655	5,66,340	1.0204
501 to 1000	757	8.6386	6,96,255	1.2545
1001 to 2000	236	2.6931	3,75,756	0.6770
2001 to 3000	84	0.9586	2,13,917	0.3854
3001 to 4000	43	0.4907	1,51,897	0.2737
4001 to 5000	50	0.5706	2,37,155	0.4273
5001 to 10000	98	1.1183	7,14,626	1.2876
10001 to Above	67	0.7646	5,25,44,054	94.6740
	8,763	100.0000	5,55,00,000	100.0000

Dematerialisation of Shares : 54901040 (98.92%) of the shares issued by the Company have been dematerialised upto 31st March 2016.

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion dates and likely impact on equity : N.A.

Plant Location : **(1) Glassware Unit**
 a) La Opala RG Ltd
 Post: Madhupur 815353, Dist. Deoghar, Jharkhand
 b) B-108, ELDECO SIDCUL Industrial Park, Sitargunj, Udham Singh Nagar, Uttarakhand 262 405

(2) Wind Mill Unit
 Gorera Village, Jaisalmer, Rajasthan

Address for correspondence : Shareholders should address their Correspondence to the Company' Registrar & Share Transfer Agents at the following address:
 Maheshwari Datamatics Pvt. Ltd.
 6, Mangoe Lane, 2nd floor
 Kolkata – 700 001

Shareholders may also contact Company Secretary at the Registered Office of the Company for any assistance. The address of the Registered Office is as under:

La Opala RG Ltd
 'Chitrakoot', 10th floor, 230A, A.J.C. Bose Road
 Kolkata 700 020
 Telephone nos: 6503 6656/7/8/9
 Facsimile nos: 2287 0284
 E-mail : info@laopala.in

.....
 By Order of the Board

Place Kolkata
 Date: 13th May 2016

A.C. Chakrabortti
 Chairman



ANNEXURE A

Nomination and Remuneration Policy

Purpose

Pursuant to Section 178 of the Companies Act, 2013("Act") and Regulation 19 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board of Directors of every listed company shall constitute the Nomination and Remuneration Committee, to guide the Board on various issues on appointment, evaluate performance, remuneration of Directors, Key Managerial Personnel and Senior Management.

Applicability

This policy is applicable to all Directors, Key Managerial Personnel (KMP), and Senior Management team and other employees of La Opala RG Limited ("Company"). [Sec 178(3)]

Objective of the Policy

1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company.
2. That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks
3. That the remuneration to Directors, Key Management Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its grade.
4. To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior management Personnel and evaluation of their performance.
[Sec 178 (2) & (4)]

Policy for Appointment Criteria and Qualification

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

The company shall provide suitable training to independent directors to familiarize them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly). The Committee will issue evaluation criteria time to time.

Policy for Remuneration to Directors/KMP/Senior Management Personnel

1. Remuneration to Managing Director / Whole-time Directors

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole time Directors.

2. Remuneration to Non- Executive / Independent Directors:

The Non-Executive / Independent Directors may receive sitting fees as per the provisions of Companies Act, 2013. The amount of sitting fees, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

3. Remuneration to Key Managerial Personnel and Senior Management

The remuneration to Key Managerial Personnel and Senior Management shall be in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.



Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

Minutes of the Meeting

Proceeding of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting, Minutes of the Committee meetings will be tabled at the subsequent Board and Committee Meeting.

Implementation

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate

Compliance Certificate

Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- (c) We accept that it is our responsibility to establish and maintain internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal control, if any of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:
- i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instance of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Alok Pandey
Chief Financial Officer & Company Secretary

Sushil Jhunjhunwala
Vice Chairman & Managing Director (CEO)

Declaration of Vice Chairman & Managing Director (CEO)

I, Sushil Jhunjhunwala, Vice Chairman & Managing Director (CEO), of La Opala RG Limited, do hereby declare that the Company has duly complied with requirement relating to the code of conduct as laid down in Regulation 34(3) read with Schedule V of SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015.

Sushil Jhunjhunwala
Vice Chairman & Managing Director (CEO)



Auditors' Certificate on Corporate Governance

To
The Members of LA OPALA RG LIMITED

We have examined the compliance of conditions of corporate governance by LA OPALA RG LIMITED ("the Company"), for the year ended 31 March, 2016 as stipulated in clause 49 of the Listing Agreement ("Listing Agreement") of the company with stock exchange(s) for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1 December 2015 to 31 March 2016.

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 conditions of the Corporate Governance as stipulated in the said Clause. 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 / Listing Regulations, as applicable.

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

Doshi, Chatterjee, Bagri & Co.
Chartered Accountants
Firm Registration No.: 325197E

C. P. Bagchi
Partner
Membership No. 52626

Kolkata
May 13, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

Review of the economy 2015-16

The global macroeconomic landscape is passing uncertain times characterized by weak growth in global output, exacerbated by declining commodity prices, turbulent financial markets and volatile exchange rates. Even in these trying circumstances, India's growth story has remained largely positive on account of robust domestic absorption, moderated inflation, lower fiscal deficit and current account balance. The result was that India's GDP growth increased 7.6% in 2015-16 against 7.2 per cent in previous fiscal, riding to a peak 7.9% in the fourth quarter of the year under review.

Opportunities and threats

Given the global slowdown as well as challenges within the Indian economy, it was creditable for the Company to achieve higher revenue growth and profits in 2015-16, the reasons for which have already been outlined in the Directors' Report.

With a stable central government at the helm, India is passing through a paradigm shift. The Central Government's growth-inducing policies augur well. The government is prioritising investments to usher infrastructural development, kickstart policy reform and enhance business ease. The Company expects to capitalise on this favourable scenario. The Company intends to address competition from organised and unorganised sectors as well as from international brands and domestic players, expected to enhance market share.

Outlook

In 2016-17, the Company expects to sustain the momentum of the previous year. To achieve this objective, actions have been initiated to explore under-addressed markets, strengthen distribution network, improve logistics, introduce new product designs and upgrade the portfolio.

Risks and concerns

As a responsible corporate, it is our endeavour to minimise the business risks with the view to maximise returns. At the heart of La Opala's risk mitigation strategy is a comprehensive and integrated risk management framework that comprises prudential norms, structured reporting and control. This approach ensures that the risk management discipline is centrally initiated by the senior management but prudently decentralized across the Company, percolating to managers at various levels helping them mitigate risks at the transactional level. At La Opala, the risk management team meets periodically to review the key risks which could impact the Company like the increase in global competition, availability of foreign products at low costs, volatile oil prices, and stiff competition from the unorganised sector. Consequently the same team formulates relevant de-risking initiatives and ensures their effective implementation in an ever-evolving external environment. A separate risk management section appears in this report.



Internal control systems and their adequacy

The internal control system is a set of rules, procedures and organisational structures that, through a process of identifying, measuring, managing and monitoring the main risks, allows the sound and fair operation of the Company in line with pre-established objectives. As such this process is aimed at pursuing the values of both procedural and substantial fairness, transparency and accountability, which are considered key factors for managing La Opala's business.

Financial performance

The financial statements of La Opala were prepared in compliance with the requirements of the Companies Act and the applicable Accounting Standards issued by the Institute of Chartered Accountants of India. During the year under review, income from operations amounted to Rs. 25,565.94 lac compared to Rs 22,866.61 lac in 2014-15. Profit before tax for the FY 2015-16 amounted to Rs 7,792.43 lac as compared to Rs 5,575.51 lac in the previous year.

Industrial relations

Overall the industrial relations of the Company during the year were cordial. Your Directors wish to place on record their sincere appreciation for the devoted services of all the employees and workers of the Company.

Cautionary statement

Statements in the Management's Discussion and Analysis Report describing the Company's projection, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, change in governmental regulations, tax regimes, economic developments within the country and other factors such as litigation and labour negotiations.

I N D E P E N D E N T A U D I T O R ' S R E P O R T

To the Members of
La Opala RG Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of La Opala RG Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the companies (Auditor's Report) Order 2016 ("The Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule

11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36(a) to the financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred to the investor Education and Protection Fund by the Company.

Doshi, Chatterjee, Bagri & Co.

Chartered Accountants

Firm Registration No.: 325197E

C. P. BAGCHI

Partner

Kolkata

Date: May 13, 2016

Membership No. 52626

ANNEXURE - A TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of La Opala RG Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the stand alone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the

Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Doshi, Chatterjee, Bagri & Co.
Chartered Accountants
Firm Registration No.: 325197E

C. P. BAGCHI
Partner

Kolkata
Date: May 13, 2016

Membership No. 52626



ANNEXURE - B TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2016, we report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of inventory records, we are of the opinion that the Company has maintained proper records of inventory. As far as we can ascertain and according to the information and explanations given to us, the discrepancies noticed on physical verification of inventory as compared to book stocks were not material and the same have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly paragraph 3 (iii) (a) and (b) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there were no loan transaction made under section 185 of the Act and the Company has complied with provisions of section 186 of the Act with respect to loans and Investment made.
- (v) The Company has not accepted deposits from the public within the meaning of Section 73 or any other relevant provisions of the Companies Act, 2013. Accordingly, paragraph 3 (v) of the order is not applicable.
- (vi) The Central Government has prescribed maintenance of cost records under Section 148(1) of the Act in respect of Electricity. We have broadly reviewed the accounts and records so maintained by the company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however, have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales-tax/ Value Added Tax, Service tax, Customs duty, Excise Duty, Cess and other applicable statutory dues with the appropriate authorities. No undisputed amounts payable in respect of aforesaid dues are there at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and the information and explanation given to us, the

dues outstanding in respect of income tax, sales tax, custom duty, wealth tax, service tax, excise duty and cess on account of dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	23,83,740	2011-12	Commissioner of Income Tax (Appeals) ,Kolkata
Income Tax Act, 1961	Income Tax	14,71,720	2012-13	-Do-
Central Excise Act, 1944	Excise Duty	58,59,993	2008-09	Customs, Excise & Service Tax Appellate Tribunal, Kolkata
Central Excise Act, 1944	Excise Duty	4,28,424	2009-10	-Do-
Jharkhand VAT Act, 2005	Sales Tax	5,12,327	2007-08	Commissioner of Commercial Tax, Jharkhand, Ranchi

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Doshi, Chatterjee, Bagri & Co.
Chartered Accountants
Firm Registration No.: 325197E

C. P. BAGCHI
Partner

Kolkata
Date: May 13, 2016

Membership No. 52626

BALANCE SHEET

AS AT MARCH 31, 2016

(Amount in ₹)

Particulars	Note No.	March 31, 2016	March 31, 2015
I EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUND			
a) Share Capital	2	111,000,000	111,000,000
b) Reserves And Surplus	3	2,209,444,470	1,742,540,207
		2,320,444,470	1,853,540,207
2 NON - CURRENT LIABILITIES			
a) Deferred Tax Liabilities (Net)	4	89,068,383	77,966,939
b) Other Long Term Liabilities	5	25,305,992	17,708,073
c) Long-term Provisions	6	3,303,956	933,011
		117,678,331	96,608,023
3 CURRENT LIABILITIES			
a) Short-term Borrowings	7	60,920,473	78,618,199
b) Trade Payables	8	45,342,388	45,341,899
c) Other Current Liabilities	9	154,614,742	110,137,660
d) Short-term Provisions	10	141,328,109	102,938,390
		402,205,712	337,036,148
Total		2,840,328,513	2,287,184,378
II ASSETS			
1) NON-CURRENT ASSETS			
a) Fixed Assets			
i) Tangible Assets	11	1,070,620,768	649,527,465
ii) Intangible Assets	12	-	-
iii) Capital Work-in-progress		10,430,054	-
iv) Capital Expenditure on Expansion Project (pending allocation)	13	-	55,627,308
b) Non-current Investments	14	879,983	879,983
c) Long-term Loans and Advances	15	88,073,486	102,446,874
		1,170,004,291	808,481,630
2 CURRENT ASSETS			
a) Current Investments	16	953,754,724	901,475,850
b) Inventories	17	404,485,516	292,159,542
c) Trade Receivables	18	257,097,445	232,794,092
d) Cash and Bank Balances	19	9,017,808	4,157,898
e) Short-term Loans and Advances	20	34,811,734	19,846,677
f) Other Current Assets	21	11,156,995	28,268,689
		1,670,324,222	1,478,702,748
Total		2,840,328,513	2,287,184,378
Summary of Significant Accounting Policies	1		

The notes referred to above form an integral part of the Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For DOSHI, CHATTERJEE, BAGRI & CO.

Chartered Accountants

Firm Registration No.: 325197E

C P BAGCHI

Partner

Membership No. 52626

KOLKATA

Date : May 13, 2016

On behalf of the Board

A C CHAKRABORTTI, Chairman

SUSHIL JHUNJHUNWALA, Vice Chairman & Managing Director

AJIT JHUNJHUNWALA, Joint Managing Director

ALOK PANDEY, CFO & Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

Particulars	Note No.	2015-16	2014-15
INCOME			
Revenue from Operations (Gross)	22	2,556,594,317	2,286,661,853
Less: Excise Duty		63,589,532	53,359,390
I Revenue from Operations (Net)		2,493,004,785	2,233,302,463
II Other Income	23	14,509,305	8,533,446
III TOTAL REVENUE (I+II)		2,507,514,090	2,241,835,909
EXPENSES			
Cost of Materials Consumed	24	471,684,960	399,354,925
Purchase of Traded Goods	25	19,143,762	8,140,422
(Increase)/Decrease in Inventories of Finished, Traded & Semi Finished Goods	26	(91,980,905)	1,142,229
Employee Benefits Expenses	27	321,980,194	262,130,479
Finance Costs	28	11,144,242	8,402,364
Depreciation and Amortization Expense	29	89,753,847	102,959,994
Other Expenses	30	906,544,636	902,154,258
IV TOTAL EXPENSES		1,728,270,736	1,684,284,671
V Profit before Exceptional & Extraordinary Items and Tax (III-IV)		779,243,354	557,551,238
VI Exceptional and Extraordinary Items		-	-
VII Profit Before Tax (V-VI)		779,243,354	557,551,238
Tax Expenses			
Current Tax		181,000,000	149,700,000
Deferred Tax Charge / (Credit)		11,101,445	(11,478,613)
Tax adjustment for earlier years		-	1,959,110
VIII Total Tax Expenses		192,101,445	140,180,497
IX Profit for the year (VII-VIII)		587,141,909	417,370,741
X Earning per Equity Share {Nominal Value of Share ₹ 2}	35		
Basic		10.58	7.66
Diluted		10.58	7.66
Summary of Significant Accounting Policies	1		

The notes referred to above form an integral part of the Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For DOSHI, CHATTERJEE, BAGRI & CO.

Chartered Accountants

Firm Registration No.: 325197E

C P BAGCHI

Partner

Membership No. 52626

KOLKATA

Date : May 13, 2016

On behalf of the Board

A C CHAKRABORTTI, Chairman

SUSHIL JHUNJHUNWALA, Vice Chairman & Managing Director

AJIT JHUNJHUNWALA, Joint Managing Director

ALOK PANDEY, CFO & Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

Particulars	March 31, 2016	March 31, 2015
A Cash Flow from Operating Activities		
Net Profit before Taxation and Extraordinary Items	779,243,354	557,551,238
Adjustment for :		
Depreciation	89,753,847	102,959,994
Provision for Doubtful Receivable & Advances (Net of write back)	2,241,485	2,634,899
Irrecoverable receivables written off	55,000	1,504,749
Loss on sale of Fixed Assets(Net)	546,673	1,051,263
Interest Income	(1,667,802)	(1,971,822)
Interest and other Finance charges	11,144,242	8,402,364
Dividend Income	(4,833,577)	(1,692,526)
Unspent Liability & unclaimed balances Written Back	(121,881)	(15,062)
Gain on Redemption of Current Investment	(2,407)	(1,479,411)
Operating Profit before working capital changes	876,358,934	668,945,686
Movements in Working Capital		
Decrease/(Increase) in Inventories	(112,325,974)	(8,752,820)
Decrease/(Increase) in Trade Receivables, Advances and Other Assets	(10,079,814)	(69,090,093)
Increase/(decrease) in Trade Payable and other liabilities	39,008,573	18,104,474
Cash generated from operations	792,961,719	609,207,247
Direct Taxes paid (net of Refunds)	(181,367,802)	(142,301,276)
Net Cash from operating activities	611,593,917	466,905,971
B Cash flow from Investing activities		
Purchase of Fixed Assets	(447,495,273)	(77,188,773)
Purchase of Investments	(524,833,577)	(1,401,139,546)
Sale of Investment	472,557,111	501,143,107
Sale of Fixed Assets	1,802,500	670,800
Dividend Received	4,833,577	1,692,526
Interest Received	1,667,802	1,513,346
Net cash used in investing activities	(491,467,860)	(973,308,540)
C Cash flow from Financing activities		
Proceeds from Issue of Shares (including Securities Premium)	-	552,714,800
Repayment of Borrowings	(17,697,726)	(63,218,751)
Interest Paid	(11,144,242)	(8,402,364)
Dividend paid (including dividend distribution tax)	(86,424,179)	(61,720,035)
Net Cash used in Financing activities	(115,266,147)	419,373,650
Net Increase/(Decrease) in cash or cash equivalents (A+B+C)	4,859,910	(87,028,919)
Cash or Cash equivalents at the beginning of the year	4,157,898	91,186,817
Cash or Cash equivalents at the end of the year	9,017,808	4,157,898
Components of cash and cash equivalents as at	March 31,2016	March 31,2015
Cash in hand	267,087	494,085
With banks	8,750,721	3,663,813
	9,017,808	4,157,898

The above Cash Flow Statement has been prepared under the Indirect method set out in Accounting Standard on Cash Flow Statement (AS-3).

This is the Cash Flow Statement referred to in our report of even date

For DOSHI, CHATTERJEE, BAGRI & CO.
Chartered Accountants
Firm Registration No.: 325197E

On behalf of the Board
A C CHAKRABORTTI, Chairman

C P BAGCHI
Partner
Membership No. 52626

SUSHIL JHUNJHUNWALA, Vice Chairman & Managing Director

AJIT JHUNJHUNWALA, Joint Managing Director

KOLKATA
Date : May 13, 2016

ALOK PANDEY, CFO & Company Secretary

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

Note 1: NATURE OF OPERATIONS

La Opala RG Limited is a leading manufacturer and marketer of life style product in tableware segment. The company has spread the wings beyond domestic arena and ventured into leading market of the world.

Note 1.1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP") and comply in all material respects with the mandatory Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and with the relevant provisions of the Act and pronouncement of the Institute of Chartered Accountant of India ("ICAI"). The financial statements have been prepared under the historical cost convention on accrual basis except for subsidy, insurance claim and carbon credit, which are accounted for on cash/ acceptance basis due to uncertainty of realization.

The accounting policies, in all material aspects, have been consistently applied by the company and are consistent with those used in the previous year. The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of financial statements and income and expenses for the reporting period. Estimates and assumptions are reviewed on an ongoing basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal; operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The significant accounting policies followed by the Company are stated below :

(A) Fixed Assets

Fixed assets except freehold land are stated at cost less accumulated depreciation and impairment losses. Freehold land is carried at cost of acquisition. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Fixed Assets are classified as tangible and intangible assets.

(B) Impairment of assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal or external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their "value in use". The estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as income in the Statement of Profit and Loss.

(C) Depreciation

Depreciation on tangible fixed assets is calculated over the useful life of the fixed assets as specified in Schedule II of the Companies Act, 2013 by using Straight Line method. However, fixed assets costing less than ₹ 5,000 are fully depreciated in the year of addition.

Depreciation on additions / disposals during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Residual value of all tangible and intangible assets is considered at 5% of the original cost.

Leased assets of the Company are amortized over the useful life / operating period of the lease.

Intangible assets are amortised over useful life not exceeding 5 years.

(D) Borrowing Costs

Borrowing Costs relating to acquisition/construction of qualifying assets are capitalized until the time of substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(E) Expenditure on New/Expansion Projects

Expenditure directly relating to the construction activity is capitalized. Pre-operative and indirect expenditure incurred during construction period is capitalized as part of indirect construction cost to the extent to which the expenditure is related to the construction or is incidental thereto. Income attributable to the project is deducted from the total of such expenditure.

(F) Leases

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to Statement of Profit & Loss. Lease management fees, legal charges and other initial direct costs are capitalized.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease rentals are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(G) Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

(H) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long term investments.

(I) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares	Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are written down below cost if the finished products in which they will be incorporated are expected to be sold below cost. Cost is determined on first in first out (FIFO) / Weighted average basis.
Work-in-progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to complete the sale.

In case of transfer of materials from one division to other, the transfer price is considered as the cost.

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(J) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery. The amount recognized is exclusive of Sales Tax, Value Added Tax.

Export Incentives

Export Incentives are accounted for on export of goods in the year of export if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

(K) Foreign currency transaction

Foreign exchange transactions

Foreign currency transactions are recorded in reporting currency at the exchange rates prevailing at the date of the transactions. Realized gains/losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the year end rates and resultant gains/losses from foreign exchange translation are recognized in the Statement of Profit and Loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

(L) Employee Benefits

i. Short Term Employee Benefits.

Short term employee benefits, such as salaries, wages, performance incentives, etc. are recognized as an expense at actual amounts, in the Statement of Profit & Loss of the year in which the related service is rendered. Earned leave accrued during the year is paid after the end of the year and charged to the Statement of Profit & Loss. There is no carry forward of such leave.

ii Post Employment Benefits

a) Defined contribution plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

(b) Defined benefit plans

The company has a defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. The plan is administered through Life Insurance Corporation of India (LIC). Liability for above defined benefit plan is provided on the basis of actuarial valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method. The company presents its gratuity liability as current and non-current based on actuarial valuation. The fair value of the plan asset is reduced from the gross obligation to



NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

disclose the obligation on net basis in the Balance Sheet. Actuarial gains / losses are recognized in the Statement of Profit & Loss of the year.

(M) Income taxes

Tax expense comprises of current tax and deferred tax charge or release. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act read with Income and Disclosure Standards (ICDS) promulgated under section 145(2) of the Act. Deferred income tax reflects the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax asset arising on account of unabsorbed depreciation or carry forward tax losses are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably or virtually certain, as the case may be, that sufficient income will be available against which deferred tax asset can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, an asset is created by way of credit to the statement of profit and loss as MAT credit entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to that effect that the company will pay normal Income tax during the specified period.

(N) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(O) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(P) Contingencies

Liabilities, which are contingent in nature, are disclosed in the notes to accounts.

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

Note 2: SHARE CAPITAL

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Authorised Shares		
75,000,000 (75,000,000) Equity Shares of ₹ 2/- each	150,000,000	150,000,000
Issued, Subscribed and Fully Paid Up Shares		
5,55,00,000 Equity Shares of ₹ 2/- each		
(Previous year 5,55,00,000 Equity Shares of ₹ 2/- each)	111,000,000	111,000,000

Reconciliation of the Shares outstanding at the beginning and the end of the reporting period

	No. of Shares	₹	No. of Shares	₹
Equity Shares				
At the beginning of the year Face Value ₹ 2/- each (Previous year Equity Share of face value ₹ 10/- each)	55,500,000	111,000,000	10,597,532	105,975,320
Addition on account of Private placement of 502,468 Equity Share of face value ₹ 10/- each	–	–	502,468	5,024,680
	55,500,000	111,000,000	11,100,000	111,000,000
Addition on account of Sub-Division of Equity Share of face value of ₹ 10/- each into 5 Equity Shares of face value of ₹ 2/-each.	–	–	44,400,000	–
At the end of the year Equity Share of face value of ₹ 2/- each	55,500,000	111,000,000	55,500,000	111,000,000

Further Issue of Share on Private Placement Basis

In terms of the approval of the shareholders in the Extra Ordinary General Meeting held on 27th August, 2014 the company had allotted 5,02,468 Equity Shares of ₹ 10/- each at an premium of ₹ 1,090/-per share on preferential basis to West Bridge Crossover Fund LLC in accordance with SEBI (ICD) Regulations, 2009. There was restriction on transferability of such shares which is for the period of one year from the last date of trading approval from all the stock exchanges which is September 18, 2014.

Sub-Division of Equity Shares

Pursuant to recommendation of the Board of Directors of the Company at its meeting held on 13th May 2014 and followed by approval of the members in the Annual General Meeting held on 13th August, 2014, each Equity Share of the face value of ₹ 10/- fully paid up was sub-divided into 5 (five) Equity shares of ₹ 2/- each fully paid up and the record date for Sub-Division was 25th September, 2014.

Rights attached to Equity Shares

The company has only one class of Equity Shares having a par value of ₹ 2/- per share (Previous year ₹ 2/- per share). Each holder of Equity Shares is entitled to one vote per share. The shareholders are entitled for dividend declared by the company which is proposed by the Board of Directors and approved by the shareholders in the Annual General Meeting.

During the year ended 31st March 2016, the amount of dividend proposed per share to equity shareholders is ₹ 1.80 (31st March 2015: ₹ 1.30).

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

Note 2: SHARE CAPITAL (contd...)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% in the company

	No. of Shares of ₹ 2/- Per Share	Percentage of holding	No. of Shares of ₹ 2/- Per Share	Percentage of holding
Equity Shares of ₹ 10 each fully paid-up				
1. Genesis Exports Limited	25,354,500	45.68%	25,354,500	45.68%
2. Ajit Jhunhunwala	7,193,000	12.96%	7,193,000	12.96%

As per the records of the company, the above shareholding represents both legal and beneficial ownership of shares.

NOTE 3 : RESERVES & SURPLUS

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Capital Reserve - Subsidy	1,311,344	1,311,344
Securities Premium Account		
Balance as per last financial statement	562,027,460	14,337,340
Add : Received on Equity Shares issued during the year	–	547,690,120
	562,027,460	562,027,460
General Reserve		
Balance as per last financial statement	315,000,000	240,000,000
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	100,000,000	75,000,000
	415,000,000	315,000,000
Surplus in the Statement of Profit and Loss		
Balance as per last financial statement	864,201,403	616,622,075
Add: Profit for the year	587,141,905	417,370,741
	1,451,343,308	1,033,992,816
Less: Adjustment on account of transitional provision of Schedule II of the Companies Act, 2013 for depreciation, net of deferred tax (Note 38)	–	(7,953,116)
	1,451,343,308	1,026,039,700
Less: Appropriations		–
Proposed equity dividend [Amount per share ₹ 1.80 (31st March 2015: ₹ 1.30)]	99,900,000	72,150,000
Tax on Proposed equity dividend	20,337,642	14,688,297
Transfer to General Reserve	100,000,000	75,000,000
Total Appropriations	220,237,642	161,838,297
Net Surplus in the Statement of Profit and Loss	1,231,105,666	864,201,403
Total Reserves and Surplus	2,209,444,470	1,742,540,207

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 4 : DEFERRED TAX LIABILITIES (NET)

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Deferred Tax Liabilities		
Timing differences on account of depreciation	93,140,485	81,797,388
Gross Deferred Tax Liabilities	93,140,485	81,797,388
Deferred Tax Assets		
Provision for Doubtful Debts	869,736	621,179
Expenses allowable under Income Tax on payments	3,202,366	3,209,270
Gross Deferred Tax Assets	4,072,102	3,830,449
Net Deferred Tax Liability	89,068,383	77,966,939

NOTE 5 : OTHER LONG TERM LIABILITIES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Trade and other deposits	13,891,000	12,407,000
Others	11,414,992	5,301,073
Total	25,305,992	17,708,073

NOTE 6 : LONG TERM PROVISIONS

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits		
Provision for Gratuity (Note 31)	3,303,956	933,011
Total	3,303,956	933,011

NOTE 7 : SHORT TERM BORROWINGS

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Working Capital Borrowings from Banks (including demand loans) (Secured)	60,920,473	78,618,199

Working capital borrowing from banks is secured by hypothecation of entire current assets of the company.
The rate of interest payable on Working Capital Borrowing is 9.65% p.a. (Effective Rate at monthly rests).

NOTE 8 : TRADE PAYABLES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Trade Payables (Refer Note 37 for details of dues to Micro and Small Enterprises).	45,342,388	45,341,899

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 9 : OTHER CURRENT LIABILITIES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Customers' Credit balances and Advances	8,930,913	7,941,889
Investor Education and Protection fund will be credited by the following amounts (as and when due)		
Unclaimed Dividend	2,113,489	1,699,371
Others		
Payable against purchase of capital assets	27,210,471	6,706,683
Statutory dues payable	21,278,721	17,253,347
Payable to Employees	36,679,425	32,082,033
Other Payables	58,401,723	44,454,337
Total	154,614,742	110,137,660

NOTE 10 : SHORT TERM PROVISIONS

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits		
Provision for Gratuity (Note 31)	5,949,299	4,044,559
Provision for Leave Benefits	5,194,190	3,526,454
Other Provisions		
Provision for Taxation (Net of advances)	7,090,722	7,458,524
Provision for Excise Duty on Stock (Note 45)	2,856,256	1,070,556
Proposed Equity Dividend	99,900,000	72,150,000
Provision for tax on proposed equity dividend	20,337,642	14,688,297
Total	141,328,109	102,938,390

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE : 12 INTANGIBLE ASSET
(Amount in ₹)

ASSET	Software	Total Intangible Assets
	132,738	132,738
	(132,738)	(132,738)
	—	—
	(—)	(—)
	—	—
	(—)	(—)
	132,738	132,738
	(132,738)	(132,738)
	132,738	132,738
	(132,738)	(132,738)

NOTE : 11 TANGIBLE ASSET

(Amount in ₹)

Particulars	Freehold		Buildings	Plant and Equipments		Furniture & Fixtures		Vehicles		Office Equipments		Leasehold Land		Total Tangible Assets
	Land													
Gross Block														
As at 1st April 2015	7,678,066	207,301,801	852,929,301	28,532,520	13,375,260	5,767,876	28,799,042	1,144,383,866						
	(7,678,066)	(182,884,585)	(847,818,356)	(28,123,181)	(12,892,443)	(5,561,802)	(28,799,042)	(1,113,757,475)						
Addition	500,000	54,964,914	450,608,346	2,654,857	4,418,150	50,048	—	513,196,315						
	(—)	(24,417,216)	(10,519,274)	(409,339)	(1,370,051)	(228,574)	(—)	(36,944,454)						
Disposals	—	—	367,361	—	3,170,022	—	—	3,537,383						
	(—)	(—)	(5,408,340)	(—)	(887,234)	(22,500)	(—)	(6,318,074)						
As at 31st March 2016	8,178,066	262,266,715	1,303,170,286	31,187,377	14,623,388	5,817,924	28,799,042	1,654,042,798						
	(7,678,066)	(207,301,801)	(852,929,290)	(28,532,520)	(13,375,260)	(5,767,876)	(28,799,042)	(1,144,383,855)						
Depreciation / Amortization														
Up to 31st March 2015	—	57,580,729	410,247,933	14,608,200	4,670,608	4,861,217	2,887,706	494,856,393						
	(—)	(49,952,641)	(311,818,689)	(11,638,892)	(3,229,656)	(3,335,139)	(2,560,444)	(382,535,461)						
Charge for the year	—	7,653,907	76,472,109	3,002,250	1,909,385	388,934	327,262	89,753,847						
	(—)	(6,974,914)	(90,531,681)	(2,886,692)	(1,811,807)	(427,638)	(327,262)	(102,959,994)						
On Disposals	—	—	309,816	—	878,394	—	—	1,188,210						
	(—)	(—)	(2,294,062)	(—)	(370,855)	(22,500)	(—)	(2,687,417)						
Adjustment to Retained Earnings (Refer Note 38)	—	—	—	—	—	—	—	—						
	(—)	(653,174)	(10,191,624)	(82,615)	(—)	(1,120,939)	(—)	(12,048,352)						
Up to 31st March 2016	—	65,234,636	486,410,226	17,610,450	5,701,599	5,250,151	3,214,968	583,422,030						
	(—)	(57,580,729)	(410,247,932)	(14,608,199)	(4,670,608)	(4,861,216)	(2,887,706)	(494,856,390)						
Net Block														
At 31st March 2016	8,178,066	197,032,079	816,760,060	13,576,927	8,921,789	567,773	25,584,074	1,070,620,768						
	(7,678,066)	(149,721,072)	(442,681,358)	(13,924,321)	(8,704,652)	(906,660)	(25,911,336)	(649,527,465)						

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 13 : CAPITAL EXPENDITURE ON EXPANSION PROJECT (Pending Allocation) (Amount in ₹)

Particulars	As at March 31, 2016 Sitarganj Opal	As at March 31, 2015 Sitarganj Opal
Building under construction	47,782,641	27,517,858
Machinery under erection	428,007,606	27,946,607
	475,790,247	55,464,465
Incidental Expenditure pending allocation to Fixed Assets		
Raw Material Consumed During Trial Run	4,743,600	–
Power & Fuel	3,529,077	–
Salary, Wages & Staff Cost	4,398,500	136,020
Bank Charges	457,417	–
Other Expenses	2,092,936	26,823
Less : Stock Obtained out of Trial Run	(4,449,097)	–
	486,562,680	55,627,308
Less : Capitalised during the year	(486,562,680)	–
Total	–	55,627,308

NOTE 14 : NON CURRENT INVESTMENTS

	As at March 31, 2016		As at March 31, 2015	
	Nos	₹	Nos	₹
Other than trade (valued at cost)				
Quoted Equity Shares				
Equity shares of ₹ 10 each fully paid-up in Genesis Exports Ltd	75,330	879,983	75,330	879,983
		879,983		879,983
Aggregate amount of quoted investments		879,983		879,983
Market value of quoted investment *		*		*
Aggregate Provision for diminution in value of investments *		–		–

* The equity shares of Genesis Exports Limited are listed but have not been traded for many years. However based on the Audited Accounts for the year 2014-15, the breakup value per share is ₹ 407/- which is much higher than the cost of acquisition.

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 15 : LONG TERM LOANS AND ADVANCES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Capital Advances (Unsecured)		
- Considered good	60,400,110	76,446,721
- Considered Doubtful	141,600	141,600
	60,541,710	76,588,321
Less: Provision for doubtful advances	141,600	141,600
Net Capital Advances	60,400,110	76,446,721
Security Deposits		
(Unsecured, considered good)		
With related parties (Note 33)	4,000,000	4,000,000
With Others	21,326,194	19,911,759
	25,326,194	23,911,759
Advances recoverable in cash or in kind (Unsecured)		
- Considered good	2,347,182	1,410,579
- Considered Doubtful	2,588,278	1,065,000
	4,935,460	2,475,579
Less: Provision for doubtful advances	2,588,278	1,065,000
Net Advances recoverable in cash or in kind	2,347,182	1,410,579
Other Advances		
Advance payment of Tax (net of provisions) (under appeal)	-	677,815
Total	88,073,486	102,446,874

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 16 : CURRENT INVESTMENTS

	As at March 31, 2016		As at March 31, 2015	
	No. of Units	₹	No. of Units	₹
Valued at lower of cost or fair value				
Unquoted- Units of Mutual Funds				
SBI Ultra Short Term Debt Fund - Daily Dividend	8466.256	8,508,177	125907.657	126,229,303
Birla Sun Life Short Term Fund- Growth Regular Plan	4228527.144	210,000,000	4228527.144	210,000,000
Birla Sun Life Short Term Opportunities Fund	1201652.666	25,000,000	1201652.666	25,000,000
Frankline India Short term Income Plan - Retail Plan	71995.094	195,000,000	65469.554	175,000,000
Frankline India Short term Income Plan - Direct	15894.885	50,000,000	–	–
HDFC Short Term Opportunities Fund	3474200.586	50,000,000	3474200.586	50,000,000
HDFC Short Term Plan	7402578.390	200,000,000	3933260.437	100,000,000
SBI Short Term Debt Fund Regular Plan Growth	13761874.119	215,246,547	13761874.119	215,246,547
		953,754,724@		901,475,850
Aggregate amount of Unquoted investments		953,754,724		901,475,850
Aggregate Repurchase price of Unquoted investments		1,062,849,728		943,363,772

@ Including Units aggregating to ₹ 5,26,70,200/- (Previous year ₹ 19,40,66,090/-) lying as lien with the Company's Bankers against letter of credit facility provided by them

NOTE 17 : INVENTORIES (valued at lower of cost or net realisable value)

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Raw Materials	57,644,232	46,037,141
Finished Goods	38,813,303	16,613,953
Traded Goods	7,192,929	3,823,319
Semi Finished Goods	243,447,195	172,586,153
Packing Material	14,511,443	14,605,084
Stores (including Oil & Repair Stock)	39,696,341	36,017,153
Goods in Transit	3,180,073	2,476,739
Total	404,485,516	292,159,542
Break up of Goods in Transit:		
Raw Materials	718,926	1,282,393
Stores (including Oil & Repair Stock)	2,461,147	1,194,346
	3,180,073	2,476,739

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 18 : TRADE RECEIVABLES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Secured , considered good	54,988	85,584
Unsecured, considered good	992,814	1,233,263
Unsecured, considered doubtful	2,513,106	1,794,899
	3,560,908	3,113,746
Less - Provision for doubtful receivables	2,513,106	1,794,899
(A)	1,047,802	1,318,847
Other receivables		
Secured , considered good	13,836,012	12,321,416
Unsecured, considered good	242,213,631	219,153,829
(B)	256,049,643	231,475,245
Total (A+B)	257,097,445	232,794,092

NOTE 19 : CASH AND BANK BALANCES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents		
Cash in hand	267,087	494,085
Balance with Banks:		
On Current Account	5,434,189	854,651
Other Bank Balances		
On Unpaid Dividend Account	2,113,489	1,699,371
Margin Money Deposit Account	1,203,043	1,109,791
Total	9,017,808	4,157,898

NOTE 20 : SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Advances recoverable in cash or kind (Unsecured)		
- Considered good	31,564,600	14,804,887
- Considered Doubtful	737,057	737,057
	32,301,657	15,541,944
Less: Provision for Doubtful Advances	737,057	737,057
Net Advances Recoverable in cash or kind	31,564,600	14,804,887
Balances with Excise and other Revenue Authorities	3,247,134	5,041,790
	34,811,734	19,846,677

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 21 : OTHER CURRENT ASSETS

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good		
Interest accrued on Deposits	1,392,271	1,335,823
Export Incentives Receivable	9,514,227	23,097,575
Licence in Hand	250,497	3,835,291
Total	11,156,995	28,268,689

NOTE 22 : REVENUE FROM OPERATIONS

(Amount in ₹)

	2015-16		2014-15	
Revenue from Operations				
Sale of Products				
Glass & Glassware		2,525,223,707		2,240,091,403
Electricity		2,371,229		3,142,005
Other Operating Revenue				
Scrap Sales	4,200,613		4,600,028	
Carbon Credits	–		1,313,815	
Export Incentives	24,798,768	28,999,381	37,514,602	43,428,445
Revenue from Operations (Gross)		2,556,594,317		2,286,661,853
Less: Excise Duty		63,589,532		53,359,390
Revenue from Operations (Net)		2,493,004,785		2,233,302,463

NOTE 23 : OTHER INCOME

(Amount in ₹)

	2015-16	2014-15
Interest	1,667,802	1,971,822
Gain on Forward Contract	1,162,041	119,693
Dividend on Current Investments	4,833,577	1,692,526
Recovery / adjustments against Provision for Doubtful Receivable	363,736	2,330,045
Unspent Liability & unclaimed balances Written Back	121,881	15,062
Insurance & Other Claims	1,319,188	217,611
Gain on Redemption of Current Investments	2,407	1,479,411
Gain on Exchnage Fluctuations (Net)	4,117,194	–
Miscellaneous Receipts	921,479	707,276
Total	14,509,305	8,533,446

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 24 : COST OF MATERIALS CONSUMED

(Amount in ₹)

	2015-16	2014-15
Raw Materials		
Inventory at the beginning of the year	46,037,141	42,308,242
Add: Purchases	336,770,903	271,831,933
	382,808,044	314,140,175
Less: Inventory at the end of the year	57,644,232	46,037,141
Raw Materials Consumed (A)	325,163,812	268,103,034
Packing Materials Consumed		
Inventory at the beginning of the year	14,605,084	11,595,158
Add: Purchases	146,427,507	134,261,817
	161,032,591	145,856,975
Less: Inventory at the end of the year	14,511,443	14,605,084
Packing Materials Consumed (B)	146,521,148	131,251,891
Materials Consumed (A+B)	471,684,960	399,354,925
Details of Raw Materials Consumed		
Transfer paper	89,510,892	73,596,042
Borax Pantahydrate / Boric Acid	26,969,849	33,652,084
Others	208,683,071	160,854,908
	325,163,812	268,103,034
Details of Inventory of Raw Materials		
Transfer paper	22,265,084	15,225,071
Borax Pantahydrate / Boric Acid	8,973,233	7,217,706
Others	26,405,915	23,594,364
	57,644,232	46,037,141

NOTE 25 : DETAILS OF PURCHASE OF TRADED GOODS

(Amount in ₹)

	2015-16	2014-15
Glass & Glassware	19,143,762	8,140,422

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 26 : (INCREASE)/DECREASE IN INVENTORIES

(Amount in ₹)

	2015-16	2014-15
Inventories at the beginning of the year (Glass & Glassware)		
Traded goods	3,823,319	–
Semi finished Goods	172,586,153	176,482,256
Finished Goods	16,613,953	17,683,398
	193,023,425	194,165,654
Add: Stock obtained out of trial run	4,449,097	–
	197,472,522	194,165,654
Less: Inventories at the end of the year (Glass & Glassware)		
Traded goods	7,192,929	3,823,319
Semi finished Goods	243,447,195	172,586,153
Finished Goods	38,813,303	16,613,953
	289,453,427	193,023,425
(Increase)/Decrease	(91,980,905)	1,142,229

NOTE 27 : EMPLOYEE BENEFITS EXPENSES

(Amount in ₹)

	2015-16	2014-15
Salaries, Wages, Bonus, Incentives & Leave pay	290,528,652	238,204,850
Contribution to Provident and other fund	17,055,812	14,067,231
Gratuity (Note 31)	9,301,907	5,020,618
Staff Welfare Expenses	5,093,823	4,837,780
Total	321,980,194	262,130,479

NOTE 28 : FINANCE COSTS

(Amount in ₹)

	2015-16	2014-15
Interest	6,715,425	5,506,288
Other Finance Charges	4,428,817	2,896,076
Total	11,144,242	8,402,364

NOTE 29 : DEPRECIATION

(Amount in ₹)

	2015-16	2014-15
Depreciation of Tangible Assets	89,753,847	102,959,994
Total	89,753,847	102,959,994

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

NOTE 30 : OTHER EXPENSES

(Amount in ₹)

	2015-16	2014-15
Stores and spares consumed	55,480,815	46,760,412
Increase/(Decrease) of excise duty on inventories	1,785,700	(99,073)
Power & Fuel	281,753,927	244,378,204
Freight and forwarding charges	65,397,735	57,783,409
Rent and Hire Charges	4,025,118	4,112,865
Rates & Taxes	1,622,889	3,736,957
Insurance	2,795,997	1,842,790
Repair and Maintenance		
Plant & Machinery	10,238,234	76,330,970
Building	4,032,646	2,162,730
Others	2,080,465	16,351,345
Advertisement and Sales Promotion	344,932,368	349,579,579
Brokerage & Commission	5,650,971	2,344,526
Breakage	3,123,776	5,246,936
Travelling and conveyance	22,195,426	19,417,937
Legal and professional fees	10,285,455	8,202,826
Directors' sitting fees	645,000	725,000
Payment to Auditor		
As Auditor	705,000	730,000
In other capacity for Certificates	15,000	720,000
Others	15,000	15,000
Loss on sale of fixed assets (Net)	546,673	1,051,263
Irrecoverable debts / advances written off	55,000	4,521,748
Less : Adjusted against Provision	–	55,000
Provision for Doubtful Receivables & Advances	2,605,221	3,016,999
Loss on sale of DEPB Licences	–	1,504,749
Donation	296,400	2,634,899
Discount	13,101,528	330,668
Directors' Commission	40,712,167	135,000
Loss on Exchnage Fluctuations (Net)	–	16,048,625
Jharkhand Sales Tax	142,987	29,627,562
Expenses on Corporate Social Responsibility	8,097,608	850,587
Miscellaneous Expenses	24,220,530	409,763
Total	906,544,636	902,154,258

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

31 DISCLOSURE UNDER AS-15

Employees Benefits in form of gratuity has been measured on the Projected Unit Credit Method on the basis of actuarial valuation. The actuarial valuation of Gratuity has been done on the following assumptions:

(Amount in ₹)

	2015-16	2014-15
Discount Rate	8%	8%
Rate of increase in compensation level	6%	5%
Rate of Return on plan assets	8%	8%
Expected Average remaining working lives of employees (years)	12.55 to 24.11	12.60 to 25.04
Change in the present value of obligation		
Present value of obligation (Opening)	349,54,455	295,68,571
Current Service Cost	33,45,739	26,48,252
Interest cost	32,04,589	25,80,296
Actuarial (gains)/losses	54,73,549	20,63,589
Benefits paid	(20,36,975)	(18,90,632)
Present value of obligation (Closing)	449,41,357	349,70,076
Change in the Fair Value of Plan Assets		
Fair value of Plan Assets (Opening)	299,92,506	249,74,180
Expected Return on Plan Assets	26,27,225	21,92,644
Actual Company contribution	50,10,601	46,37,439
Actuarial Gains / (Loss)	94,745	78,875
Benefits paid	(20,36,975)	(18,90,632)
Fair value of Plan Assets (Closing)	356,88,102	299,92,506
Reconciliation of present value of obligation and the fair value of Plan Assets		
Present value of Closing funded obligation	449,41,357	349,70,076
Present value of Closing unfunded obligation	–	–
TOTAL	449,41,357	349,70,076
Fair value of plan assets (closing) (to the extent funded)	356,88,102	299,92,506
Unfunded Net Liability recognized in the Balance Sheet	92,53,255	49,77,570
Classification of gratuity liability		
As Long Term Provision	33,03,956	9,33,011
As Short Term Provision	59,49,299	40,44,559
TOTAL	92,53,255	49,77,570
Expenses recognized in the Statement of Profit and Loss		
Current Service Cost	33,45,739	26,48,252
Interest cost	32,04,589	25,80,296
Expected Return on Plan Asset	(26,27,225)	(21,92,644)
Actuarial Losses / (Gains) on Obligation	54,73,549	20,63,589
Actuarial Losses / (Gains) on Plan Asset	(94,745)	(78,875)
Total Expenses recognized in Statement of Profit & Loss	93,01,907	50,20,618

Notes:

- Expected rate of return on plan assets is based on the actuarial expectation of the average long-term rate of return expected on investment of the fund during the estimated term of the obligation.

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

31 DISCLOSURE UNDER AS-15 (contd...)

- The estimates of future salary increase takes into account the inflation, seniority, promotion and other relevant factors on long term basis.
- The Company expects to contribute ₹ 50 Lacs (approx) during the year 2016-17.
- Amount for the current year and previous four years are as follows (₹ In Lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefits Obligations :					
Unfunded	-----	-----	17.03	12.67	10.10
Funded	449.41	349.70	278.65	253.91	232.72
	449.41	349.70	295.68	266.58	242.82
Fair Value of Plan Assets	356.88	299.92	249.74	243.38	77.61
Deficit	92.53	49.78	45.94	23.20	165.21
Experience Adjustments					
Defined Benefit Obligation	37.03	7.59	1.85		
Fair Value of Plan Assets	0.95	0.79	(1.41)		

32 SEGMENT INFORMATION

The company mainly deals in one product – glass and glassware. As such, it does not have reportable business segment. For the purpose of geographical segments, the consolidated sales are divided into India and other countries. The following table shows the distribution of the Company's consolidated sales by geographical market, regardless of where the goods were produced:

a) Revenue From Operations (Amount in ₹)

	2015-16	2014-15
Outside India	40,53,35,881	37,94,55,971
Within India	212,22,59,055	186,37,77,437
Total	252,75,94,936	224,32,33,408

b) Carrying amount of Trade Receivable (Amount in ₹)

	2015-16	2014-15
Outside India	2,97,15,839	4,41,50,430
Within India	22,73,81,606	18,86,43,662
Total	25,70,97,445	23,27,94,092

- c) The company has common fixed assets for producing goods for domestic and export markets. Hence, separate figures for fixed assets / additions to fixed assets are not furnished.

33 RELATED PARTY DISCLOSURE

A) Companies having significant influence over the Company	Genesis Exports Ltd.
B) Enterprises where control exists	Ishita Housing (P) Ltd
	SKJ Estate (P) Ltd.
	Anuradha Designers (P) Ltd
C) Key Management Personnel	Sushil Jhunjhunwala - Vice Chairman & Managing Director
	Ajit Jhunjhunwala - Joint Managing Director
	Nidhi Jhunjhunwala - Executive Director

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

33 RELATED PARTY DISCLOSURE (contd...)

(Amount in ₹)

	Companies having significant influence over the Company (A)		Key Management Personnel (C)	
	2015-16	2014-15	2015-16	2014-15
Remuneration	–	–	7,33,53,343	5,57,90,573
Rent paid	34,50,000	34,50,000	–	–
Dividend Paid	3,29,60,850	2,53,54,500	1,03,25,900	79,42,500
Balance outstanding as at the year end:				
Receivable	40,00,000	40,00,000	–	–
Payable	–	–	3,16,34,548	2,35,06,815

As the future liability of Gratuity is provided on actuarial basis for the company as whole, the amount pertaining to the related parties is not included above.

34 LEASE:

In case of asset taken on lease:

Operating Lease:

Office premises at Kolkata and Delhi have been obtained on non cancelable operating lease. The monthly rent payable is ₹ 287,500 per month payable as per the agreement dated 1st April 2014 which has been entered for a period of 3 years. There are no restrictions imposed on lease arrangements. There is no sub lease.

(Amount in ₹)

	Operating Lease	
	2015-16	2014-15
Lease payment for the year	34,50,000	34,50,000
Minimum Lease payment not later than 1 year	34,50,000	34,50,000
Later than one year but not later than Five years	79,35,000	69,00,000

35 EARNING PER SHARE (EPS)

(Amount in ₹)

	2015-16	2014-15
Net Profit as per statement of Profit and Loss	58,71,41,909	41,73,70,741
Weighted average number of Equity Shares outstanding [Equity Share of ₹ 2/- each]	5,55,00,000	5,44,53,192
Earnings per Share (Basic and Diluted) (₹)	10.58	7.66
Nominal Value of shares (₹)	2	2

36 (a) Contingent Liabilities not provided for

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Letter of credit	3,38,70,470	15,57,47,285
Bank Guarantee	6,05,069	6,05,069
Disputed Income tax	38,55,460	36,38,287
Electricity Duty	5,96,259	–
Sales Tax	5,12,327	–
Disputed Excise duty	62,88,417	1,39,95,563
Land Revenue	2,00,100	2,00,100

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

- 36 (b)** Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of advances) is ₹ 275,22,247/- (₹ 33,63,13,894)

37 MICRO, SMALL & MEDIUM ENTERPRISES

There were no dues outstanding to the suppliers as on 31.03.2016 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

38 DEPRECIATION

During the year 2014-15, the company had revised the Depreciation rates of fixed assets, according to the useful lives specified in Schedule –II of the Companies Act, 2013. Further Depreciation on assets whose useful life had already been exhausted before 1st April 2014 had been adjusted to General Reserve amounting to the extent of ₹ 79,53,116/- (net of deferred tax impact thereon).

- 39** During the year, the Company has spent ₹80,97,608/- towards expenditure on Corporate Social Responsibility in accordance with Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

40 EARNINGS IN FOREIGN CURRENCY

(Amount in ₹)

	2015-16	2014-15
Exports at F.O.B. Value	40,53,35,881	37,75,65,782
Others	3,94,047	4,72,298
	40,57,29,928	37,80,38,080

41 EXPENDITURE IN FOREIGN CURRENCY

(Amount in ₹)

	2015-16	2014-15
Travelling	35,00,650	34,63,643
Technical Fee	12,17,615	19,83,818
Others	21,21,961	26,13,131
	68,40,226	80,60,592

42 VALUE OF IMPORTS CALCULATED ON CIF BASIS

(Amount in ₹)

	2015-16	2014-15
Raw materials	9,72,74,137	5,43,42,448
Traded Goods	1,50,98,797	60,20,878
Components, Refractories and spare parts	2,44,21,811	6,22,45,071
Capital goods	30,45,66,669	3,18,909
	44,13,61,414	12,29,27,306

43 IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

	Percentage of total consumption		Value (₹)	
	2015-16	2014-15	2015-16	2014-15
Raw Materials				
Imported	29	24	9,54,69,218	6,56,69,732
Indigenous	71	76	22,96,94,594	20,24,33,302
	100	100	32,51,63,812	26,81,03,034
Stores & Spare Parts				
Imported	43	42	2,37,42,092	1,95,64,043
Indigenous	57	58	3,17,38,723	2,71,96,369
	100	100	5,54,80,815	4,67,60,412

NOTES TO THE FINANCIAL STATEMENT

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

44 (a) Particulars of unhedged foreign currency exposure as at the year end is as follows:

Particulars	Currency						2014-15
	AED	Pound	Euro	USD	Yen	Ethopian	
Trade	–	–	–	4,40,412	–	–	2,92,13,834
Receivables	(–)	(9,191)	(14,378)	(6,63,695)	–	–	(4,33,61,363)
Trade & Other	–	58,802	242,250	–	–	–	2,37,83,261
Payables	(–)	(690)	(436)	(3,372)	–	–	(3,07,885)
Advance from Customers	100	4,566	–	81,271	–	–	58,26,551
Advance to Suppliers	(100)	(–)	(–)	(93,641)	–	–	(58,62,709)
Advance against Goods	–	–	36,344	81,546	–	–	81,38,466
Currency in Hand	(–)	(–)	(42,055)	(39,595)	–	–	(53,17,437)
	–	1,02,000	68,750	1,08,734	3,56,82,725	–	4,31,48,698
	(–)	(1,11,000)	(2,82,400)	(90,506)	–	–	(3,49,92,740)
	–	–	–	–	–	2,700	8,324
	–	–	–	–	–	–	–

44 (b) There is no forward contract outstanding at the year end

45 In accordance with Accounting Standard 29 on “Provisions, Contingent Liabilities and Contingent Assets” the following provisions are in the books of accounts as at March 31st, 2016.

Description	As at 01.04.2015	Additions during the year	Utilized/ Reversed during the year	As at 31.03.2016
Provision for Excise Duty	10,70,556	28,56,256	10,70,556	28,56,256
	(11,69,629)	(10,70,556)	(11,69,629)	(10,70,556)

46 PREVIOUS YEAR'S FIGURES

Previous year's figures, which are given in brackets, have been regrouped or reclassified, wherever necessary.

Signatories to Notes 1 to 46

For DOSHI, CHATTERJEE, BAGRI & CO.
Chartered Accountants
Firm Registration No.: 325197E

C P BAGCHI
Partner
Membership No. 52626

KOLKATA
Date : May 13, 2016

On behalf of the Board
A C CHAKRABORTTI, Chairman

SUSHIL JHUNJHUNWALA, Vice Chairman & Managing Director

AJIT JHUNJHUNWALA, Joint Managing Director

ALOK PANDEY, CFO & Company Secretary

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