

La Opala RG Limited

India's
No1
TABLEWARE BRAND

LAOPALA
25
Years of
Leadership

Date: 20th July, 2020

To
The Secretary
Listing Department,
Bombay Stock Exchange Limited,
New Trading Ring, Rotunda Building,
P. J. Tower, Dalal Street, Fort, 27th Floor
Mumbai - 400 001
STOCK CODE : 526947

The Secretary
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
STOCK CODE : LAOPALA

Dear Sir/Madam,

Sub.: Annual Report for the Financial Year 2019-2020 including notice of Annual General Meeting

Pursuant to Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with Notice of Annual General Meeting (AGM) for the financial year ended 2019-20.

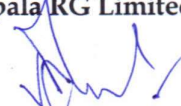
In compliance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Annual Report for the financial year 2019- 20, comprising the Notice of the AGM and the financial statements for the financial year 2019-20, along with Board's Report, Auditors' Report and other documents required to be attached thereto, will be sent to all the members of the Company whose email addresses are registered with the Company / Depository Participant(s).

The Annual Report for the financial year 2019-20, are also available on the Company's website at the following link:

<https://laopala.in/pdf/Annual-Report,%202019-2020.pdf>

You are requested to disseminate the above intimation on your website.

Thanking you,
Yours faithfully,
For La Opala RG Limited


(Alok Pandey)
CFO & Company Secretary



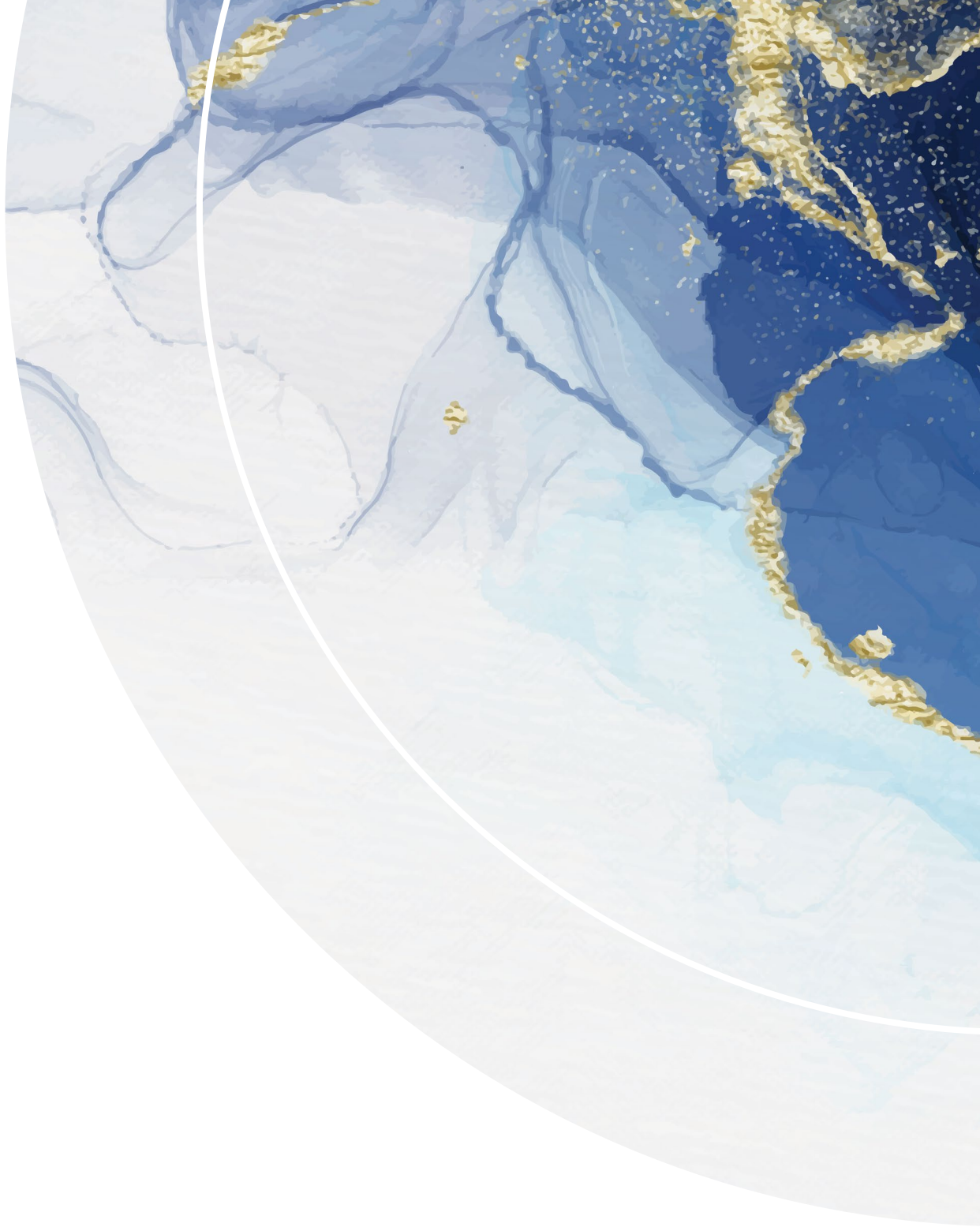
Encl. As above

LAOPALA

diva
from LAOPALA

SOLITAIRE
CRYSTAL

Chittrakoot 10th Floor 230A AJC Bose Road Kolkata 700 020 India
T +91 76040 88814/5/6/7 F +91 33 2287 0284
E info@laopala.in www.laopala.in
CIN-L26101WB1987PLC042512



WHAT'S ON YOUR PLATE?

LA OPALA RG LIMITED | ANNUAL REPORT 2019-20

Forward-looking statement

This document contains statements about expected future events and financial and operating results of La Opala RG Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the annual report.

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WHAT'S ON YOUR PLATE?

What is on our plate is more than design and raw material.

That is the perspective with which we started the Company, expanded capacity and invested in cutting-edge technology.

This commitment has only deepened.

Because at La Opala, we don't just manufacture tableware.

We transform lifestyles.

We enhance pride.

We provide people a reason to feel good each time they have a meal.

If you think we are about tableware then you have missed the story.

WHAT'S ON
YOUR PLATE?

THE INDIA STORY.

The India where we need to address the needs of an annual population increment that adds more individuals than anywhere in the world.

The India that is passing through a long-term growth in per capita incomes – from around ₹16,000 in the year 2,000 to around ₹1,35,000 in 2019-20.

The India that is possibly the youngest country by median age (late 20s) and hence likely to possess the largest economically productive population anywhere.

The India that it already the world's fifth largest economy and likely to emerge as the world's third largest in a decade.

The India that is possibly the fastest urbanising nation.

The India that is likely to grow from a shade less than USD 3 trillion to around USD 5 trillion in half a decade and possibly a USD 10 trillion economy in about a dozen years from now.

At La Opala, our reality is the India of today; our vision is about preparing for the India of tomorrow.



WHAT'S ON
YOUR PLATE?

AN ASPIRING INDIA

India is not just a country; it is the coming together of diverse cultures.

In these cultures, habits and preferences remained unchanged for generations and centuries.

Then something happened.

People started migrating to different cities.

People started being exposed to different cultures.

People started wearing different clothes.

People started consuming a diet they had not been raised on.

And they also began to eat on crockery they had never been accustomed to.

This transpired because Indians were not just keen to earn more; they were also committed to live better.

At La Opala, we believe that this sweeping cultural transformation has only just begun; India is at the bottom-end of a sharp J-curve that is likely to endure across the decades.

WHAT'S ON
YOUR PLATE?

OUR FUNDAMENTALS

At La Opala, we address a transformation in the way people would like to eat and live – across a population sweep likely to be the largest in the world in seven years from now.

The big question that we addressed through the last decade: Can we be proactively prepared for this transformation?

During the last few years, when it would have been convenient for us to address the challenges of the day, we did something more.

We prepared for the requirements of the future.

We invested in a futuristic technology *ahead of the curve*.

We invested in additional capacity *ahead of the curve*.

We made a QIP placement provided us with growth capital *ahead of the curve*.

We turned zero-debt with a cash surplus on our books *ahead of the curve*.

At La Opala, we believe that we are attractively placed to weather the slowdown and lockdown and return our company to growth in the quickest time when the world normalises.



WHAT'S ON
YOUR PLATE?

PROPOSED CAPACITY EXPANSION

At La Opala, we are the opal tableware market leader in India.

This leadership comes with a responsibility.

Not just of growing our market share; but of growing the market.

This responsibility comes with a challenge.

The challenge of investing in additional capacity ahead of demand.

This is precisely what we are presently engaged in.

Even as consumer sentiment appears muted in view of the pandemic-induced lockdown, we are proceeding with capacity growth.

Are we worried? Not quite.

We believe that this additional capacity will make us work harder, make us widen our distribution, enhance our brand investments and reinforce the commitment with which we went into business.

The simple objective to make people feel good when they sit down for a meal.

WHAT YOU NEED TO KNOW ABOUT LA OPALA RG LIMITED



Our values navigating our existence

Our vision

The desire for beautiful things is universal. The dedication to enrich life with brilliance of beauty is rare. Our vision is to be the chosen tableware of every home across the world.

Our mission

It serves as the standard against which we weigh our actions and decisions. Our mission is to continuously optimize satisfaction of 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.

Core values

Integrity

Acting and taking decisions in a manner that are fair and honest, Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity, but encompasses all other dimensions.

Commitment

We are committed to deliver value to all our stakeholders, consumers, employees and other business partners. In the process we are being accountable for our own actions and decisions.

Passion

We need to be passionate about our work and passionate about our business. We need to hire passionate employees; we need to create passionate customers.

Our track record, helping strengthen our foundation

Established in 1987, La Opala RG Limited was the

first to introduce opal glass 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 has emerged as India's largest tableware and glassware lifestyle brand.

Our widening distribution network has enhanced product accessibility

The Company's extensive distribution network is spread across India, comprising more than 200 distributors and 12,000 retailers. The Company focused on demand coming out of semi-urban India, addressing more than 600 towns with a population of 1,00,000+. The Company also enjoys an international presence, exporting products to over 30 countries.

Our world-class products have strengthened our recall

The Company provides the widest portfolio within the country's tableware segment.

Opal glassware: Plates | Bowls | Dinner sets | Cup-saucer Sets | Coffee mugs | Coffee cups | Tea sets | Soup sets | Pudding | Dessert sets

Crystalware: Barware | Vases | Bowls | Stemware

Our brand portfolio evoked sustainable margins

The Company enjoys a strong market positioning through three brands to cater to different customer segments.

'**La Opala**' is the flagship brand of the Company and caters to entry-level dinner sets, plates, bowls, coffee mugs and other products. La Opala offers two well crafted collections - Melody and Novo.

'**Diva**' offers a premium range of products under five collections - Classique, Ivory, Cosmo, Quadra and Sovrana.

'**Solitaire**' markets crystal glassware.

La Opala collaborated with the renowned Indian fashion designer Manish Malhotra to design and curate its premium

Our capacities have enhanced our preparedness

The Company has scaled its capacities across the decade. The opalware capacity at Sitarganj (Uttarakhand) has increased five-fold since FY08. The expansions have ensured adequate capacity for the Company to address consumer demands. The Company intends to expand its manufacturing capacity by setting up a greenfield plant at Sitargunj.

Manufacturing units

Location	Products manufactured
Sitarganj, Uttarakhand	Opalware
Madhupur, Jharkhand	Opalware and Crystalware

range of opalware under the brand Diva. The brand had also engaged Bipasha Basu, a popular face of the Bollywood industry, as its brand ambassador in the past.

Our focused alliances have helped enhance our product innovation

The Company collaborated with South Korea's Hosan Glass for technical assistance to manufacture opal glassware in 1988. To diversify, in 1996, Solitaire, a range of 24% lead crystal glassware, was introduced by La Opala in technical collaboration with the South Korean company Doosan Glass. This diversification was funded through an IPO in 1995 (shares offered at ₹40 each).

Our experienced management help us in providing strategic direction and ensure growth

The Company is steered by the able leadership and experience of its Board, with Mr. AC Chakrabortti as the Chairman and Non-Executive Director, Mr. Sushil Jhunjhunwala as the promoter and the Executive Vice-Chairman, Mr. Ajit Jhunjhunwala as the Managing Director and Ms. Nidhi Jhunjhunwala as the Executive Director. The Board is supported by a strong team of experienced professionals and skilled workers at the Company's manufacturing facilities.

Listing

The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange. The market capitalisation of the Company stood at ₹1637.81 Crore as on 31st March, 2020.

MILESTONES

1987

La Opala Glass Private Limited was incorporated.

1988

Pioneered in opal glass technology in India, the first opal glass plant was set up at Madhupur, Bihar.

1989

La Opala earned the honour of being the first exporter of opal glass tableware.

1991

La Opala became the first Public Limited tableware company.

1995

La Opala Glass Ltd. merged with Radha Glass & Industries Ltd, forming La Opala RG Ltd.

1996

Pioneered in 24% lead crystal glassware technology in India.

1997

The first Indian company to export 24% lead crystal tableware.

1999

La Opala Glass Ltd. merged with Radha Glass & Industries Ltd, forming La Opala RG Ltd.

2005

The Company was recognised as Export House from the Government of India.

2007

The first Indian company to supply 24% lead crystal glassware to world renowned Rosenthal.

2008

Launched 'Diva', the hi-tech world class opal brand in the premium segment.

2011

Ranked 250th among the top 400 small cap companies of India by Dalal Street.

2012

The Company completed the major expansion plan at Sitargunj, Uttarakhand plant.

2013

Awarded the prestigious Bengal Corporate Awards by Economic Times for the best entity in innovation in business model.

2014

La Opala shares were split from ₹10 face value to ₹2.

2015

Presented with the Economic Times Bengal Corporate Award for "Best Financial Performer in the ₹100 - 300 Crore Category".

2016

Presented with the Economic Times Bengal Corporate Award for "Best Financial Performer in the ₹100 - 300 Crore Category".

2017

Won the "Best CSR Idea" in the Economic Times Bengal Corporate Awards.

2018

The Capacity of the Second Furnace was increased.

2019

Won CFO of the Year Award - Rank 1 in Small Enterprises - Manufacturing Category.

Awards and accolades

- ET Bengal Awards (nominated six years at a stretch, awarded in all six)
- Best Under a Billion – Forbes, 2013
- "Star SME Medium Scale Manufacturing" by Business Today SME Awards
- CAPEXIL Award and EPCH Award year-on-year
- India's Most Trusted Dinnerware Brand (The Brand Trust Report, India Study – 2016)
- FE CFO Awards – 2017 and 2019 (*The Financial Express*)

HOW THE STRENGTH OF LA OPALA'S BRANDS HAVE TRANSLATED INTO SUPERIOR MULTI-YEAR GROWTH

Revenues (₹ Crore)



Definition

Growth in revenues net of taxes.

Why is this measured?

It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectoral peers.

What does it mean?

The Company reported attractive offtake despite marketplace pressures and the outbreak of Covid-19 that resulted in a nationwide lockdown from late March 2020 onwards.

Value impact

The Company could perform better than the sectoral average.

EBITDA (₹ Crore)



Definition

Earning before the deduction of interest, depreciation, extraordinary items and tax.

Why is this measured?

It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures and can be easily compared with retrospective averages of sectoral peers.

What does it mean?

Helps create a robust growth engine and allows the Company to build profits in a sustainable manner.

Value impact

A high EBITDA highlights the Company's operational efficiency and stable earnings potential.

Net profit (₹ Crore)



Definition

Profit earned during the year after deducting all expenses and provisions.

Why is this measured?

It highlights the strength in the business model in generating value for its shareholders.

What does it mean?

Ensures that adequate cash is available for reinvestment and allows the Company's growth engine to not run out of steam.

Value impact

The Company reported a healthy bottomline on account of a robust brand recall, product quality and affordability.

EBITDA margin (%)



Definition

EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency.

Why is this measured?

The EBITDA margin gives an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What does it mean?

Demonstrates adequate buffer in the business, which when multiplied by scale, enhances surpluses.

Value impact

The Company reported creditable margins despite market place pressures and weak consumer sentiment, validating the strength of its brand.

ROCE (%)



Definition

It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business.

Why is this measured?

ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

What does it mean?

Enhanced ROCE can potentially drive valuations and perception (on listing).

Value impact

The Company reported a strong RoCE despite a weakness in consumer sentiment and the lockdown impact in the last week of 2019-20.

Net worth (₹ Crore)



Definition

This is derived through the accretion of shareholder-owned funds.

Why is this measured?

Net worth indicates the financial soundness of the Company – the higher the better.

What does it mean?

This indicates the borrowing capacity of the Company and influences the gearing (which in turn influenced the cost at which the Company can mobilise debt).

Value impact

The Company reported an improved net worth during a sluggish 2019-20, strengthening its liquidity and business model.

LA OPALA. THE BIG NUMBERS

1

(Rank), La Opala among the opalware players in India

2

Manufacturing facilities across India

50%

Market share in organised opalware sector

30

(Countries), Export presence

3

Brands

7

Sub-brands

200

Distributors, 2019-20

12,000

Retailers, 2019-20

Chairman's overview

“WE ARE OPTIMISTIC OF PROTECTING OUR BALANCE SHEET AS LONG THE COVID-19 IMPACT SUSTAINS AND STRENGTHENING OUR PROFIT & LOSS ACCOUNT WHEN CONSUMER SENTIMENT RECOVERS.”

I am pleased to present the performance of the Company during the year under review.

We reported ₹270.01 Crore in revenues in 2019-20, a 2.91% decrease over the previous financial year.

We reported ₹84.27 Cr in profit after tax in 2019-20, a 13.82% increase over the previous financial year.

We ended the year under review with ₹258.80 Crore cash on our books as on 31st March, 2020.

The principal development during the year under review transpired at the far end, when India was locked down following the outbreak of the Covid-19 pandemic. Your Company lost almost 10 days of offtake and since this was the last week of the year, usually the most productive week through the year, the revenue 'loss' was estimated at around ₹15 Crore.

Case for competitiveness

The principal question that a number of observers are asking is whether the Company will remain competitive from this point onwards.

My answer is that the Company will remain relatively liquid and competitive through the course of the pandemic hangover for some good reasons.

One, the Company has been cautious and conservative through its existence. This is best reflected in the sequence and planning of our successive expansion programmes. India is the possibly the largest addressable tableware market in the world on account of its

under-consumption and low organised sector presence. In such a scenario it would have been tempting to expand aggressively. However, the Company prudently selected to announce expansions only after the existing capacity utilisation crossed 80% and would touch rated utilisation by the time the new capacity was commissioned. This sequenced approach protected the Company from building excessive capacity that could translate into considerably higher production than the market could bear and, in turn, potentially compromise our realisations.

Two, the Company commissioned its Sitargunj facility through a mix of debt and accruals. The long-term debt was completely repaid well before the due date. By the time the Company was ready for its next expansion, it selected to make a qualified institutional placement of equity shares at a premium. The following expansion rounds by the Company have been financed through net worth, eliminating the Company's dependence on debt and strengthening the Company's capacity to counter weak market cycles.

Three, the Company remained a retail-driven brand that invested progressively in its recall with the objective to sustain revenues even during the most challenging times.

Four, we engaged with a pan-India distribution footprint. We protected the scale and spread of this network across the years, enhancing our revenue visibility.

We believe that all these competitive strengths will be increasingly evident across the foreseeable future as our society seeks to normalise following the lockdown.

Comfortably placed

At a time when most companies are worried about the repayment and servicing of debt, we possess no such liability. At a time when most companies are worried about price wars in a challenging market place, our organised sector competition is negligible at best and unlikely to emerge now that we are commissioning yet another expansion. At a time when Indian brands are worried about cheaper imports, a moderation in imports is likely following weakening of the Indian currency.

At La Opala, we continue to be optimistic of our long-term prospects because our product is mature, globally benchmarked for quality and priced lower than pure melamine and bone china. Your Company offers consumers products across price points, making them habit-forming.

On account of these reasons, we are optimistic of protecting our Balance Sheet as long the Covid-19 impact sustains and strengthening our Profit & Loss Account when consumer sentiment recovers.

AC Chakrabortti,
Chairman and Non-Executive Director

LA OPALA AND THE COVID-19 IMPACT

The outbreak of the pandemic

The COVID-19 pandemic is the most defining global crisis in living memory. The spread of the virus disrupted the global economy and consumer sentiment starting December 2019. The virus was declared a global pandemic by the World Health Organisation in March 2020.

The response

Most global governments declared lockdowns in successive phases. The Indian government implemented a national lockdown in late March 2020, which covered the comprehensive closure of offices, factories and public places. All international, inter-state and intra-state travel was restricted and borders sealed to limit pandemic impact.

La Opala's responsiveness

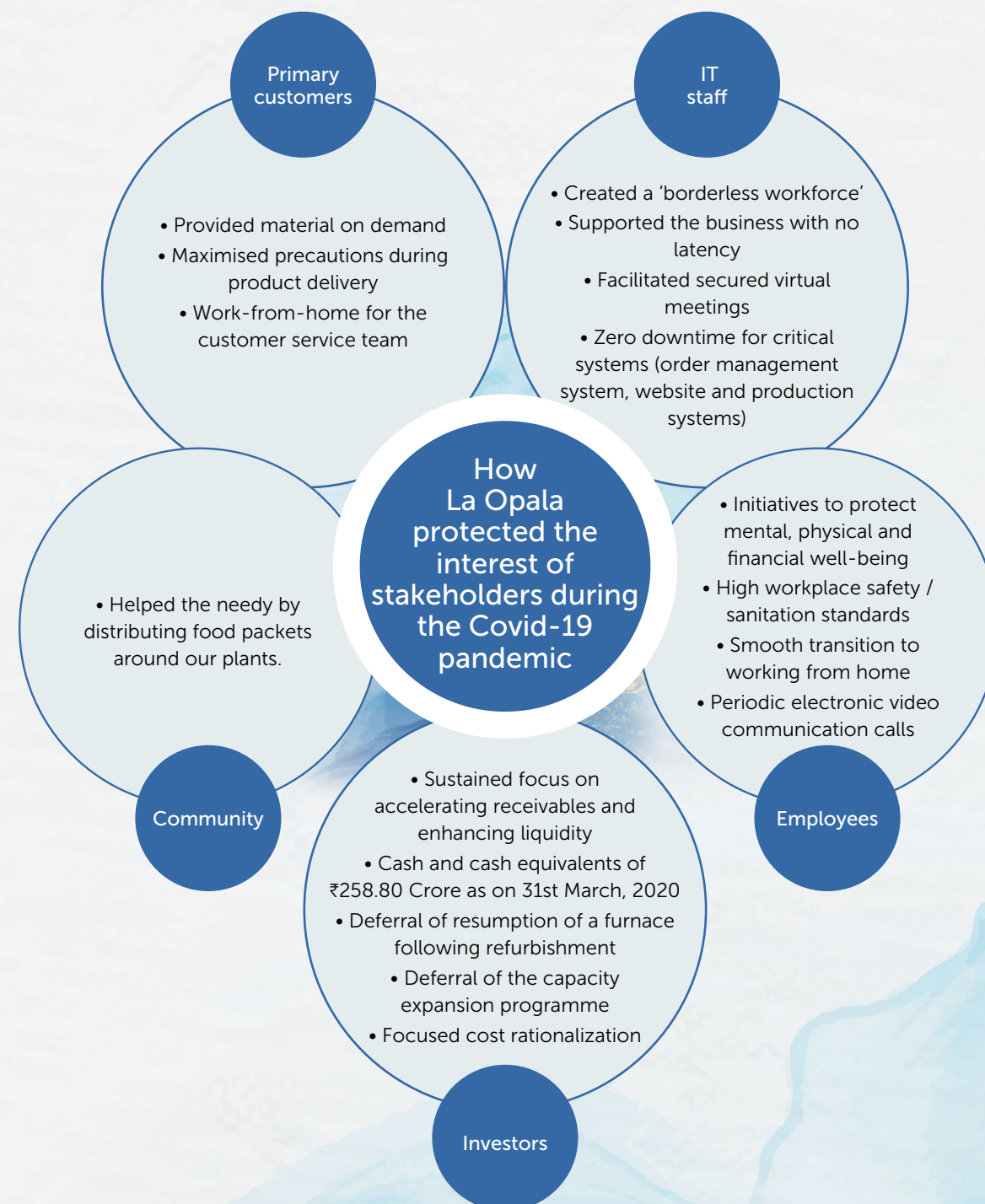
La Opala moved with proactive speed in temporarily shutting

its offices and manufacturing facilities.

The Company's business was affected as the lockdown was announced in the last month of the financial year, equivalent to a notional sales 'loss' of around ₹15 Crore. The impact of a decline in offtake during March 2020 affected the performance during the fourth quarter of FY20. The lockdown being extended from the last month of 2019-20 into the first quarter of the current financial year; this affected the Company's capacity to manufacture, market and distribute. Due to the impact of the pandemic-induced lockdown, which affected the sales prospects of the Company during the first quarter of the current financial year, it deferred the expansion plan at its Sitargunj unit by around six months, providing it breathing

space till consumer demand revived. Fortunately, one of the Company's furnaces was under refurbishment in the last quarter of the year under review; this refurbishment was extended and the furnace remained deliberately inoperative through the first quarter of the current financial year, moderating manufacturing and inventory holding costs. The furnace will be brought back on stream as soon as the demand outlook revives.

At a time when most companies are worried about the repayment and servicing of debt, the Company possesses no such liability.



Management review

“THE COMPANY WILL CONTINUE TO STRENGTHEN THE INTEGRITY OF ITS BALANCE SHEET AND PREPARE IT-SELF FOR A DEMAND UPTURN.”

Sushil Jhunjunwala, Executive Vice-Chairman, analyses the Company's performance in 2019-20

Q How would you review the performance of the Company during the year under review?

The year under review was challenging from a demand perspective. As the Indian economy slowed, there was a decline in disposable incomes, which, in turn, affected the offtake of our products. Besides, a slowdown in the country's real estate sector affected apartment sales and deliveries, which, in turn, affected the offtake of tableware. And lastly, sales were affected during the last ten days of the financial year under review, equivalent to a notional sales loss of around ₹15 Crore. Against this backdrop, the Company reported a 2.91% decline in revenues and a 13.82% increase in profit after tax.

Q How was the overall positioning of the Company's brand affected during the year under review?

The brand of the Company remained protected during the year under review. At La Opala, we believe that this was one of our most important achievements: at a time when markets and consumer sentiment were weak, it would have been easy to reduce our sticker prices with the objective to sell a large quantity. The management resisted this temptation to seek a short-term benefit at the expense of a long-term asset. The Company retained the price integrity of its products and protected its brand salience during the year under review. The result is that when consumer sentiment revives, we expect that the appeal of our products will have been retained.

Q How was 'La Opala' positioned during the year under review?

La Opala was positioned like it always has: a superior tableware brand over conventional alternatives. We believe that La Opala does not provide a functional convenience: it enhances the user's pride. Besides, it does so at one of the most attractive price points, a reality that has endured across the decade. La Opala plays two concurrent roles: enhancing pride for all those who use our products in addition to carrying a concurrent responsibility to widen the market.

Q How do you explain the responsibility to widen the market?

India is the second most populous country. A large part of the country continues to consume metal and legacy tableware. During the last decade, we accelerated a shift towards the consumption of opalware through superior quality (following our technology-driven expansion in 2007) and a superior price-value proposition. By keeping our sticker prices attractive and affordable, we did not just service an existing market: we helped widen the market as well. The result is that in a number of semi-urban and rural communities, La Opala has graduated from just another tableware brand to a 'must receive' gift during marriages; it is generally the most preferred gifting item on social occasions as well,

reinforced by the belief that 'This product will actually be used and enhance pride during every meal.'

Q What is the implementation schedule of the Company's next expansion round?

The Company intended to expand its manufacturing capacity - by setting up a greenfield plant at Sitargunj by end of the second half of the current financial year. The impact of the pandemic-induced lockdown has affected sales prospects during the current financial year. The result is that the Company has selected to defer the expansion by around six months into 2021-22, which provides it with a bigger breathing room with respect to a revival in consumer demand. We believe that while the larger installed capacity will warrant a deeper responsibility to market an additional quantum, the expansion will also provide the Company with a larger flexibility: from two furnaces comprising five manufacturing lines in our showpiece Sitargunj facility, we will have increased our capacity to three furnaces across eight manufacturing lines. We believe that this configuration will make it possible for us to address changes in the marketplace with increased responsiveness.

Q How did the Company transform this into a competitive entry barrier?

The Company did not just price products affordably for the vast bulge of India's aspiring middle-class: concurrently the Company continued to expand its manufacturing capacity. The result is that with each successive increase in production capacity at a relatively modest capital cost per tonne, the Company possessed a larger financial room to keep sticker prices steady. The result of this combined action - larger capacity and affordable sticker price - translated into an effective competitive advantage.

Q A number of shareholders will seek to know whether the proposed capacity expansion was at all necessary.

When we embarked on capacity expansion a year ago, we were already operating our manufacturing facility at 85% capacity utilisation. If we did not expand at that point, the growth of the market would have provided an opportunity for prospective competition. By announcing an expansion when we did, the Company enhanced the morale of our distribution partners that they would get an abundant supply of products to help build their markets. Besides, we believe that the proposed capacity expansion will strengthen our capacity to increase our procurement economies.

Management review continued

Q How is the Company positioned to survive the impact of the pandemic-induced lockdown?

The Company is comfortably positioned to survive the full impact of the lockdown for some good reasons: the Company does not have debt on its books, the Company possessed net cash of ₹258.80 Crore as on 31st March, 2020 and the Company addressed the entire requirement of its ₹140 Crore investment outlay out of net worth. Net worth increased from ₹529 Crore as on 31st March, 2019 to ₹545 Crore as on 31st March, 2020, compared with the equity share capital of ₹22 Crore. The result is that the Company's Balance Sheet remained robust to weather the impact of the lockdown. This perpetuates an ongoing competitive advantage: the largest tableware capacity addition undertaken in the country at the lowest financing cost (net worth) with a wider equipment configuration.

Net worth

545

₹ Crore,
as on
31.03.2020

Q What is the Company's priority during the current financial year?

The Company was fortunate that one of its furnaces was under refurbishing in the last quarter of the financial under review; this refurbishment was extended and the furnace remained deliberately inoperative through the first quarter of the current financial year, moderating our manufacturing costs and inventory holding costs. The furnace will be brought back on stream as soon as the demand outlook revives. Meanwhile, the Company will continue to engage deeper with its trade partners to explore ways of addressing consumers. Besides, the Company will focus on shrinking its receivables cycle during the current financial year. At a time when the consumer outlook appears uncertain, the Company will continue to strengthen the integrity of its Balance Sheet and prepare itself for a demand upturn.

OUR STAKEHOLDER VALUE-CREATION REPORT, 2019-20

How we enhanced value in an integrated, inclusive and sustainable way

Overview

The Integrated Value-Creation Report represents the cornerstone of corporate success. This new measure overcomes the limitations of the conventional approach with a more comprehensive framework that captures a wider set of initiatives and addresses a larger family of stakeholders.

The Integrated Reporting approach explains the sectoral context, analyses corporate

strategy and competitiveness leading to different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) integrated to express an organization's holistic ability to enhance value.

Integrated Reporting explains to providers of financial capital how an organization enhances value. Its impact extends beyond financial stakeholders; it enhances

understanding across all stakeholders - including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organization's ability to improve value across time. This shift from the 'hard' to 'soft' (non-financial data) helps screen a Company more comprehensively, addressing the growing needs of external stakeholders.

Our overall value enhancement strategy



Drivers of La Opala value

At La Opala, we believe that the interplay of value for our various stakeholders has translated into our business profitability and sustainability.

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, branding, sales & distribution, finance etc.). Our focus is to provide an exciting workplace, generate stable employment and enhance productivity.

Our shareholders provided capital when we went into business. Our focus is to generate cashflow, growing RoCE and, in doing

so, enhance value of their holdings.

Our vendors provide credible and continuous supply of resources and services. Our focus is to maximise quality procurement at declining average costs with the objective to widen our markets, strengthening sustainability.

Our customers keep us in business through a consistent purchase of products, generating the financial resources to sustain our operations. Our focus is to provide a diversified range of products to our customers.

Our communities provide the social capital (education, culture etc.). Our focus is to support and grow communities through consistent engagement.

Our governments provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen, serving as a role model.

At La Opala, we believe that the prudent interplay of the value generated by each and our consistent payback ensures business sustainability and the ability to enhance organisational value.



The resources of value-creation



OUR BUSINESS MODEL

Rationale for presence in the opalware business

When La Opala ventured into the business, the opal tableware market in India was virtually non-existent. In the late 1980s, companies addressing the tableware market in India either imported products or worked with traditional materials (glass, bone china and metal). This provided an opportunity for the Company to create aspirational products that would influence consumers to upgrade their lifestyles. The rationale continues to be relevant; over the past few years the market is being re-defined in various ways: rise in disposable incomes, growing urbanisation, increased exposure to global lifestyle trends on social media and greater home-pride. The Company is not just addressing an emerging lifestyle revolution but making it happen as well.

The relevance of our sector

Rising population: India is the second-most populous country with a population of around 1.36 billion in 2019 and growing at >1% per year, the largest population increment anywhere. This population growth, coupled with an increased aspiration for lifestyle products, is expected to drive tableware demand.

Increasing incomes: The nominal per capita net national income during 2019-20 was estimated at ₹135,050, a rise of 6.8% compared to ₹126,406 during 2018-19. This increase will boost discretionary income, benefitting the offtake of lifestyle products like opalware and crystalware.

Affluent middle-class: Aspiring and affluent households that earn between ₹5 Lakh and ₹20 Lakh per annum have helped spur domestic consumption in India over the past decade. Affluent households have more than doubled since 2008, from 10 million to 24 million. Aspirers have jumped from 31 million households to 57 million. Elite households, those who earn upwards of ₹20 Lakh, have grown from 3 million to 9 million. With rising affluence in India, households

are climbing up the income ladder to drive consumption, marked by increase in average spends per household and the total number of households.

Urbanisation: About 34% of India's population is urban; by 2050, 400 million more are expected to become urban dwellers. By 2030, the proportion of India's urban population is expected to increase to 40% even as the population becomes larger.

Shift towards fashionable crockery: Over the past few years, there has been a radical change in the attitude of the consumer in India due to higher disposable income, changing lifestyle, urbanization of semi-urban and rural communities, more push towards aesthetics, brand consciousness and innovative promotional campaigns. The consumers have been replacing old-fashioned steel tableware designs with new fashionable glass tableware products, enhancing pride.

Millennial demand: India is a young country with a median age of 28 years. Millennials account for 34% of the country's total population and ~47% of the working population. Millennials are well-educated and better-

connected with the world, increasingly using the internet as a shopping tool. Armed with higher disposable incomes, they spend a significant amount of their savings on lifestyle products.

Focus on hygienic and health: Consumers prefer healthy dinnerware products that are made out of opal glass and are non-porous in nature, which means it does not absorb food particles curtailing bacteria formation, making the dinnerware safer. As a result, health-conscious consumers are shifting towards glass tableware from plastic products.

Growing nuclear families: ~74% households have five or fewer members according to the 2011 Census. The fall in the average household size with higher disposable incomes could lead to a higher percentage of spending being channelised towards lifestyle products.

Growing modern retail: The modern retail market in India was pegged at USD 26.67 billion in 2019 compared to USD 13.51 billion in 2016.

Special occasions: Purchasing trend of consumers changes depending on the occasion,

style, regional cultural, and packaging of the products in case of dinnerware. For instance, consumers opt for premium products such as glass tableware when they are buying the product as gifts for various occasions, including wedding.

Increasing modular kitchens: With the ever-increasing Indian population nesting themselves in modern houses, the need for modular kitchens is on the rise. With more women joining the workforce, India's spending power is increasing and so is the demand for modular kitchens. What was once a privilege of the elite has now become a common household requirement. With minimalism finding its way into many urban Indian homes, white has become a popular choice of colour since white is considered to be the representation of class and elegance. Increasing demand for modular kitchens could lead to an increase in the demand for lifestyle products like opalware.

Acceptance of microwave ovens: With changing lifestyles and busy schedules, Indian consumers use microwave ovens not just for re-heating but for cooking as it offers convenient cooking solutions. The growth in microwave ovens could drive the demand of (microwave compatible) opalware and glassware products.

How La Opala has built its business

Rich experience: The Company possesses more than 30 years of unmatched

multi-cycle experience in the tableware sector in India.

Profitable growth: The Company reported significant revenue growth corresponded by a commensurate bottomline increase in 2019-20, resulting in profitable growth, a creditable showing in a sector marked by a slowdown.

Expansion: The Company started opal tableware production with one manufacturing plant at Madhupur, Jharkhand. In 2008, it commissioned a state-of-the-art new manufacturing plant in Sitargunj and enhanced its capacity in three successive rounds. The result: La Opala's tableware capacity is the largest in India and its quality is comparable with the finest in the world (within its price segment).

Brand recall: The Company's products generate a superior recall around 'pride'.

Wide choices: The Company provides a wide range of products starting from ₹650 for a six-piece set to ₹6300 for a 65-piece set; the crystal ware range extends from ₹300 to ₹2500, providing an aspirational ladder of choice to consumers.

Graduating preferences: The Company is not just engaged in selling; it is engaged in transforming habits and creating first-time tableware users.

Respect: The Company is respected for the best price-value proposition in India's branded tableware category, translating into affordability for diverse consumer segments.

Cutting-edge technology: The Company invested in state-of-the-art European technology and equipment from the best manufacturers in the world, reflected in higher asset utilization, faster investment returns and environment-friendly processes.

Complement: The Company's 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 brand to the value-added Diva segment; within the Diva segment, the Company created two sub-categories (Classique and the higher value Ivory).

Trust: The Company is in business to enhance a sense of trust – with its customers through superior quality products, with employees through the assurance of stable career growth, with vendors through an emphasis on the use of the highest product quality standards and with communities through the use of responsible practices and supportive engagement.

Branding: The Company created distinctive differentiation through extensive branding and promotion programmes.

International sales: The Company exports its products to more than 30 countries across the world; it increased its share of exports in total revenue.

Governance commitment: The Company is an ethical player, responding with a sense of governance. Over the years, the governance has reflected in complete alignment with the certification and compliance needs of its business, workplace safety, eco-friendly, commitment to customer interests and addressing statutory obligations.

Extensive distribution network: The Company's success is driven by an

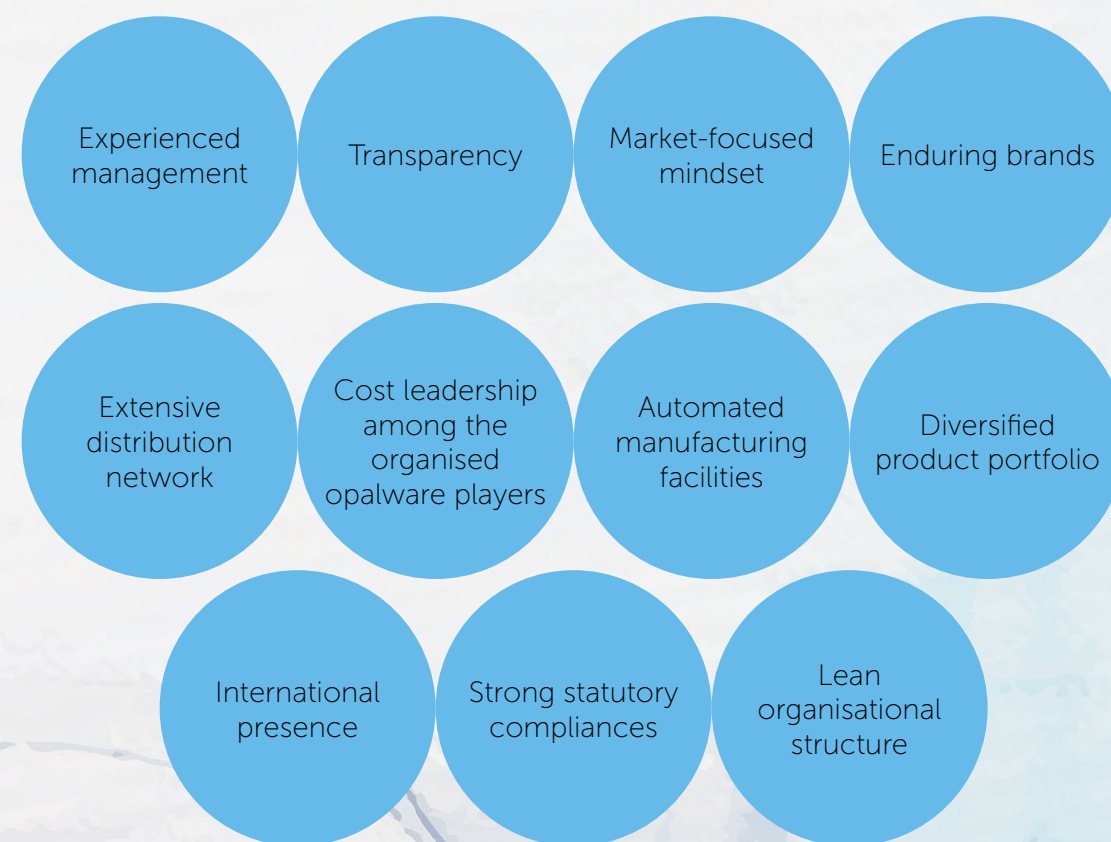
aggressive expansion of its product reach and effective servicing of channel partners. The Company has 200 exclusive distributors and 12,000 retailers, ensuring products availability across 600 towns with a population of 1,00,000+.

Deleveraged: The Company is virtually debt-free.

Process-driven: The Company believes that growth can be best derived when the

promoter and the professional management team chart out a strategic direction and monitor periodic progress while delegating day-to-day management to department heads. The Company invested in processes and systems that enhanced decision-making predictability within enunciated guidelines. This predictability has been reinforced through a progressive investment in information technology tools and support.

La Opala's USPs



MANAGEMENT DISCUSSION AND ANALYSIS

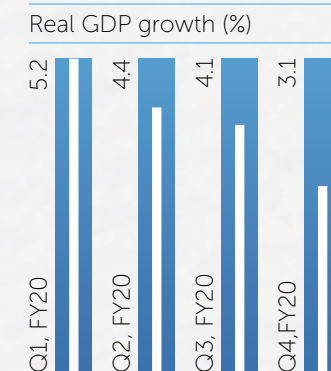
Indian economic review

The Indian economy slowed to 4.2% in 2019-20, compared to 6.1% in 2018-19. The nominal per capita net national income was estimated at ₹135,050 in 2019-20, up 6.8% from ₹126,406 in 2018-19. Retail inflation climbed to a six-year high of 7.59% in January 2020, breaching the RBI's upper band of 6% while settling at 5.91% in March 2020.

India emerged as the fifth-largest world economy in 2019, overtaking the UK and France with a gross domestic product (GDP) of \$2.94 trillion. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking. The government moderated the corporate tax rate to 22% from 30% to promote investment; it announced a new tax rate of 15% for new domestic manufacturing companies, providing a boost to the Make-in-India initiative.

The outbreak of COVID-19 and the subsequent lockdown enforced in the country are expected to moderate rural and urban demand. To mitigate some of the negative effects the Indian Finance Minister announced a ₹1.7 trillion relief package for the poor and migrant workers across the country. The Government announced a slew of measures like direct cash transfer to farmers, hiking wages under the MGNREGA scheme and utilisation of welfare funds for construction workers to offset the adverse impact on rural demand. The third tranche of the stimulus package aimed at India's rural economy (worth around ₹1 Lakh Crore) is intended to reinforce the rural economy, a substantial part of which will go into building a more modern and efficient agricultural infrastructure. It also ushered new laws to promote contract farming. The changes in the ECA and creating a 'One Nation One Market' will allow private sector investment. Besides, the focus on MGNREGA is expected to strengthen rural incomes.

Growth of India's GDP in 2019-20



(Source: Economic Times, CSO, Economic Survey, IMF, RBI, Franklin Templeton, PIB)

Indian opalware market overview

Opal glass in an opaque heat resistant material. The size of the Indian opalware market was pegged at ₹550 Crore in 2019. Over the years, the Indian perception of investing in crockery has changed. Crockery is no longer seen as utilitarian but as a lifestyle product fuelled by the 'demonstration effect' as the penetration of social media and the increasing viewership of culinary shows and other lifestyle-based shows have made viewers aspire for trending crockery, including tableware. In line with changing attitudes, crockery designs have also undergone a continuous change.

Currently, India's tableware market is dominated (skewed towards) by steel followed by bone china. However, interestingly, except for opalware no other segment has established branded

products which makes the market fragmented.

The Indian retail market contributed 10% of the GDP in 2019-20 but the lockdown due to the coronavirus pandemic has had an effect on the overall retail sector which in turn will impact the opalware market. There will be a stronger demand

for delivery of essential retail goods through e-commerce platforms, whereas non-essential items might take a backseat. The lockdown has also impacted the hospitality and restaurant businesses which may make the investments of these institutions on premium crockery take a down-turn

Opportunities

- Downturn in the unorganised market due to the Covid-19 threat
- Downturn in imports, leading to a dependence on the domestic market
- Widening of the market
- Diversified product offerings
- Attractive price-value proposition
- Increasing dependence of consumers on e-retail

Threats

- Growing players in the organised sector
- Disruption in the transportation network due to the lockdown
- Lesser spending on non-essentials
- Downturn in exports
- An overall budgetary cut on luxury spending by consumers, both individual and institutional

Company overview

La Opala RG Limited is the largest player in the Indian opalware sector with a dominant market share. The opalware category is fast gaining consumers' attention, resulting in enhanced traction

from diverse categories of consumers. The Company has two manufacturing units, one at Madhupur (Jharkhand) and the other at Sitarganj (Uttarakhand). The Company deepened its distribution

network and brand recall. The Company is a recipient of Top Export Award & Trophy from EPCH (Export Promotion Council for Handicrafts) and CAPEXIL (Chemical and Allied Export Promotion Council).



Financial analysis, 2019-20

Analysis of the profit and loss statement

Revenues: Revenues from operations during 2019-20 was ₹270.01 Crore against ₹278.09 Crore in 2018-19. Other incomes of the Company in 2019-20 was ₹16.69 Crore against ₹17.39 Crore in 2018-19 which is 5.82% share of the Company's revenues reflecting the Company's dependence on its core business operations.

Expenses: Total expenses of the Company decreased by 0.45% from ₹182.87 Crore in 2018-19 to ₹182.05 Crore in 2019-20.

Analysis of the Balance Sheet

Sources of funds

- The net worth of the Company increased by 3.02% from ₹529.13 Crore as on 31st March, 2019 to ₹545.10 Crore as on 31st March, 2020 owing to increase in reserves and surpluses. The Company's equity share capital comprising 11,10,00,000 equity shares of ₹2 each, remained unchanged during the year under review.

- The Company did not have any long-term borrowings.
- Finance costs of the Company decreased by 5.45%

from ₹0.61 Crore in 2018-19 to ₹0.57 Crore in 2019-20.

Working capital management

- Current assets of the Company increased by 8.13% from ₹337.10 Crore as on 31st March, 2019 to ₹364.51 Crore as on 31st March, 2020. The current and quick ratios of the Company stood at 9.23 and 7.84, respectively in 2019-20 compared to 9.04 and 7.74, respectively in 2018-19.

Margins

The Company reported an EBDITA margin of 39.05% during 2019-20.

Human resources

La Opala focuses on enhancing the potential and overall well-being of its employees – both in the corporate office and manufacturing facilities. It focuses on building a

dealer-distributor network embellished by fair business practices. The Company provides an engaging workplace environment, attractive growth opportunities and fair compensation. The

Company enjoys one of the highest employee retention rates in the industry; it creates leaders within the organisation, strengthening prospects.

Internal control systems and their adequacy

The internal control system defines a set of rules, procedures and organisational structures that identify, measure, manage and monitor the main risks, allowing sound and fair operation of

the Company in line with pre-established objectives and all the short-term and long-term operational goals of the Company. As such this process is aimed at pursuing the values of both

procedural and substantial fairness, transparency and accountability, which are key factors for managing La Opala's business.

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.

Risk management

Economy risk

The Company's performance could be adversely affected in the event of economic slowdown.

Mitigation: India's economy slowed to 4.2% in 2019-20, and yet the Company reported 13.82% increase in PAT.

Geographic risk

A slowdown in the global economy could have an adverse impact on global demand and exports.

Mitigation: The Company is currently present in 30 countries and always intends to expand into new overseas markets.

Liquidity risk

Dearth of cash can affect operational smoothness.

Mitigation: The Company is a cash-rich organisation with free cash reserves amounting to ₹258.79 Crore as on 31st March, 2020.

Safety risk

The labour intensive industry is exposed to accidents, health and injury risk.

Mitigation: The Company has developed and implemented critical safety standards across its manufacturing facilities and established training need identification protocol at each level.

Competition risk

Growing competition could have an adverse bearing on the Company's profitability.

Mitigation: The Company's unique designs, cutting-edge

technology access, attractive pricing, strong relationships with distributors and retailers as well as sectoral experience have translated into a competitive advantage.

Pricing risk

Cheaper products available in the market may affect the Company's product offtake.

Mitigation: The crockery and glassware segment in India has innumerable home-grown unorganised manufacturers who offer glassware cheaper, targeting the bottom of the pyramid. However the Company stands for a premium brand in the crockery and glassware segment, introducing the mid-economy range of products to penetrate the market deeper.

CORPORATE INFORMATION

Board of Directors

Chairman	:	Mr. A. C. Chakrabortti
Executive Vice Chairman	:	Mr. Sushil Jhunjunwala
Managing Director	:	Mr. Ajit Jhunjunwala
Executive Director	:	Mrs. Nidhi Jhunjunwala
Directors	:	Mr. Rajiv Gujral Mr. Arun Churiwal Mr. Subir Bose Prof. Santanu Ray Ms. Mamta Binani
CFO & Company Secretary	:	Mr. Alok Pandey

Auditors

Singhi & Co.

Bankers

HDFC Bank Ltd.

Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
23, R.N. Mukherjee Road,
5th Floor, Kolkata – 700 001
Telephone nos.- 033-22482248,
2243-5029
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: 7604088814/5/6/7
Facsimile nos: 033-2287 0284
E-mail: info@laopala.in
Website: www.laopala.in
CIN: L26101WB1987PLC042512

Works

B-108, ELDECO SIDCUL Industrial
Park, Sitargunj, Udham Singh Nagar,
Uttarakhand 262405.
Post Madhupur, District Deoghar,
Jharkhand.

STATUTORY SECTION

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of LA OPALA RG LIMITED will be held on Friday, the 14th August, 2020 at 2.00 P.M. through video conferencing, the Company will conduct the meeting from Registered Office i.e. Chitrakoot, 10th Floor, 230A, A.J.C. Bose Road, Kolkata-700020, which shall be deemed to be venue of the meeting to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend of Rs. 1.20 per equity share already paid during the year as the Final Dividend for the Financial Year 2019-20.
3. To appoint a Director in place of Mr. Sushil Jhunjunwala (DIN: 00082461) who retires by rotation and, being eligible, seeks reappointment.
4. To appoint a Director in place of Mr. Arun Kumar Churiwal (DIN: 00001718) who retires by rotation and, being eligible, seeks reappointment.

SPECIAL BUSINESS

5. Re-appointment of Mrs. Nidhi Jhunjunwala as Executive Director of the Company w.e.f. May 20, 2020

To consider and if thought fit, to pass with or without modification(s), the following resolutions, as Special Resolution:

"RESOLVED THAT pursuant to the recommendation of Nomination & Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Section 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and other applicable provisions if any of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, the consent of the members of the Company be and is hereby accorded for the reappointment and payment of remuneration to Mrs. Nidhi

Jhunjunwala (DIN: 01144803), Executive Director of the company for a further period of 5 (Five) Years with effect from May 20, 2020 on the terms and conditions as mentioned below and specifically approved with powers to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof:

1. Term of Appointment:

With effect from May 20, 2020 for a period of 5 years.

2. Remuneration:

a. Salary: Rs. 4,00,000/- per month in the scale of Rs 4,00,000/- to Rs. 6,00,000/- per month with increments as may be decided by the Board of Directors from time to time.

b. Perquisites and allowances: (i) In addition to the salary, Mrs. Nidhi Jhunjunwala (DIN: 01144803) shall be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with utilities such as gas, electricity, water, furnishing & repair, medical reimbursement, leave travel concession for herself and her family, club fees, medical insurance, personal accident insurance etc. in accordance with the rules of the company or as may be agreed to by and between the Board of Directors and Mrs. Nidhi Jhunjunwala (DIN: 01144803). Such perquisites for each year not to exceed her annual salary.

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

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

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

c. Commission

In addition to the salary, perquisites and

allowances payable, a commission, as may be decided by the Board of Directors, within the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard) shall also be payable.

d. Leave

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

Mrs. Nidhi Jhunjunwala (DIN: 01144803) shall also be entitled to be reimbursed all entertainment and/or travelling, hotel and other expenses actually incurred by her in performance of the duties on behalf of the Company.

"RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mrs. Nidhi Jhunjunwala, Executive Director of the Company, the remuneration payable to her shall be paid as minimum remuneration provided that the total remuneration by way of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 or any statutory modifications thereof and all circulars/ notifications for managerial

remuneration issued in this regard from time to time as may be agreed to by the Board and Mrs. Nidhi Jhunjunwala."

"RESOLVED FURTHER THAT the Office of Executive Director shall be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Act, Rules and/or applicable laws in this regard and Article 76A of the Articles of Association of the Company."

"RESOLVED FURTHER THAT Mrs. Nidhi Jhunjunwala, Executive Director of the Company be and is hereby authorised, empowered and vested with the substantial powers of the Management of the Company for carrying out the affairs and activities of the Company subject to the superintendence, control and direction of the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

By order of the Board of Directors

ALOK PANDEY

Place: Kolkata CFO & Company Secretary
Date: 30th June, 2020 Membership No. ACS 6305

Notes:

1. In view of the massive outbreak of the Covid-19 pandemic, social distancing is a norm to be followed and the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The relative Explanatory Statement pursuant

to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos. 5 above and the relevant details of the Directors seeking re-appointment at this AGM pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not

- be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to droliapravin@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
 5. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Maheshwari Datamatics Private Limited ("MDPL") for assistance in this regard.
 6. To support the 'Green Initiative', Members who have not registered their e-mail IDs, are requested to register the same with the Company or its Registrar and Share Transfer Agent in case the shares are held by them in physical form and with their DPs in case the shares are held by them in electronic form.
 7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MDPL in case the shares are held by them in physical form.
 8. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to MDPL in case the shares are held in physical form.
 9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or MDPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
 10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 11. Shareholders seeking any information regarding accounts are requested to write to the Company in advance so that the relevant information can be furnished by the Company.
 12. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/ Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in. The Members/ Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.
 13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.laopala.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
 14. The attendance of the Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 15. At the 30th AGM held on August 26, 2017 the Members approved appointment of M/s Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 35th AGM, subject to

- ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 33rd AGM.
16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
 17. Instructions for E-Voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- ii. The remote e-voting period commences on Tuesday, August 11, 2020 (9:00 a.m. IST) and ends on Thursday, August 13, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, August 7, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii. The Board of Directors has appointed Mr. Pravin Kumar Drolia (Membership No. FCS 2366) of Drolia & Company, Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iv. The Members who have cast their vote by remote

e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- vii. The details of the process and manner for remote e-voting are explained herein below:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
A) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
B) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
C) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL

e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of Company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon Confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to droliapraavin@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsd.com> to reset the password.
- In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsd.com> or call on toll free no.: 1800-222-990 or send a request to Mr. Vikram Jha at evoting@nsdl.co.in.
Process for those shareholders whose email ids are not registered with the depositories for

procuring user id and password and process for registration of e mail ids for obtaining Annual report and for e-voting for the resolutions set

out in this notice:

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, MDPL at mdpldc@yahoo.com or to the Company at info@laopala.in providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.
Demat Holding	Please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to mdpldc@yahoo.com or info@laopala.in .

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

- Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsd.com> under shareholders/members login by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
Please note that Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation

in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance from their registered email address mentioning their name, DP ID and Client ID /folio number, PAN, mobile number at info@laopala.in.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

OTHER INSTRUCTIONS

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and

make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

2. The result declared along with the Scrutinizer's

Report shall be placed on the Company's website www.laopala.in and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

By order of the Board of Directors

ALOK PANDEY

CFO & Company Secretary
Membership No. ACS 6305

Place: Kolkata
Date: 30th June, 2020

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT 2013

Item No. (5)

Re-appointment of Mrs. Nidhi Jhunjunwala (DIN: 01144803) as Executive Director of the Company w.e.f. May 20, 2020:

Mrs. Nidhi Jhunjunwala (DIN: 01144803), aged 47 years was originally appointed as Executive Director of the Company on 20th May, 2010. She is a graduate in arts and is an active member of the Ladies Study Group, Indian Chamber of Commerce. She has also done the Graphic /Product designing course. She is a member of Corporate Social Responsibility Committee of the Company. As on 31st March, 2020, she holds 9,00,000 equity shares of ₹2/- each of the Company.

Mrs. Nidhi Jhunjunwala was re-appointed as Executive Director of the Company pursuant to provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 by the Members in the 28th Annual General Meeting held on 13th August 2015 for a period of 5 (Five) years with effect from 20th May 2015 to 19th May, 2020. Her tenure of office expires on 19th May 2020 and being eligible Mrs. Nidhi Jhunjunwala (DIN 01144803) offers herself for reappointment as Executive Director of the Company for further period of 5 (five) years with effect from 20th May, 2020.

As per the recommendation of the Nomination and Remuneration Committee and approval of

the Board of Directors in their respective meetings held on 14th February, 2020, subject to approval of Members at this Annual General Meeting and considering the increased activities, responsibilities and contribution of Mrs. Nidhi Jhunjunwala in development and growth of the Company, consent of the Members is sought for passing Special Resolution for the re-appointment of Mrs. Nidhi Jhunjunwala as Executive Director of the Company w.e.f. 20th May, 2020 on the terms and conditions as set out in this item of the Notice.

Mrs. Nidhi Jhunjunwala satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 (including any amendments thereto) as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for re-appointment.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

Excepting Mr. Sushil Jhunjunwala, Mr. Ajit Jhunjunwala and Mrs. Nidhi Jhunjunwala no other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

By order of the Board of Directors

ALOK PANDEY

CFO & Company Secretary
Membership No. ACS 6305

Place: Kolkata
Date: 30th June, 2020

Registered Office:

Chitrakoot, 10th Floor, 230A, A.J.C. Bose Road, Kolkata-700020
CIN: L26101WB1987PLC042512; Tel: +91 7604088814/15/16/17
Email: info@laopala.in; Website: www.laopala.in

ANNEXURE TO THE EXPLANATORY STATEMENT

Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, information about the directors seeking re-appointment at the AGM is furnished below:

Name of Director	Mr. Sushil Jhunjunwala	Mrs. Nidhi Jhunjunwala	Mr. Arun Kumar Churiwal
DIN	00082461	01144803	00001718
Date of Birth	23.08.1950	19.07.1973	15.05.1950
Qualification	Graduate in Commerce	Graduate in Arts	B.A (Hons.)
Experience & Expertise in specific functional areas	Over 48 years of wide experience particularly in the glass industry	Over 20 years of experience in Marketing/Product Designing	Industrialist with diversified business experience over 48 years
Date of first appointment on the Board of the Company	30th September, 1994	20th May, 2010	26th June, 2004
No of shares held in the Company as on March 31, 2020	40,50,000	9,00,000	13,400
List of Directorship held in other Companies	- BSL Limited - Genesis Exports Ltd - SKJ Investments Pvt. Ltd. - Ishita Housing Pvt. Ltd. - SKJ Estate Pvt. Ltd. - GDJ Housing Pvt. Ltd	-	- BSL Ltd - RSWM Ltd - PRC Niyojan Pvt Ltd. - LNJ Financial Services Ltd - Churiwala Properties & Investments Pvt. Ltd. - Akunth Textile Processors Pvt. Ltd. - RLJ Family Trusteeship Pvt. Ltd. - SKLNJ Family Trustee Pvt. Ltd. - RANDR Trustee Pvt. Ltd. - RRJ Family Trustee Pvt. Ltd.
Relationship between Directors inter-se	Shri Sushil Jhunjunwala is the father of Shri Ajit Jhunjunwala and Father-in-law of Smt. Nidhi Jhunjunwala. In this way, they are related to each other.	Smt. Nidhi Jhunjunwala is the wife of Shri Ajit Jhunjunwala and daughter in law of Shri Sushil Jhunjunwala	Not related to any Director of the Company

For other details such as number of meetings of the Board attended during the year, remuneration drawn and Membership/ Chairmanship of Committees of other Public Limited Companies, please refer to Corporate Governance Report which is a part of this Annual Report.

DIRECTORS' REPORT

Dear members

The Directors present the 33rd Annual Report of La Opala RG Limited (the Company), along with Audited Financial Statements for the financial year ended 31st March 2020.

1. FINANCIAL RESULTS

The Financial Results of the Company for the year under review are as under: (Rs. In Lakh)

Sl. No.	Particulars	For the Year ended 31st March' 2020	For the Year ended 31st March' 2019
1	Revenue from operations	27,001.37	27,809.77
2	Other Income	1,669.05	1,739.81
3	Total expenses before interest and depreciation	16,551.32	16,580.75
4	Finance Cost	57.45	61.02
5	Profit after Interest but before Depreciation	12,061.65	12,907.81
6	Depreciation	1,596.77	1,645.59
7	Profit before Taxation	10,464.88	11,262.22
8	Tax Expenses	2,037.95	3,858.69
9	Profit after Taxation	8,426.93	7,403.53
10	Profit Available for Appropriation	8,426.93	7,403.53
11	Re-measurement of gain/(loss) (Net of tax)	(45.15)	(58.06)
12	Dividend and Others	2,664.00	1,221.00
13	Tax on Dividend	547.60	250.98
14	Transferred to General Reserve	1,000.00	1,000.00
15	Balance as per last year (Retained Earnings)	28,253.27	23,379.78
16	Balance carried forward to Balance Sheet	32,423.45	28,253.27

2. STATE OF COMPANY'S AFFAIRS (OVERALL PERFORMANCE)

During FY 2019-20, your Company achieved Revenue from Operations of Rs. 270.01 crores as against Rs. 278.10 crores in FY 2018-19, profit before tax from Rs. 112.62 crores to Rs. 104.65 crores and profit after tax from Rs. 74.03 crores to Rs. 84.27 crores.

The last month operations in the F.Y. 2019-20 has been affected by Covid-19 pandemic.

3. IMPACT OF COVID-19

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. La Opala plants and offices were under nationwide lockdown since March 24, 2020 and operations are being resumed in a phased manner taking into account directives

from the Government. As a result of lockdown the volumes for the month of March 2020 have been impacted and consequently, the performance for the month of March 2020 has also been partially impacted. Management is expecting that demand for products will improve on stabilization of COVID-19, post removal of lock down. The Company has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, Intangible assets, Trade Receivables, Inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date and has concluded that there are no material impact or adjustments required in the stand-alone financial statements.

Management believes that it has taken into account all the possible impact of known events till the date of approval of its financial statements arising from

COVID-19 pandemic in the preparation of the stand-alone financial statements. The impact on our business will depend on future developments that cannot be reliably predicted. It is uncertain how long these conditions will last. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to future economic conditions. Management expects no significant impact on the continuity of operations of the business on a long term basis.

4. SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2020 was Rs. 22.20 crore and there has been no change in the capital structure of the Company.

During the year under review, the Company has neither issued shares with differential voting rights /convertible warrant nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

5. DIVIDEND

Pursuant to the approval of the Board of Directors on February 14, 2020, your Company has declared and paid an Interim Dividend of 60% i.e. ₹1.20/- per equity share on each fully paid 11,10,00,000 no. of equity shares of face value of ₹2/- each amounting to Rs. 13,32,00,000 for the financial year ending March 31, 2020. The dividend was paid to those members of the Company whose names appeared on the Register of Members of the Company as on Thursday, February 27, 2020 being the record date fixed for this purpose.

The Board has not recommended a final dividend and the interim dividend of ₹1.20/- declared by the Board in February 2020 shall be considered as the final dividend for the financial year 2019-20. Thus the total dividend for the financial year 2019-20 remains ₹1.20/- per equity share.

The Dividend Distribution Policy is available on the website of the Company at www.laopala.in.

6. TRANSFER TO RESERVES

During the year under review, Rs. 1,000 lakh was transferred to General Reserves from Retained Earning.

7. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed

dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year, the Company has transferred the unclaimed and unpaid dividends of Rs. 2,09,336 for the financial year ended March 31, 2011. Further, 77,592 corresponding shares on which dividends were unclaimed for seven consecutive years were transferred as per the requirements of the IEPF Rules.

Members/claimants whose shares and/or unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF authority from time to time. The member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at www.laopala.in. The shareholders are encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

8. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the period under review, there was no change in the nature of business of the Company. The Object clause of the Company was amended by passing special resolution through Postal Ballot on 1st April, 2020 to include the business of providing information technology, data processing, support service for software and hardware, support service for storage, disaster recovery and enterprise resource planning.

9. DEPOSITS

In terms of the provisions of Section 73 to 76 of the Act read with the relevant rules made thereunder, your Company has not accepted any deposit from the public.

10. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of its business. Detailed procedural manuals are in place to ensure that all the assets are protected against loss and all transactions are authorized, recorded and reported

correctly. The internal control system of the Company is monitored and evaluated by internal auditors and their audit reports are reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are placed before the Board.

11. AUDITORS

STATUTORY AUDITORS

As per the provisions of the Act, the Company appointed M/s Singhi & Co., Chartered Accountants, Kolkata (Firm Registration No. 302049E) as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of 30th Annual General Meeting of the Company held on 26th August, 2017.

STATUTORY AUDITORS' OBSERVATIONS

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report is an un-modified report and does not contain any qualification, report of fraud, reservation, adverse remark or disclaimer and do not call for any further comments.

COST AUDIT

In accordance with the provisions of Section 148 of the Companies Act, 2013, the Central Government has prescribed maintenance and audit of cost records vide the Companies (Cost Records and Audit) Rules, 2014 to such class of companies as mentioned in the Table appended to Rule 3 of the said Rules. CETA headings under which Company's products are covered are not included. Hence, cost audit provisions are not applicable to the Company as of now.

SECRETARIAL AUDITOR

The provisions of Section 204 of the Companies Act, 2013 mandates Secretarial Audit of the Company by a Company Secretary in Practice. The Board in its meeting held on 11th May, 2019 appointed M/S Drolia and Company, Company Secretaries, Kolkata as the Secretarial Auditor for the financial year ending March 31, 2020. The Secretarial Auditor's Report for the financial year ending March 31, 2020 is annexed to the Boards' Report as **Annexure I**. There are no qualification, reservation, adverse remark or disclaimer in the said report and do not call for any further comments.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

During the year under review, neither the Statutory Auditors nor the secretarial auditors has reported to the audit Committee or the Board under section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its

officers or employees, the details of which would need to be mentioned in the Board's report.

INTERNAL AUDITOR

Pursuant to Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, the Company has appointed M/s. Doshi Chatterjee Bagri & Co., LLP as the Internal Auditors of the Company. The role of internal auditors includes but not limited to review of internal audit observations and monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, reviewing of SOPs and their amendments, if any.

12. DIRECTORS

During the year under review, Smt. Mamta Binani (DIN: 00462925) was appointed as an Independent Director effective from April 01, 2019.

In terms of Articles of Association of the Company, Shri Sushil Jhunjunwala (DIN: 00082461) and Shri Arun Kumar Churiwal (DIN: 00001718), Directors of the Company retires by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Details of each of the Directors proposed to be re-appointed at the ensuing Annual General Meeting, as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations 2015") and SS - 2 (Secretarial Standards on General Meetings) have been included in the Notice convening the 33rd Annual General Meeting of the Company. Your Directors recommend the Resolutions for your approval.

There was no change in the composition of the Board of Directors during the year under review, except as stated above.

13. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. KEY MANAGERIAL PERSONNEL

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and section 203 of the Companies Act, 2013 read with the Rules framed thereunder:

- Mr. Sushil Jhunjunwala (DIN: 00082461), Executive Vice Chairman
- Mr. Ajit Jhunjunwala (DIN: 00111872),

Managing Director

- Mrs. Nidhi Jhunjunwala (DIN: 01144803), Executive Director
- Mr. Alok Pandey, Chief Financial Officer (CFO) and Company Secretary

15. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent director being evaluated.

16. BOARD MEETINGS

The Board met 4 times during the year ended March 31, 2020 on May 11, 2019, August 10, 2019, November 09, 2019 and February 14, 2020. The gap between any two Board meetings during this period did not exceed one hundred and twenty days.

The details of the Board Meetings held during the F.Y. 2019-20 have been furnished in the Corporate Governance Report forming part of this Annual Report.

17. COMMITTEES OF THE BOARD

As on March 31, 2020, the Board had the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The details of the Committees along with their composition, number of meetings held and attendance at the meetings is provided in the Corporate Governance Report.

18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

A Nomination and Remuneration Policy formulated and adopted by the Board of Directors, pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto inter alia define the Companies policy on Directors' appointment and remuneration by the Nomination and Remuneration Committee.

The said policy may be referred to, at the Company's website www.laopala.in.

19. CORPORATE GOVERNANCE

A separate report on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors M/s Singhi & Co. Chartered Accountants, (Firm Registration No. 302049E) confirming the compliances to conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is annexed.

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the operations of the Company is set out in this Annual Report.

21. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors state that:

- In the preparation of the annual accounts for the year ended March 31, 2020, the applicable Indian Accounting Standards read with

requirements set out under Schedule III to the Act, have 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, 2020 and of the profit of the company for that period;
- (c) The Directors have 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 have prepared the annual accounts on a 'going concern' basis;
- (e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (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.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behavior. The Policy is available on the Company's website at www.laopala.in under "Investors" Section. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. No complaint under this head has been received by the Company during the year.

23. EXTRACT OF ANNUAL RETURN

As required under Section 92 of the Companies Act, 2013, an extract of the Annual Return for the financial year 2020 in the prescribed form MGT-9 forms part of this report and is annexed as **Annexure II**. The Annual Return of the Company as required under the Companies Act, 2013 will be available on the website of the Company at www.laopala.in.

24. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the Financial Year, the Company has complied with all the applicable mandatory provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

25. LISTING WITH STOCK EXCHANGES

The Company's Equity Shares are listed on National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE). Necessary stock exchange regulations are complied with from time to time. Applicable listing fee has already been paid to the respective stock exchanges.

26. SUBSIDIARY/ ASSOCIATES/ JOINT VENTURE COMPANIES

The Company does not have any subsidiary/ associate/joint venture Company for the year ended March 31, 2020.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE BY THE COMPANY

The Company has not given any loan, guarantees or made any investments prescribed under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure III** in Form No. AOC-2 and the same forms part of this report. The same have also been disclosed under Note No 44 of the Notes to the Financial Statements.

In conformity with the requirements of the Act, read with SEBI (LODR) Regulations, 2015, the policy to deal with related party transactions is also available on Company's website at www.laopala.in.

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status and the Company's operations in future.

30. MATERIAL CHANGES FROM END OF FINANCIAL YEAR TO DATE OF THIS REPORT

Except as disclosed elsewhere in this report, there have been no material changes and commitments, which can affect the financial position of the Company, occurred after the closure of the financial year till the date of this report.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R&D), AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed

under Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is attached and forms a part of this Report marked as **Annexure IV**.

32. CORPORATE SOCIAL RESPONSIBILITY

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of eradicating hunger, preventive health care, water conservation, environment sustainability, women empowerment, girls education, child development and enhancing vocational skills. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The CSR Policy is available on the website of the Company at www.laopala.in. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this reports as **Annexure V**.

33. DISCLOSURE UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 in respect of employees of the Company and Directors is attached as **Annexure VI**.

34. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as an **Annexure VII**.

35. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under, your Company has in place a policy for Prevention of Sexual Harassment of Women at Workplace and constituted an Internal Complaints Committees (ICC). No complaint has been raised from any employee related to sexual harassment during the year ended March 31, 2020.

36. HUMAN RESOURCE

For La Opala RG Ltd, its people are its strongest asset. The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company invests in building the best-in-class team led by exceptional professionals. Over the years, the Company has been nurturing a meritocratic, empowering and caring culture that encourages excellence.

Company nurtures talents by providing its people opportunities to sharpen their capabilities. Company encourages innovation, lateral thinking, and multi-skilling and prepares its people for future leadership roles.

37. BUSINESS RESPONSIBILITY REPORT (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. Your Company forms part of the Top 1000 listed companies of India and is mandatorily required to provide a Business Responsibility Report as part of the Annual Report in accordance with the Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/10/2015 dated 4th November 2015. In compliance with the Listing Regulations, we have integrated BRR disclosures into our Annual Report for FY 2019-20.

38. RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The policy on Risk Management is hosted on the Company's website www.laopala.in. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

39. ACKNOWLEDGEMENT

The Directors take this opportunity to thank the Company's employees, customers, members, distributors, vendors, bankers, government and all other business associates for their consistent support and encouragement to the Company.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board

Place: Kolkata
Date: 30th June, 2020

A.C. Chakrabortti
Chairman
DIN: 00015622

ANNEXURE-I

Form No. MR-3
SECRETARIAL AUDIT REPORT

for the financial year ended 31st Day of March, 2020

[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 (CIN: 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, 2020 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, 2020 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. SEBI (Depositories and Participants) Regulations 2018
- 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') and the circulars, guidelines issued there under: -

- (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
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

[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 31-03-2020, as the Company has not undertaken any activities under the said Regulations and Laws: -

- (a) The Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 ;
- (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 as amended till date and
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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 Regulations 2015 of SEBI entered into by the Company with The BSE & NSE.

(ii) Secretarial Standards (SS1 and SS2) issued by the Institute of Company Secretaries of India in respect of holding of Board meeting and Stakeholder's meeting.

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 regulations.

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 recoded 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: 29-06-2020

UDIN:F002366B000386961

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 Limited
(L26101WB1987PLC042512)
Chitrakoot, 10th Floor
230A, A J C Bose Road,
Kolkata-700 020

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

- 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 out audit.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required we have obtained the management representation about the

compliance of laws, rules and regulations and happening of events etc.

- 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
- 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.
- We have not carried out the physical verification of any reords due to prevailing condition of COVID-19 in the country. We have relied on the records as made available by company through digital mode as well as we have also relied on management representation made by company.

FOR DROLIA & COMPANY
(Company Secretaries)

Pravin Kumar Drolia
(Proprietor)
C P No.: 1362

Place: Kolkata FCS: 2366
Date: 29-06-2020 UDIN:F002366B000386961

ANNEXURE - II

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2020 of LA OPALA RG LIMITED

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i) CIN	L26101WB1987PLC042512
(ii) Registration Date	11-06-1987
(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	'Chitrakoot', 10th Floor, 230A AJC Bose Road, Kolkata 700 020. Telephone No. 7604088814/5/6/7 Fax No. 033-2287 0284, E-mail: info@laopala.in Website: www.laopala.in
(vi) Whether listed Company	Yes. BSE Ltd & NSE Ltd.
(vii) Name, Address and Contact Details of Registrar and Transfer Agent, if Any	S. Rajagopal – Vice President Maheshwari Datamatics Pvt Ltd. CIN: U20221WB1982PTC034886 23, R N Mukherjee Road , 5th Floor Kolkata- 700 001 Telephone-033-22482248, 22435029 Fax:- 033-22484787 Email id:- mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANAY

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 01-04-2019				No. of Shares held at the end of the Year As on 31-03-2020				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individuals/ HUF	2,14,66,000	-	2,14,66,000	19.34%	2,14,66,000	-	2,14,66,000	19.34%	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	5,10,49,000	-	5,10,49,000	45.99%	5,13,99,000	-	5,13,99,000	46.30%	0.31%

Category of Shareholder	No. of Shares held at the beginning of the year As on 01-04-2019				No. of Shares held at the end of the Year As on 31-03-2020				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(f) Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	7,25,15,000	-	7,25,15,000	65.33%	7,28,65,000	-	7,28,65,000	65.64%	0.31%
(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)	7,25,15,000	-	7,25,15,000	65.33%	7,28,65,000	-	7,28,65,000	65.64%	0.31%
B. Public shareholding									
1. Institutions									
(a) Mutual Funds	68,25,229	-	68,25,229	6.15%	1,55,64,955	-	1,55,64,955	14.02%	7.87%
(b) Banks/Fl	49,884	-	49,884	0.04%	11,469	-	11,469	0.01%	-0.03%
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Flls	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i) Any Other (specify)									
- Alternate Investment Funds	8,52,808	-	8,52,808	0.77%	10,42,973	-	10,42,973	0.94%	0.17%
-Foreign Portfolio Investors	1,29,56,467	-	1,29,56,467	11.67%	72,19,043	-	72,19,043	6.6%	-5.16%
Sub-Total (B)(1)	2,06,84,388	-	2,06,84,388	18.63%	2,38,38,440	-	2,38,38,440	21.48%	2.85%
2. Non-institutions									
(a) Bodies Corporate									
(i) Indian	14,99,375	17,000	15,16,375	1.37%	8,49,544	17,000	8,66,544	0.78%	-0.58%
(ii) Overseas	50,24,680	10,000	50,34,680	4.54%	27,52,768	10,000	27,62,768	2.49%	-2.05%
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs 1 lakh	62,84,663	4,86,404	67,71,067	6.10%	64,65,141	3,90,183	68,55,324	6.18%	0.08%

Category of Shareholder	No. of Shares held at the beginning of the year As on 01-04-2019				No. of Shares held at the end of the Year As on 31-03-2020				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	21,58,985	-	21,58,985	1.95%	17,50,214	-	17,50,214	1.58%	-0.37%
(c) Other (specify)									
(i) Trusts	7,440	-	7,440	0.01%	33,252	-	33,252	0.03%	0.02%
(ii) Clearing Member	1,92,458	-	1,92,458	0.17%	73,230	-	73,230	0.06%	-0.11%
(iii) Non Resident Individual	17,03,807	165,000	18,68,807	1.68%	14,87,046	1,41,000	16,28,046	1.47%	-0.22%
(iv) NBFCs registered with RBI	3,710	-	3,710	0.00%	2,500	-	2,500	0.00%	-0.00%
(v) Investor Education and protection Fund Authority	2,47,090	-	2,47,090	0.22%	3,24,682	-	3,24,682	0.29%	0.07%
Sub-Total (B)(2)	1,71,22,208	6,78,404	1,78,00,612	16.04%	1,37,38,377	5,58,183	1,42,96,560	12.88%	-3.16%
Total Public Shareholding (B)= (B)(1)+(B)(2)	3,78,06,596	6,78,404	3,84,85,000	34.67%	3,75,76,817	5,58,183	3,81,35,000	34.36%	-0.31%
TOTAL (A)+(B)	11,03,21,596	6,78,404	11,10,00,000	100.00%	11,04,41,817	5,58,183	11,10,00,000	100.00%	0.00%
C. Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	11,03,21,596	6,78,404	11,10,00,000	100.00%	11,04,41,817	5,58,183	11,10,00,000	100.00%	0.00%

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year As on 01-04-2019			Shareholding at the end of the Year As on 31-03-2020			% 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	Sushil Jhunjunwala	40,50,000	3.65%	-	40,50,000	3.65%	-	-
2	Ajit Jhunjunwala	83,93,000	7.56%	-	8,39,3000	7.56%	-	-
3	Gyaneshwari Devi Jhunjunwala	49,73,000	4.48%	-	49,73,000	4.48%	-	-
4	Nidhi Jhunjunwala	9,00,000	0.81%	-	9,00,000	0.81%	-	-
5	Ishita Jhunjunwala	7,00,000	0.63%	-	7,00,000	0.63%	-	-
6	Abhyuday Jhunjunwala	7,00,000	0.63%	-	7,00,000	0.63%	-	-
7	Shruti Kishorepuria	17,50,000	1.58%	-	17,50,000	1.58%	-	-
8	Genesis Exports Limited	5,10,49,000	45.99%	-	5,13,99,000	46.30%	-	0.31%
	Total	7,25,15,000	65.33%	-	7,28,65,000	65.64%	-	0.31%

(iii) Change in Promoters' Shareholding

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
1	Sushil Jhunjunwala					
	At the beginning of the Year	01/04/2019	-	-	40,50,000	3.65%
	At the end of the Year	31/03/2020	-	-	40,50,000	3.65%

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
2	Ajit Jhunjunwala					
	At the beginning of the Year	01/04/2019	-	-	83,93,000	7.56%
	At the end of the Year	31/03/2020	-	-	83,93,000	7.56%

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
3	Gyaneshwari Devi Jhunjunwalal					
	At the beginning of the Year	01/04/2019	-	-	49,73,000	4.48%
	At the end of the Year	31/03/2020	-	-	49,73,000	4.48%

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
4	Nidhi Jhunjunwala					
	At the beginning of the Year	01/04/2019	-	-	9,00,000	0.81%
	At the end of the Year	31/03/2020	-	-	9,00,000	0.81%

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
5	Ishita Jhunjunwala					
	At the beginning of the Year	01/04/2019	-	-	7,00,000	0.63%
	At the end of the Year	31/03/2020	-	-	7,00,000	0.63%

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
6	Abhyuday Jhunjunwala					
	At the beginning of the Year	01/04/2019	-	-	7,00,000	0.63%
	At the end of the Year	31/03/2020	-	-	7,00,000	0.63%

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
7	Shruti Kishorepuria					
	At the beginning of the Year	01/04/2019	-	-	17,50,000	1.58%
	At the end of the Year	31/03/2020	-	-	17,50,000	1.58%

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
8	Genesis Exports Limited					
	At the beginning of the Year	01/04/2019	-	-	5,10,49,000	45.99%
		23/08/2019	3,50,000	Market Purchase	5,13,99,000	46.30%
	At the end of the Year	31/03/2020	-	-	5,13,99,000	46.30%

(iv) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of the Top 10 Shareholders	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
1	HDFC SMALL CAP FUND						
	At the beginning of the year	-	01/04/2019	-	-	-	-
			31/01/2020	54,76,400	Transfer	54,76,400	4.93%
			07/02/2020	6,57,100	Transfer	61,33,500	5.53%
			14/02/2020	17,818	Transfer	61,51,318	5.54%
			21/02/2020	2,049	Transfer	61,53,367	5.54%
			28/02/2020	35,600	Transfer	61,88,967	5.58%
			13/03/2020	51,000	Transfer	62,39,967	5.62%
	At the end of the year	-	31/03/2020	-	-	62,39,967	5.62%
2	MALABAR INDIA FUND LIMITED						
	At the beginning of the year	48,98,444	01/04/2019	-	-	-	-
	At the end of the year	-	31/03/2020	-	-	48,98,444	4.41%
3	DSP SMALL CAP FUND						
	At the beginning of the year	27,96,625	01/04/2019	-	-	-	-

Sl. No.	For each of the Top 10 Shareholders	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
				05/04/2019	1,14,000	Transfer	29,10,625	2.62%
				20/12/2019	14,00,000	Transfer	43,10,625	3.88%
	At the end of the year	-	-	31/03/2020	-	-	43,10,625	3.88%
4	UTI - EQUITY FUND							
	At the beginning of the year	38,99,294	3.51	01/04/2019	-	-	-	-
				05/04/2019	10,000	Transfer	39,09,294	3.52%
				26/04/2019	20,000	Transfer	39,29,294	3.54%
				10/05/2019	10,000	Transfer	39,39,294	3.55%
				17/05/2019	20,000	Transfer	39,59,294	3.57%
				24/05/2019	50,000	Transfer	40,09,294	3.61%
				31/05/2019	8,000	Transfer	40,17,294	3.62%
				07/06/2019	7,000	Transfer	40,24,294	3.62%
				21/06/2019	18,000	Transfer	40,42,294	3.64%
				28/06/2019	20,000	Transfer	40,62,294	3.66%
				12/07/2019	55,000	Transfer	41,17,294	3.71%
				19/07/2019	30,000	Transfer	41,47,294	3.74%
				26/07/2019	75,000	Transfer	42,22,294	3.80%
				02/08/2019	17,000	Transfer	42,39,294	3.82%
				09/08/2019	40,000	Transfer	42,79,294	3.86%
				23/08/2019	7,254	Transfer	42,86,548	3.86%
				30/08/2019	10,000	Transfer	42,96,548	3.87%
				06/09/2019	80,000	Transfer	43,76,548	3.94%
				04/10/2019	53,000	Transfer	44,29,548	3.99%
				01/11/2019	5,000	Transfer	44,34,548	4.00%
				08/11/2019	10,000	Transfer	44,44,548	4.00%
				15/11/2019	30,000	Transfer	44,74,548	4.03%
				03/01/2020	20,000	Transfer	44,94,548	4.05%
				31/01/2020	(2,40,000)	Transfer	42,54,548	3.83%
				07/02/2020	(50,000)	Transfer	42,04,548	3.79%
				21/02/2020	(30,000)	Transfer	41,74,548	3.76%
				27/03/2020	86,419	Transfer	42,60,967	3.84%
	At the end of the year	-	-	31/03/2020	-	-	42,60,967	3.84%
5.	WESTBRIDGE CROSSOVER FUND, LLC							
	At the beginning of the year	50,24,680	4.53%	01/04/2019	-	-	-	-
				31/01/2020	(20,75,909)	Transfer	29,48,771	2.66%
				21/02/2020	(181,645)	Transfer	27,67,126	2.49%
				13/03/2020	(14,358)	Transfer	27,52,768	2.48%
	At the end of the year	-	-	31/03/2020	-	-	27,52,768	2.48%
6.	KAUSHIK PODDAR							
	At the beginning of the year	9,69,790	0.87%	01/04/2019	-	-	-	-
	At the end of the year	-	-	31/03/2020	-	-	9,69,790	0.87%
7.	MALABAR VALUE FUND							
	At the beginning of the year	8,52,808	0.77%	01/04/2019	-	-	-	-
	At the end of the year	-	-	31/03/2020	-	-	8,52,808	0.77%
8.	AMAL N PARIKH							
	At the beginning of the year	8,00,000	0.72%	01/04/2019	-	-	-	-
	At the end of the year	-	-	31/03/2020	-	-	8,00,000	0.72%

Sl. No.	For each of the Top 10 Shareholders	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
9.	UTI INDIA DYNAMIC EQUITY FUND							
	At the beginning of the year	2,69,000	0.24%	01/04/2019	-	-	-	-
				05/04/2019	10,000	Transfer	2,79,000	0.25%
				03/05/2019	18,000	Transfer	2,97,000	0.27%
				10/05/2019	10,000	Transfer	3,07,000	0.28%
				17/05/2019	10,000	Transfer	3,17,000	0.29%
				05/07/2019	10,000	Transfer	3,34,048	0.30%
				12/07/2019	9,610	Transfer	3,43,658	0.31%
				19/07/2019	10,000	Transfer	3,53,658	0.32%
				02/08/2019	10,000	Transfer	3,63,658	0.33%
				16/08/2019	18,000	Transfer	3,81,658	0.34%
				23/08/2019	5,182	Transfer	3,86,840	0.35%
				30/08/2019	20,000	Transfer	4,06,840	0.37%
				06/09/2019	20,000	Transfer	4,26,840	0.38%
				13/09/2019	10,000	Transfer	4,36,840	0.39%
				27/09/2019	13,520	Transfer	4,50,360	0.41%
				30/09/2019	15,000	Transfer	4,65,360	0.42%
				18/10/2019	11,500	Transfer	4,76,860	0.43%
				25/10/2019	10,000	Transfer	4,86,860	0.44%
				15/11/2019	15,000	Transfer	5,01,860	0.45%
				29/11/2019	3,000	Transfer	5,04,860	0.45%
				20/12/2019	6,500	Transfer	5,11,360	0.46%
				27/12/2019	10,000	Transfer	5,21,360	0.47%
				03/01/2020	20,000	Transfer	5,41,360	0.49%
				31/01/2020	60,000	Transfer	6,01,360	0.54%
				07/02/2020	27,200	Transfer	6,28,560	0.57%
				28/02/2020	30,000	Transfer	6,58,560	0.59%
				06/03/2020	10,000	Transfer	6,68,560	0.60%
				20/03/2020	(50,000)	Transfer	6,18,560	0.56%
	At the end of the year	-	-	31/03/2020	-	-	6,18,560	0.56%
10.	NAND KISHORE SHARMA							
	At the beginning of the year	4,34,609	0.39%	01/04/2019	-	-	-	-
	At the end of the year	-	-	31/03/2020	-	-	4,34,609	0.39%

(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		
1	Ajit Jhunjunwala							
	At the beginning of the Year	83,93,000	7.56%	01/04/2019	-	-	83,93,000	7.56%
	At the end of the Year	-	-	31/03/2020	-	-	83,93,000	7.56%

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		
2	Sushil Jhunjunwala	No. of Shares	% of total Shares of the Company					
	At the beginning of the Year	40,50,000	3.65%	01/04/2019	-	-	40,50,000	3.65%
	At the end of the Year	-	-	31/03/2020	-	-	40,50,000	3.65%

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		
3	Nidhi Jhunjunwala	No. of Shares	% of total Shares of the Company					
	At the beginning of the Year	9,00,000	0.81%	01/04/2019	-	-	9,00,000	0.81%
	At the end of the Year	-	-	31/03/2020	-	-	9,00,000	0.81%

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		
4	A. C. Chakrabortti	No. of Shares	% of total Shares of the Company					
	At the beginning of the Year	12,000	0.01%	01/04/2019	-	-	12,000	0.01%
	At the end of the Year	-	-	31/03/2020	-	-	12,000	0.01%

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		
5	Arun Kumar Churiwal	No. of Shares	% of total Shares of the Company					
	At the beginning of the Year	13,400	0.01%	01/04/2019	-	-	13,400	0.01%
	At the end of the Year	-	-	31/03/2020	-	-	13,400	0.01%

Note: No Other Directors or Key Management Personnel except above hold any shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakh)

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	89.02	-	-	89.02
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i)+(ii)+(iii)	89.02	-	-	89.02
Change in Indebtedness during the financial year				
*Addition	400.40	-	-	400.40
*Reduction	-	-	-	-
Net Change	400.40	-	-	400.40
Indebtedness at the end of the financial year				
(i) Principal Amount	489.42	-	-	489.42
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i)+(ii)+(iii)	489.42	-	-	489.42

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (₹ in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Sushil Jhunjunwala Executive Vice Chairman	Ajit Jhunjunwala Managing Director	Nidhi Jhunjunwala Whole-time Director	
1	Gross Salary				
	(a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961	266.80	178.26	63.67	508.73
	(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	100.00	60.00	45.00	205.00
	- others, specify				-
5	Others, please specify				-
	Total (A)	366.80	238.26	108.67	713.73
	Ceiling as per the Act	Being 10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013			1,112.02

B. Remuneration to other directors: (₹ in Lakh)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		AC Chakrabortti - Chairman	Rajiv Gujral	Subir Bose	Santanu Ray	Arun Kumar Churiwal	Mamta Binani	
1	Independent Directors							
	• Fee for attending board committee meetings	2.70	2.70	1.20	1.50	-	0.90	9.00
	• Commission	6.00	4.00	4.00	4.00	-	4.00	22.00
	• Others, please specify	-	-	-	-	-	-	-
	Total (1)	8.70	6.70	5.20	5.50	-	4.90	31.00
2	Other Non- Executive Directors							
	• Fee for attending board committee meetings	-	-	-	-	2.40	-	2.40
	• Commission	-	-	-	-	4.00	-	4.00
	• Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	6.40	-	6.40
	Total (B)= (1+2)	8.70	6.70	5.20	5.50	6.40	4.90	37.40
	Total Managerial Remuneration*							941.69
	Overall Ceiling as per the Act							1,223.22

*Total remuneration to Executive Vice Chairman, Managing Director, Whole time Director, 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 - (₹ in Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
1	Gross Salary	
	(a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961	39.24
	(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	39.24

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (₹ in Lakh)

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					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

Place: Kolkata
Date: 30th June 2020

A.C. Chakrabortti
Chairman
DIN:00015622

ANNEXURE - III

FORM NO AOC-2

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

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 PROVISOR IS GIVEN BELOW:

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

There are no related party contracts, arrangements or transactions of the nature mentioned in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length.

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. (Enterprise over which Key Managerial Personnel and their relatives are able to exercise significant influence over the Company)	Mr. Sushil Jhunjhunwala (KMP)	Mr. Ajit Jhunjhunwala (KMP)	Mrs. Nidhi Jhunjhunwala (KMP)
(b)	Nature of contracts/ arrangements/ transactions	Leasing of Real Estate and Dividend	Appointment as Executive Vice Chairman	Appointment as Managing Director	Appointment as Executive Director
(c)	Duration of the contracts/ arrangements / transactions	Every year for Leasing of Real Estate	5 years	5 years	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 ₹38.76 Lakh P.A. and dividend paid ₹1229.38 Lakhs	Remuneration	Remuneration	Remuneration
(e)	Date(s) of approval by the Board, if any:	11-05-2019	30-03-2019	09-05-2017	14-02-2020
(f)	Amount paid as advances, if any:	Nil	Not Applicable	Not Applicable	Not Applicable

For and on behalf of the Board

Place: Kolkata
Date: 30th June 2020

A.C. Chakrabortti
Chairman
DIN:00015622

ANNEXURE - IV

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo Required Under the Companies (Accounts) Rules, 2014

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 processes so that the generation of waste products can be kept minimum.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

Particulars with regard to Foreign Exchange Earnings and Outgo are given below:

		(₹ in Lakh)	
i)	Actual Inflows:	Foreign Exchange Earnings	
		2019-20	2018-19
		Exports at FOB Basis	3560.76
		Other	4.04
		Total	3564.80
ii)	Actual Outflow:	Foreign Exchange Outgo	
		Imports	
		- Raw Material	769.79
		- Components and spare parts	376.40
		- Capital goods	443.48
		Travelling	46.10
		Technical Fees	1.42
		Others	29.16
		Total	1,666.35
			1189.17

For and on behalf of the Board

A.C. Chakrabortti
Chairman
DIN:00015622

Place: Kolkata
Date: - 30th June 2020

ANNEXURE - V

Corporate Social Responsibility

1. Brief outline of the Company's Corporate Social Responsibility (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 Company's CSR Policy includes activities which are in line with Schedule VII of the Companies Act, 2013. The Company shall take up activities mentioned in its policy as and when fruitful opportunity exists.

The Board of Directors of the Company has approved the CSR Policy as recommended by the Committee and the same has been uploaded on the Company's website at www.laopala.in.

2. The Composition of the CSR Committee:

The CSR Committee of the Board consists of 5 Members. The names are as follows: -

- 1) Mr. Arun Kumar Churiwal, Chairman
- 2) Mr. A. C. Chakrabortti
- 3) Mr. Sushil Jhunjunwala
- 4) Mr. Ajit Jhunjunwala
- 5) Mrs. Nidhi Jhunjunwala

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

Average Net Profit is ₹10305.71 Lakh

4. Prescribed CSR Expenditure (2% of the amount as in item no. 3 above):

The Company is required to spend Rs. 206.11 Lakh.

5. Details of CSR expenditure/spent during the financial year:

(a) Total amount spent during the financial year:- Rs.155.25 Lakh

(b) Amount remaining unspent during the year:- Rs.50.86 Lakh

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

(₹ in Lakh)						
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Location Area or Specify the State and District where projects or programs were undertaken	Amount spent on the projects or programs	Cumulative expenditure (contributed) up to the reporting period by the Company	Amount spent : Direct or through implementing agency
1.	Construction of Marwari College (a separate building of MAHILA WING)	Promoting Education	Bhagalpur, Bihar	65.00	65.00	Shree Marwari Pathshala Samiti
2	Renovation of Gaushala including Electric wiring and Fan fittings etc.	Animal welfare	Kolkata, West Bengal	18.57	18.57	Shree Lachhmangarh Pinjrapole
3	For Education and Medical Care and donation for Public Welfare	Promoting Education and Healthcare	Manthani, Karimnagar, Telangana	15.00	15.00	Sri Seetharama Seva Sadan

(₹ in Lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Location Area or Specify the State and District where projects or programs were undertaken	Amount spent on the projects or programs	Cumulative expenditure (contributed) up to the reporting period by the Company	Amount spent : Direct or through implementing agency
4	Donation for One Teacher School	Promoting Education	Jharkhand, India	15.00	15.00	Friends of Tribal Society
5.	Contribution for Education	Promoting Education	Puducherry	10.00	10.00	Sri Aurobindo Society
6.	Construction of School Building	Promoting Education	Howrah, West Bengal	10.00	10.00	Vivekananda VidyaVikash Parishad
7.	Construction of Sulabh Sauchalaya	Healthcare & Sanitation	Rural Areas, West Bengal	6.50	6.50	Jan Mangal Nyas
8.	Research & Development	Promoting Healthcare	Kolkata, West Bengal	5.00	5.00	Institute of Neuroscience
9.	Scholarship for further education	Promoting Education	LLB at Symbiosis Law School, Noida	2.00	2.00	Direct
10	Meals of Orphan Children	Setting up homes and hostels for women and orphans	Kolkata, West Bengal	2.00	2.00	Avenue Woman Cultural and Social Welfare society
11	To carry social activities	Social Welfare Activities	Sitarganj, Uttrakhand	1.60	1.60	The Indian Red Cross Society, Udham Singh Nagar, Sitarganj
12	Shelter house for the helpless animals	Animal Welfare	Bishnupur, 24-Parganas (S), West Bengal	1.20	1.20	Nikhil Banga Kalyan Samity
13	Education for girl's student	Promoting Education and Empowering Woman	Sikar, Rajasthan	1.00	1.00	Shree Raghunath Balika Vidyalaya
14.	Promoting Education Activities	Promoting Education	Pondicherry	0.5	0.5	Vraja Trust
15.	Promoting Preventive Healthcare	Promoting Healthcare	Madhupur, Jharkhand	0.5	0.5	Direct
16.	Sponsorship for promoting sports	Promoting Sports	West Bengal	0.5	0.5	Direct

ANNEXURE - VI

(₹ in Lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Location Area or Specify the State and District where projects or programs were undertaken	Amount spent on the projects or programs	Cumulative expenditure (contributed) up to the reporting period by the Company	Amount spent : Direct or through implementing agency
17.	Painting work of Red Cross Society Building	Social Welfare Activities	Madhupur, Jharkhand	0.43	0.43	Direct
18	Upgradation of Indian Tradition & Social Activities	Protection of National Heritage	Kolkata, West Bengal	0.35	0.35	Calcutta Chamber of Commerce
19.	To carry social activities	Social Welfare Activities	Laxmangarh (Rajasthan) Vaishya, Maheshwari Seva Samity, Chatrapur, Orissa	0.1	0.1	Direct
Total				155.25	155.25	

6. Reasons for not spending the stipulated CSR expenditure: -

The Company has incurred CSR expenditure during the year under review in line with CSR Policy of the Company.

The Company is considering a long term plan for CSR and at present, project for CSR is under consideration where the necessary expenditures will be incurred.

7. Responsibility Statement:

The Responsibility Statement of Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below: -

'The implementation and monitoring of Corporate Social Responsibility Policy, are in compliance with Corporate Social Responsibility objectives and Policy of the Company.'

For and on behalf of the Board

Ajit Jhunjhunwala
Managing Director
DIN: 00111872

Place: Kolkata
Date: 30th June 2020

For and on behalf of the Board

Arun Kumar Churiwal
(Chairman, CSR Committee)
DIN: 00001718

[Disclosure 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 2019-20 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/ (decrease) in Remuneration
1.	Mr. A.C. Chakrabortti	Chairman & Non-Executive Independent Director	4.59	-
2.	Mr. Sushil Jhunjhunwala	Executive Vice Chairman	298.01	-10.48
3.	Mr. Ajit Jhunjhunwala	Managing Director	193.57	-27.36
4.	Mrs. Nidhi Jhunjhunwala	Executive Director	86.54	-28.76
5.	Mr. Subir Bose	Non-Executive & Independent Director	3.06	-
6.	Mr. Rajiv Gujral	Non-Executive & Independent Director	3.06	-
7.	Mr. Arun Kumar Churiwal	Non-Executive Director	3.06	-
8.	Prof. Santanu Ray	Non-Executive & Independent Director	3.06	-
9.	Mrs. Mamta Binani	Non-Executive & Independent Director	3.06	NA
10.	Mr. Alok Pandey	Chief Financial Officer and Company Secretary	Not Applicable	9.76

- 2) The percentage increase in the median remuneration of employees in the financial year is 24.46%.

- 3) The permanent number of employees on the rolls of the Company is 1067.

- 4) Relationship between average increase in remuneration and company performance: - The profit before tax for the financial year ended March 31, 2020 decreased by 7.08% whereas increase in median remuneration was 24.46 %.

- 5) Comparison of Remuneration of the Key Managerial Personnel against the performance of the Company:

The total remuneration of Key Managerial Personnel decreased by 18.44% from Rs. 1,006.39 lakhs in FY 2018-19 to Rs. 820.82 lakhs in FY 2019-20 whereas Profit before tax decreased by 7.08% from Rs. 11,262.22 lakhs in FY 2018-19 to Rs. 10,464.90 lakhs in FY 2019-20. The key Managerial Personnel were paid around 9.74% of the Profit after Tax in the FY 2019-20 and 13.59% in the FY 2018-19.

- 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	31-03-20	31-03-19
Market Capitalization (₹ In crores)	1637.81	2407.59
Price Earnings Ratio	19.44	32.52
Increase in the market quotations of the equity shares in comparisons to the rate at which the last public offer made in February,1995	6576%	9714%

- 7) The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 14.45 % as against the decrease of 14.21 % 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 decrease in Profit before tax is 7.08 % whereas increase/(decrease) in remuneration to each KMP and ratio of the remuneration to the PAT.

Name	Percentage of increase/(decrease)	Ratio to the PAT
Mr. Sushil Jhunjunwala	(10.48%)	4.75%
Mr. Ajit jhunjunwala	(27.36%)	3.09%
Mrs. Nidhi Jhunjunwala	(28.76%)	1.33%
Mr. Alok Pandey	9.76%	0.58%

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 Executive Vice Chairman. No employee has received remuneration in excess of the Executive Vice Chairman 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.

For and on behalf of the Board

Place: Kolkata
Date: 30th June, 2020

A. C. Chakrabortti
Chairman
DIN: 00015622

ANNEXURE - VII

**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 (₹ in Lakh)	Qualification	Experience (Years)	Commencement of Employment	Age (Years)	Last Employed	
							Organization	Post Held
Mr. Susil Jhunjunwala	Executive Vice Chairman	389.67	Graduate in Commerce	51	01.10.1994	69	Radha Glass & Industries Ltd.	Director
Mr. Ajit Jhunjunwala	Managing Director	253.11	Graduate in Commerce	30	01.10.1997	49	-	-
Mrs. Nidhi Jhunjunwala	Executive Director	113.16	Graduate in Arts	20	01.07.2002	47	-	-

Note: 1. All appointments are contractual.

For and on behalf of the Board

A.C. Chakrabortti
Chairman
DIN:00015622

Place: Kolkata
Date: 30th June 2020

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the Directors present the "Business Responsibility Report" (BRR) of the Company for FY 2019-20.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Company Information
1.	Corporate Identity Number (CIN) of the Company	L26101WB1987PLC042512
2.	Name of the Company	La Opala RG Limited
3.	Registered Office Address	'Chitrakoot', 10th Floor, 230A AJC Bose Road, Kolkata 700 020, West Bengal, India.
4.	E-mail Id	info@laopala.in
5.	Website	www.laopala.in
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged	Glass and Glass Products
8.	List three key products/services that the Company manufactures/provides	Opalware & Crystalware
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (b) Number of National Locations	The Company carries out business activities across India with: 0 Factories – 3 Corporate Office – 1 Wind Mill - 1
10.	Markets served by the Company	Serves National and International Market

SECTION B: FINANCIAL DETAILS OF THE COMPANY (Standalone)

1. Paid up Capital (INR) : Rs. 22.20 Crores
2. Total Turnover (INR) : Rs. 267.59 Crores
3. Total Profit After Taxes (INR) : Rs. 84.27 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 1.84%
5. List of activities in which expenditure in 4 above has been incurred: - Promoting Education, Promoting Preventive healthcare, Animal Welfare, Setting up homes and hostels for women and orphans, Empowering Woman, Rural Development Project, Protection of National Heritage, Healthcare & Sanitation.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? : No
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? : Not Applicable (N.A)
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? : No

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR.

(a) Details of the Director responsible for implementation of the BR policy/policies:

Sr. No.	Particulars	Details
1.	DIN Number	00111872
2.	Name	Mr. Ajit Jhunjunwala
3.	Designation	Managing Director

(b) Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN Number if applicable	N.A.
2.	Name	Mr. Alok Pandey
3.	Designation	CFO & Company Secretary
4.	Telephone Number	760408814/5/6/7
5.	Email ID	alok@laopala.in

2. Principle-wise (as per NVGs) BR Policy/Policies

(a) Details of compliance - Reply in Yes (Y)/ No (N)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/ policies for the Principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any National / International standards?	The principles contained reference of various Act and Regulation issued by government legislatives and also confirm in tune of International Standard like ISO 9001.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/appropriate Board Director?	Policies mandated under the Companies Act, 2013 and SEBI (LODR) 2015 are approved by the Board and other applicable policies are approved by the Board of Directors or Functional Heads of the Company as appropriate.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company has Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee, CSR Committee and also adequate internal control systems to oversee the implementation of policies.								
6.	Indicate the link for the policy to be viewed online?	http://www.laopala.in/policies								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever appropriate.								
8.	Does the Company have in-house structure to implement the policy/ policies.	Yes								
9.	Does the Company have a grievance Redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, wherever appropriate.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, wherever appropriate.								

(b) If answer to the question at serial number 1 against any principle is 'No', please explain why: N.A

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

BR performance of the Company under various principles is assessed periodically at various Board and Committee meetings of La Opala RG Ltd.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Business Responsibility Report is a part of Annual Report, available on the website of the Company www.laopala.in

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1:

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

La Opala RG Ltd. discharges its responsibility of financial and other mandatory disclosure by complying various regulation and norms issued by the various regulatory like Companies Act 2013, SEBI's regulation, Pollution board etc.

Company is committed to develop governance structures, procedures and practices that ensure ethical conduct at all levels and promote the adoption of Ethics, Transparency and Accountability across value chain.

A. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

The Company has defined the Code of Conduct for its Directors and employees that cover issues related to ethics, workplace responsibilities and conflict of interest. It also covers all dealings with suppliers, customers and other business associates.

Further, the Company has adopted a Whistle Blower Policy to provide a mechanism for employees and Directors of the Company to approach the Chairman of the Audit Committee and Risk Management Committee of the Company for reporting unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct.

The Company has also in place Anti-Sexual Harassment Policy to maintain a work environment free from any form of conduct which can be considered as harassing, coercive or disruptive.

B. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the Financial Year 2019-20, a total of 7 complaints had been received from shareholders and all have been resolved.

Principle 2:

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

A. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

Company mainly deals with opal and crystal glassware where we continue to innovate and use efficient technology to favors ecology.

The chemical used in the manufacturing process

does not contain any Bone Ash and is made up of non-porous materials. It is completely hygienic and safe for human use.

B. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): Details of conservation of energy are given in **Annexure-IV** of the Directors' Report.

C. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Yes, the Company has an effective forecast system enabling purchase of raw materials based on sales forecast and trends in domestic and international market to ensure optimal raw material procurement.

D. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Over the years, we have developed many local vendors in and around the area of our plant. We are extensively using local vendor wherever possible.

E. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)?

Yes, Company's production process is to optimize the material and energy resources. All our rejected products are 100% recyclable.

Principle 3:

Businesses should promote the wellbeing of all employees

A. Total number of employees:

Permanent Staffs	356
Permanent Workers	711
	1067

B. Total number of employees hired on temporary/ contractual/casual basis : 337

C. Number of permanent women employees: 74

D. Number of permanent employees with disabilities: Nil

E. Do you have an employee association that is recognized by management: Yes

F. What percentage of your permanent employees is members of this recognized employee association? : 3.74%

G. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year: Nil

H. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- a. Permanent Employees: 100%
- b. Permanent Women Employees: 100%
- c. Casual/Temporary/Contractual Employees: 100%
- d. Employees with Disabilities: NA

Principle 4:

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

A. Has the Company mapped its internal and external stakeholders? Yes

B. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

The Company is an equal opportunity employer, none of the categories is marginalized.

As regards other stakeholders, the company has a policy of non-discrimination.

Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? Not Applicable

Principle 5:

Businesses should respect and promote human rights

A. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy covers only the company.

B. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the financial year 2019-20, the Company did not receive any complaint with regard to violation of human rights.

Principle 6:

Business should respect, protect and make efforts to restore the environment

Company is improving their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy. Wind Mill is one of the initiatives taken by the company to supply clean

and renewable energy. Company is also utilizing natural and manmade resource in an optimal and responsible manner and ensuring the sustainability of resource by recycling and managing waste.

A. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. Largely covers the company only.

B. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Climate change, global warming and environmental degradation pose unique challenges as well as opportunities for the Company. The Company is continuously implementing process improvements to reduce emissions and wastes. We have taken various initiatives by considering environmental concern such as reduction of fuel consumption, conversion of oil fired furnace to electric furnace, installation of automatic acid washing plant to reduce pollution and reduction in usage of plastic.

C. Does the Company identify and assess potential environmental risks?

Yes, potential aspect related to environment are identified and evaluated for their impact on basis of severity scale and probability. All the significant aspects have operational control procedure in place.

D. Does the Company have any project related to Clean Development Mechanism? No

E. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company is committed to reduce environmental impacts on natural resources by implementing best technology, Management programs through a combination of reduction in use of energy, water conservation, minimize air emissions, rainwater harvesting and solid waste recycling.

F. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. The Company files statutory declarations with the pollution control boards on the emissions and waste generated and they are within permissible limits granted by the pollution control board.

G. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. NIL

Principle 7:

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Company's while achieving its business goals engage itself with various trade and industry chambers and association and other such collective platform to undertake policy advocacy.

Further, while pursuing advocacy, company ensure that the policies are consistent with the principle and core elements contained in these Guidelines.

A. Is your Company a member of any trade and chamber or association?

- a. Indian Chamber of Commerce
- b. Calcutta Chamber of Commerce

B. Have you advocated/lobbied through above associations for the advancement or improvement of public good?

Yes, The Company engages with government, regulatory and other relevant authorities for development of public policies in keeping with the Company's work in Society, sustainability and compliance commitments. Company prefers to be part of the broader policy development process and do not practice lobbying on any specific issue.

Principle 8:

Businesses should support inclusive growth and equitable development

A. Does the Company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company strongly believes in the principle of inclusive growth and equitable development of society at large. The Company has a well-defined CSR Policy and spends on various projects/ activities as listed in the CSR report forming part of the Directors Report.

B. Are the programmes /projects undertaken through in-house team/own foundation / external NGO/government structures/any other organization?

The projects which we fund are either undertaken by NGOs, Reputed Educational/Research Institutions, and Public Charitable Trusts having track record.

C. Have you done any impact assessment of your initiative? Yes

D. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

CSR projects undertaken by the company are for the benefit of the community at large. The details

of project / activities are listed in the separate CSR Report attached with this Annual Report.

E. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

CSR projects and programs are undertaken after identifying the communities that require development. The Company also interacts with the stakeholders to ensure that its projects are being implemented effectively.

Principle 9:

Businesses should engage with and provide value to their customers and consumers in a responsible manner

Company 's consistent commitment to provide world-class products to consumers has made it as one of the most trusted, valuable and popular brands among Indian consumers in various reputed surveys.

Company has been providing value to its consumers since years without any compromise and has put in place effective consumer complaints redressal system. The Company discloses the necessary information on its products to promote consumer awareness, market its products in responsible manner and exercise due care in utilization of natural resources.

A. What percentage of customer complaints/ consumer cases are pending as on the end of financial year? Insignificant.

B. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information). Yes

C. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so. Nil

D. Did your company carry out any consumer survey/ consumer satisfaction trends?

The company carries out formal and informal surveys through its service camps and external research agencies.

For and on behalf of the Board

A.C. Chakraborti
Chairman
DIN:00015622

Place: Kolkata
Date: 30th June 2020

**ANNEXURE TO DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE**

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2020, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company firmly believes in adapting and adhering globally recognized standards of corporate conduct towards its employees, clients and society. Corporate Governance is an on-going process ensuring integrity, transparency and accountability in dealing with employees, shareholders, suppliers, customers and the community at large. The company's Board is fully aware of its fiduciary responsibilities in the widest sense of the term. The company is committed to attain high standards of Corporate Governance by ensuring integrity in financial reporting, disclosure of material information, continuous improvement of internal controls and sound investor relations. The Company's Governance code is available on the Company's website www.laopala.in for general information.

2. BOARD OF DIRECTORS

(a) Composition of Board

As on March 31, 2020, the Company has nine Directors, Of the nine directors, six are Non-Executive Directors out of which five are Independent Directors including one Chairman and the remaining three are Executive Directors

holding office of Executive Vice Chairman, Managing Director and Executive Director respectively. The business of the company is managed by the Executive Vice Chairman and two whole time Executive Directors under the guidance, supervision and control of the Board of Directors.

Since, the Company has a Non-Executive Chairman; one-third of its Board was comprised of Independent Directors in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2020. Thus, composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

The Company requires skills/expertise/competencies in the areas of strategy, finance, accounting, legal and regulatory matters to efficiently carry on its core businesses such as manufacturing of opal and crystal glassware. All the above required skills/expertise/competencies are available with the Board.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

Attendance of the Directors' at the Board Meeting and the last Annual General Meeting, Other Board Directorship and other Membership or Chairmanship of Board Committee as on March 31, 2020 is as under:

Name of the Director	Category of Director	No. of Board Meetings Attended During the FY 2020	Attendance At last AGM held on August 10, 2019	No. of Directorship (s) held in other Public limited Companies as on March 31, 2020	No. of Committee* Positions held in other Board Committee of Public Limited Companies as on March 31, 2020		Directorship in other listed entities (Category of directorship)
					Chairman	Member	
Mr. A. C. Chakraborti**	Chairman Non-Executive & Independent	4	Yes	3	2	1	Asian Hotels (East) Limited (Non-Executive & Independent) Texmaco Rail & Engineering Ltd (Non-Executive & Independent)
Mr. Sushil Jhunjhunwala	Executive Vice Chairman	4	Yes	2	1	2	Genesis Exports Limited (Non-Executive) BSL Limited (Non-Executive & Independent)

Name of the Director	Category of Director	No. of Board Meetings Attended During the FY 2020	Attendance At last AGM held on August 10, 2019	No. of Directorship (s) held in other Public limited Companies as on March 31, 2020	No. of Committee* Positions held in other Board Committee of Public Limited Companies as on March 31, 2020		Directorship in other listed entities (Category of directorship)
					Chairman	Member	
Mr. Ajit Jhunjhunwala	Managing Director	4	Yes	1	0	1	Genesis Exports Limited (Non-Executive)
Mrs. Nidhi Jhunjhunwala	Executive Director	4	Yes	0	0	0	None
Mr. Rajiv Gujral **	Non-Executive & Independent	4	Yes	2	0	2	None
Mr. Subir Bose	Non-Executive & Independent	3	No	1	0	0	None
Prof. Santanu Ray	Non-Executive & Independent	4	Yes	8	4	3	Century Plyboards (India) Ltd (Non-Executive & Independent) Genesis Exports Ltd (Non-Executive & Independent) Star Cement Limited (Non-Executive & Independent) Shyam Century Ferrous Ltd. (Non-Executive & Independent) Bharat Road Network Ltd (Non-Executive & Independent) SKP Securities Ltd. (Non-Executive & Independent)
Mr. Arun Kumar Churiwal	Non-Executive	4	Yes	3	0	2	BSL Limited (Executive) RSWM limited (Non-Executive)
Ms. Mamta Binani	Non-Executive & Independent	3	Yes	6	2	2	Kkalpana Industries (India) Ltd (Non-Executive & Independent) Century Plyboards (India) Ltd (Non-Executive & Independent) GPT Infraprojects Limited (Non-Executive & Independent) Skipper Ltd (Non-Executive & Independent)

Notes:

- *For this purpose, only Audit Committee and Stakeholders Relationship Committee of Indian Public Ltd Companies (excluding La Opala RG Ltd.) have been considered.
- **Re-appointed as an Independent Director w.e.f. August 13, 2019
- None of the Directors is a Director in more than 10 Public Limited Companies or serves as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been made by the Directors.
- All Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to them. In the opinion of the Board, the Independent Directors are independent of the management.

(b) Number of meetings of the Board of Directors held and the dates on which held:

The Board met four times during the financial year 2019-20 on May 11, 2019; August 10, 2019; November 09, 2019 and February 14, 2020. The gap between two board meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

Intimation of the Board meetings and Committee meetings are given well in advance and communicated to all the Directors. The agenda along with the explanatory notes are sent in advance to all the Directors in accordance with the Secretarial Standard-1 issued by the Institute of Company Secretaries of India. Additional meetings of the Board are held when deemed necessary by the Board. Senior Executives are invited to attend the Board meetings as and when required.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

The minimum information as specified in Part A of Schedule II of Regulation 17 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration.

(c) Disclosure of relationship between Directors inter-se:

Mr. Sushil Jhunjhunwala is father of Mr. Ajit Jhunjhunwala and father-in-law of Mrs. Nidhi Jhunjhunwala. In this way, they are related to each other. There are no inter se relationships between the other Board members except disclosed above.

(d) Independent Directors Meeting and Non-Executive Directors

During the FY 2020, one meeting of the Independent directors of the Company was held on February

14 2020 without the presence of other directors or management representatives, to review the performance of Non-Independent Directors, the Board as a whole and the Chairman after taking into account the views of Executive Directors and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the management and the Board.

The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, code of conduct, disclosure, confidentiality, etc. The terms and conditions of their appointment have been disclosed in the website of the Company.

During F.Y. 2019-20, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, except for the payment of commission and sitting fees in accordance with the applicable laws and with the approval of the members.

(e) Number of shares held by Non-Executive Directors:

The Non-Executive Directors namely Mr. A. C. Chakrabortti holds 12,000 Equity Shares and Mr. Arun Kumar Churiwal holds 13,400 Equity Shares in the Company. None of the other Non-Executive Directors hold any Shares or convertible instruments of the Company as on March 31, 2020.

(f) Key Board Qualifications, Skills, Expertise and Attributes

The Directors are committed in ensuring that the Board is in compliance with the highest standards of Corporate Governance. In terms of the requirement of the Listing Regulation, the Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Skills and Attributes	Description
Business & Industry	Domain Knowledge in Business and understanding of business environment, Optimizing the development in the industry for improving Company's business.
Financial Expertise	Financial and risk management, Internal control, Experience of complex financial reporting processes, capital allocation, resource utilization, Understanding of Financial policies and accounting statement and assessing economic conditions.
Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

(g) Familiarization Programme for Independent Directors

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by various business & functional heads at Board Meetings. Such Meetings include briefings on the culture, values, performance, business model of the Company, the roles and responsibilities of Directors and Senior Executives. The Directors are regularly updated about Company's New projects, changes in regulatory environment and strategic direction. The Board members are provided with necessary documents, reports and internal policies enable them to familiarize with the Company's procedures and practices. The details of such familiarization programme for Independent Directors have been posted in the website of the Company at www.laopala.in.

(h) Board Evaluation

The Nomination and Remuneration Committee has formulated a policy for evaluation of the Board, its Committees and Directors and the same has been

approved and adopted by the Board. The details of Board Evaluation forms part of the Board's Report.

3. COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors. The Committee provides the Board with additional assurance as to the adequacy of the Company's internal control systems and financial disclosures. The Committee comprised of three Non-Executive directors out of which two are Independent Directors as on March 31, 2020. During the F.Y. 2019-20, 4 (four), meetings of the Committee were held on May 11, 2019, August 10, 2019, November 9, 2019 and February 14, 2020.

The composition of the Audit Committee meets with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The details of members, their category and number of meetings attended by them during the F.Y. 2019-20 are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings held	No. of meetings attended
Mr. Rajiv Gujral, Chairman	Non-Executive and Independent	4	4
Mr. A. C. Chakrabortti, Member	Non-Executive and Independent	4	4
Mr. Arun Kumar Churiwal, Member	Non-Executive	4	4

The broad terms of reference of the Committee are in accordance with Part C of Schedule-II of Regulation 18(3) of the Listing Regulations and as per Section 177 of the Companies Act, 2013 and major terms of reference, inter alia, includes the following:

- Review of the Company's financial reporting process, the financial statements and financial / risk management policies;
- Review Quarterly, Half-yearly and Annual Financial Statements/Results of the Company and discuss with Auditors;
- Review of the Internal Audit System, the adequacy of Internal Control Systems;
- Discussion with internal auditors of any significant findings and follow up there on
- Examination of the financial statement and the auditors' report thereon;
- 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 and monitor the Auditor's Independence and performance and effectiveness of Audit process;
- Evaluation of internal financial controls and risk management systems;
- Approval or any subsequent modification of transactions of the Company with related parties;
- To investigate matters referred to it by the Board.

Mr. Alok Pandey, CFO and Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee, Mr. Rajiv Gujral, an Independent Director was present at the Annual General Meeting of the Company held on 10th August, 2019.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The Committee comprised of 3 Non-Executive Directors, out of which two

are Independent Directors as on March 31, 2020. The Committee met once during the financial year 2019-20 on February 14, 2020.

The details of members, their category and number of meetings attended by them during the F.Y. 2019-20 are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings held	No. of meetings attended
Mr. Subir Bose, Chairman	Non-Executive and Independent	1	1
Mr. A. C. Chakrabortti, Member	Non-Executive and Independent	1	1
Mr. Arun Kumar Churiwal, Member	Non-Executive	1	1

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 the time being in force.

The role of Nomination & Remuneration Committee and terms of reference inter alia includes the following:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the performance of the Board, its Committees and individual directors;
- Laying down criteria, to identify persons who are qualified to become directors & who can be

appointed in senior management;

- Recommending to the Board, appointment/re-appointment & removal of directors & senior management;
- Review the performance of the Board of Directors and senior Management employees and based on criteria as approved by the Board.
- Devising a policy on Board diversity
- Oversee familiarization programs for Directors.

The Chairman of the Nomination & Remuneration Committee, Mr. Subir Bose, an Independent Director could not attend the Annual General Meeting held on 10th August, 2019 as he was out of the country for personal reasons. The Company Secretary of the Company acts as the Secretary of the Committee.

The details of remuneration (including salary, commission, monetary value of perquisites) and sitting fees paid for attending meetings of the Board of Directors and Committees thereof during the F.Y. 2019-20 to all the Directors are furnished hereunder:

Details of remuneration/commission to Executive Directors

(₹ in lakh)

Name of the Directors	Salary and perquisites	Commission	Total
Mr. Sushil Jhunjunwala, Executive Vice Chairman	289.67	100.00	389.67
Mr. Ajit Jhunjunwala, Managing Director	193.11	60.00	253.11
Mrs Nidhi Jhunjunwala, Executive Director	68.16	45.00	113.16
Total	550.94	205.00	755.94

Details of sitting fees/commission to Non-Executive Directors (₹ in lakh)

Name of the Directors	Sitting Fees	Commission	Total
Mr. A C Chakrabortti	2.70	6.00	8.70
Mr. Rajiv Gujral	2.70	4.00	6.70
Mr. Arun Kumar Churiwal	2.40	4.00	6.40
Mr. Subir Bose	1.20	4.00	5.20
Prof. Santanu Ray	1.50	4.00	5.50
Mrs. Mamta Binani	0.90	4.00	4.90
Total	11.40	26.00	37.40

Notes:

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

The criteria for making payments to Non-Executive Directors of the Company is uploaded on the website of the Company.

Stakeholders' Relationship Committee

The Stakeholders Relationship Committee (SRC) terms of reference include to specifically look into the redressal of Investors' complaints on transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend etc.

To expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agent and its officials to redress all complaints/grievances/inquires of the Members/ Investors. The Company Secretary of the Company acts as

the Secretary of the Stakeholders Relationship Committee and under his supervision Committee redresses the grievances/complaints of Members/ Investors.

The Stakeholders Relationship Committee comprises of four directors out of which two are Executive Directors. The Committee met once during the financial year 2019-20 on February 14, 2020 and all members were present at the meeting.

The Composition of the Committee as stated below:

Name of the Committee Member & Designation in Committee	Category in the Board
Mr. Arun Kumar Churiwal, Chairman	Non-Executive Director
Prof. Santanu Ray*	Non-Executive Independent Director
Mr. Sushil Jhunjunwala, Member	Executive Vice Chairman
Mr. Ajit jhunjunwala, Member	Managing Director

* Prof. Santanu Ray was inducted as Member of Stakeholders Relationship Committee w.e.f. May 11, 2019.

The previous AGM of the Company was held on August 10, 2019 and was attended by Mr. Arun Kumar Churiwal, Chairman of the Stakeholders' Relationship Committee.

In terms of Regulation 6 and Schedule V of the Listing Regulations, the Board has appointed Mr. Alok Pandey, Company Secretary as the Compliance Officer of the Company.

The details of complaints received and resolved

during the F.Y. ended March 31, 2020 are given below:

Details of Shareholders' complaints received and resolved during the year ended March 31, 2020:

Opening as on April 01, 2019	Nil
Received during the year	7
Resolved during the year	7
Closing as on March 31, 2020	Nil

Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee is constituted in line with the provisions of Section 135 of the Act. The composition of which is furnished hereunder:

Name of the Committee Member & Designation in Committee	Category in the Board
Mr. Arun Kumar Churiwal, Chairman	Non-Executive Director
Mr. A. C. Chakrabortti, Member	Non-Executive Independent Director
Mr. Sushil Jhunjunwala, Member	Executive Vice Chairman
Mr. Ajit jhunjunwala, Member	Managing Director
Mrs. Nidhi Jhunjunwala, Member	Executive Director

The Committee met once during the financial year 2019-20 i.e. on December 6, 2019 where all members were present at the meeting

The Committee has been constituted with the following terms of reference:

- To formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- To recommend the amount of expenditure to be incurred on the activities as prescribed in the Schedule VII of the said Act.
- To monitor the Company's CSR Policy periodically.
- Attend to such other matters and functions as may be prescribed from time to time.

The Company Secretary of the Company acts as the Secretary of the Corporate Social Responsibility Committee. The Policy on CSR is displayed on the website of the Company.

Please refer to the Board's Report and its annexures for details regarding CSR activities carried out by the Company during the year ended 31st March 2020.

Risk Management Committee

The Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. As on March 31, 2020, the Risk Management Committee comprises of the following:

Name of the Committee Member & Designation in Committee	Category in the Board
Mr. Arun Kumar Churiwal, Chairman	Non-Executive Director
Mr. Sushil Jhunjunwala, Member	Executive Vice Chairman
Mr. Ajit jhunjunwala, Member	Managing Director
Mr. Subir Bose, Member	Non-Executive Independent Director

The Committee met once during the financial year 2019-20 i.e. on February 14, 2020 where all members were present at the meeting

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

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

4. GENERAL BODY MEETINGS

a) Details of location, time and date of last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue
2018-19	10th August, 2019	11:00 A.M	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017
2017-18	14th August, 2018	03:00 P.M.	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017
2016-17	26th August, 2017	10:30 A.M.	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017

b) Extra Ordinary General Meeting:

There was no Extra Ordinary General Meeting held during the F.Y. 2019-20.

c) Special Resolution passed during last three years at the Annual General Meetings:

(a) Special Resolution passed at the 30th Annual General Meeting held on August 26, 2017

- (i) Re-appointment of Mr. Ajit Jhunjunwala (DIN: 00111872) as Executive Director of the Company for a further period of 5 (five) years with effect from 1st October, 2017 with modification of remuneration.

(b) No Special Resolution was passed at the 31st Annual General Meeting held on August 14, 2018

(c) Special Resolution passed at the 32nd Annual General Meeting held on August 10, 2019

- (i) Re-appointment of Shri Sushil Jhunjunwala as Executive Vice Chairman of the Company

w.e.f. 1st October, 2019 upto 30th September 2024.

(ii) Re-appointment of Shri A.C. Chakrabortti (DIN: 00015622) as an Independent Director of the Company.

(iii) Re-appointment of Shri Rajiv Gujral (DIN: 00409916) as an Independent Director of the Company.

(iv) Approval of the remuneration by way of commission payable to the Non-Executive Director(s) of the Company.

d) Resolutions passed through Postal Ballot:

During the year under review, the Company has passed one special Resolution through Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment (s) or re-enactment(s) made thereunder), as per the details below:

Description of the Resolution	Approval for Alteration of Object Clause in the Memorandum of Association of the Company pursuant to the provision of section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules and Regulations made thereunder.						
	Type of resolution	Special					
Manner of Voting	Total Votes	Invalid/Not Voted	Valid Votes	Votes in favour of the resolution		Votes against the resolution	
	Nos.	Nos.	Nos.	Nos.	Percentage	Nos.	Percentage
E-Voting	8,95,82,364	0	8,95,82,364	8,95,79,404	99.99	2,960	0.003
Postal Ballot	6,945	8	6,937	6,937	100.00	0	0.00
Poll	0	0	0	0	0.00	0	0.00
Total	8,95,89,309	8	8,95,89,301	8,95,86,341	99.00	2,960	0.003

The Board has appointed Mr. Pravin Drolia, a Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

During the conduct of the Postal Ballot, the Company had in terms of Regulation 44 of the SEBI Listing Regulations, 2015 provided e-voting facility to its shareholders to cast their votes electronically through the NSDL e-voting platform. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published a notice in the newspaper declaring the details of completion of dispatch

and other requirements as mandated under the Companies Act, 2013 and applicable Rules. The scrutinizer submitted his report to the Chairman, after completion of the scrutiny and the results of voting by posting ballot were then announced by the Company Secretary (Authorised officer). The voting results were sent to the Stock Exchange and displayed on the Company's website. The date of declaration of the results by the Company is deemed to be the date of passing of the resolution.

Details of special resolution proposed to be conducted through postal ballot:

No Special Resolution is proposed to be conducted

through Postal Ballot at the ensuing Annual General Meeting.

5. DISCLOSURES

(a) Related Party Transactions:

Transactions entered into with related parties during FY 2020 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee.

No material transaction has been entered into by the Company with related parties that may have a potential conflict with interest of the Company. The details of related party transactions form a part of the Accounts as required under IndAs 24 and the same are given in Note 44 to the Financial Statements.

The Board's approved policy for related party transactions is uploaded on the website of the Company www.laopala.in.

(b) Non-compliance/strictures/penalties imposed:

No strictures / penalties have been imposed on the Company by Stock Exchange(s) or the SEBI or any statutory authority on any matters related to capital markets during the last three years.

(c) Whistle Blower Policy and Vigil Mechanism

The Company has adopted Whistle Blower Policy (Vigil Mechanism) for Directors and Employees to report concerns about unethical behavior which has been placed on the Company's Website www.laopala.in. No person has been denied access to the Chairman of the Audit Committee.

(d) Subsidiary Company

The Company has no subsidiary company during the financial year ended March 31, 2020.

(e) Code of Conduct for prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in the equity shares of the Company by the Directors and designated employees. Mr. Alok Pandey, Company Secretary is the Compliance Officer. The Code of Conduct is applicable to all Directors, Whole-time Directors, CFO, Vice- President(s), General Manager(s), Statutory Auditors, Secretarial Auditors and Internal Auditors who are expected to have access to Unpublished price sensitive information relating to the Company. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code.

(f) Code of Conduct

The members of the Board and Senior Management

Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2020. The Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from the members of the Board and Senior Management.

The Code of Conduct has been posted on the website of the Company i.e. www.laopala.in.

(g) Disclosure of Accounting Treatment

The company follows Indian Accounting Standards (Ind AS), prescribed under section 133 of the Companies Act' 2013, read with the relevant rules issued by the Ministry of Corporate Affairs in the preparation of its financial statements.

(h) Foreign exchange risk and hedging activities

Though there is a natural hedging, the Company manages foreign exchange risk through forward contract on case to case basis.

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

The Company has complied with all the mandatory requirements of Corporate Governance Report as stated under sub-para (2) to (10) of Para C of Schedule V to the Listing Regulations. The Company has also complied with all the requirements of Corporate Governance as specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(j) Reconciliation of Share Capital Audit Report

A qualified Practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The audit report is disseminated to the Stock Exchanges on quarterly basis.

(k) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details have been disclosed in the Board's Report.

(l) The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

(m) As required by Clause 10(i) of Part C under Schedule V of SEBI Listing Regulations, the Company has received a certificate from Practicing

Company Secretary certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority.

A certificate to this effect duly signed by the practicing Company Secretary is annexed to this report

(n) All the recommendations of the various committees were accepted by the Board.

(o) During the year, details of fees paid/payable to the Statutory Auditors of the Company is given below:

(₹ in lakh)

Particulars	Amount
Audit fees for Statutory Audit (including quarterly audits)	9.00
Other Services	7.58
Total	16.58

6. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS - PART E OF SCHEDULE II

The Company has complied with following non-mandatory requirements as prescribed in Part E of Schedule-II to Regulation 27(1) of the Listing Regulations is as under:

i. The Board:

The Chairman of the Company is a Non-Executive & Independent Director and no reimbursement of his expenses is made by the Company.

ii. Shareholder Rights:

The quarterly and half yearly financial performance are published in the newspapers and are also posted on the website of the Company and hence, it is not being sent to the shareholders.

iii. Audit qualifications:

The Company's financial statement for the year 2019-20 does not contain any audit qualification.

iv. Separate posts of Chairman and Managing Director or Chief Executive Officer:

The Company has a Non-Executive & Independent Chairman whose position is separate from that of the Managing Director of the Company.

v. Reporting of Internal Auditor:

The Internal Auditor presents his report to the Audit Committee on quarterly basis.

7. MEANS OF COMMUNICATION

The quarterly and half yearly unaudited and annual audited financial results were published in 'The Business Standard' in English and 'Aajkal' (regional language) in Kolkata. All periodical compliance filings inter-alia, quarterly financial results, shareholding pattern, reports on compliance with corporate governance, corporate announcements and statement of investor complaints, etc. are regularly uploaded on the Company's website – 'www.laopala.in' after its submission to the Stock Exchanges electronically on the BSE Listing Centre and NEAPS in compliance with Regulation 46 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Annual Report containing, inter-alia, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to all members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Directors' Report in the Annual Report. The Annual Report is displayed on the Company's website (www.laopala.in).

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

8. GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting:

Day & Date	August 14, 2020
Time	2:00 P.M.
Venue	The Company is conducted meeting through VC /OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

b) Tentative Financial Calendar (F.Y. 2020-2021):

Financial Year	1st April, 2020 – 31st March, 2021
First quarter results	On or before 14th August, 2020
Second quarter/Half Yearly results	On or before 14th November, 2020
Third quarter results	On or before 14th February, 2021
Results for the Financial Year	On or before 30th May, 2021

c) Listing on Stock Exchanges

The National Stock Exchange of India Limited, Mumbai (Listing Fee Paid); The Bombay Stock Exchange, Mumbai (Listing Fee Paid); The Calcutta Stock Exchange Association Limited, Kolkata (Applied for delisting)

d) Stock Code/Symbol

BSE Limited: 526947
NSE Limited: LAOPALA

e) Demat ISIN No. for CDSL & NSDL

INE059D01020

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

(Amount in ₹)

Month	Share Price Of Company in BSE		Share Price Of Company in NSE		S & P BSE Sensex		NSE Nifty 50	
	High	Low	High	Low	High	Low	High	Low
April 2019	218.60	200.60	219.30	202.10	39,487.45	38,460.25	11,856.15	11,549.10
May 2019	217.55	181.50	212.65	184.50	40,124.96	36,956.10	12,041.15	11,108.30
June 2019	205.00	181.00	205.50	182.00	40,312.07	38,870.96	12,103.05	11,625.10
July 2019	206.40	170.30	206.85	170.45	40,032.41	37,128.26	11,981.75	10,999.40
August 2019	188.65	143.40	188.30	143.20	37,807.55	36,102.35	11,181.45	10,637.15
September 2019	198.50	156.90	199.00	156.30	39,441.12	35,987.80	11,694.85	10,670.25
October 2019	180.50	162.20	181.05	162.85	40,392.22	37,415.83	11,945.00	11,090.15
November 2019	169.80	137.00	170.00	139.05	41,163.79	40,014.23	12,158.80	11,802.65
December 2019	149.00	131.50	148.45	130.50	41,809.96	40,135.37	12,293.90	11,832.30
January 2020	203.05	143.00	204.00	143.05	42,273.87	40,476.55	12,430.50	11,929.60
February 2020	228.00	174.85	228.00	174.00	41,709.30	38,219.97	12,246.70	11,536.70
March 2020	233.00	135.05	223.85	135.00	39,083.17	25,638.90	11,433.00	7,511.10

g) Registrar & Share Transfer Agents:

Name & Address : Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata – 700 001
Telephone nos. : 033-22482248, 2243-5029
Fax no : 033-22484787
Email id : mdpldc@yahoo.com
Website : www.mdpl.in

h) Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

i) Distribution of Shareholding as on March 31, 2020:

No. of equity Shares held	Shareholder(s) Nos.	Shareholder(s)%	Share(s) Nos.	Shares %
1 to 500	14,106	81.63	12,85,949	1.16
501 to 1000	1,334	7.72	10,27,442	0.93
1001 to 2000	1,065	6.16	17,21,119	1.55
2001 to 3000	240	1.39	5,90,238	0.53
3001 to 4000	140	0.81	5,02,336	0.45
4001 to 5000	89	0.52	4,08,957	0.37
5001 to 10000	159	0.92	11,60,351	1.04
10001 to Above	147	0.85	10,43,03,608	93.97
Total	17,280	100.00	11,10,00,000	100.00

j) Dematerialization of Shares:

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. As on March 31, 2020, 99.49 % of the Company's total paid up equity share capital representing 11,04,41,817 equity shares were held in dematerialized form and balance 0.50 % representing 5,58,183 equity shares were held in physical form.

k) Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

l) Plant Location:

(i) Glassware Unit:

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

(ii) Wind Mill Unit

Gorera Village, Jaisalmer, Rajasthan

m) Address for correspondence:

Shareholders should address their Correspondence to the Company's Registrar & Share Transfer Agents at the following address:

Maheshwari Datamatics Pvt. Ltd.

23, R. N. Mukherjee Road, 5th Floor,
Kolkata – 700 001
Telephone No.: 033-2248 2248, 2243 5029
Fax Nos.:033-2248 4787
Email- mdpldc@yahoo.com
Website: www.mdpl.in

Shareholders may also contact to 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: 7604088814/5/6/7
Facsimile nos: 2287 0284
E-mail: info@laopala.in
Website: www.laopala.in

Members are requested to quote their Folio no. / DP ID & Client ID, Email Id, Telephone Number and full address while corresponding with the Company / Share Transfer Agent.

n) Credit Rating

During the year, the Company has sustained its long term bank facility credit rating of AA (Stable) and short term bank facility credit rating of A1+ which has been reaffirmed by CARE Limited.

o) CEO / CFO Certification

The Managing Director and the Chief Financial Officer have furnished the necessary certificate to

the Board of Directors under Regulation 17(8) read with Schedule II Part B of the Listing Regulations with respect to financial statements for the year ended 31st March, 2020 and the same is attached with this report.

p) Compliance Certificate of the Auditors

A Certificate from the Auditors of the Company confirming compliance with conditions of Corporate Governance for the year ended on March 31, 2020, as stipulated under Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

For and on behalf of the Board

Place: Kolkata
Date: 30th June, 2020

Ajit Jhunjunwala
Managing Director
(DIN:00111872)

DECLARATION ON COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

I, Ajit Jhunjunwala, Managing Director, of La Opala RG Limited, do hereby confirm that all Directors and members of Senior Management Personnel of the Company have affirmed compliance with the code of conduct of the Company as laid down in Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2020.

For and on behalf of the Board

Place: Kolkata
Date: 30th June, 2020

Ajit Jhunjunwala
Managing Director
(DIN:00111872)

**Certificate under Regulation 17(8) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015
CHIEF EXECUTIVE OFFICER (C.E.O.)
AND CHIEF FINANCIAL OFFICER (C.F.O.) CERTIFICATION**

To,
The Board of Directors,
La Opala RG Limited

In pursuance to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Ajit Jhunjhunwala, Managing Director and Alok Pandey, Chief Financial Officer (C.F.O.) to the best of our knowledge and belief, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 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 Indian Accounting Standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, there were 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) No instance of significant fraud or 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 have come to our notice.

For La Opala RG Limited

For La Opala RG Limited

Place: Kolkata
Date: 30th June, 2020

Alok Pandey
Chief Financial Officer

Ajit Jhunjhunwala
Managing Director
(DIN:00111872)

**Independent Auditors' Certificate on Corporate Governance
to the members of La Opala RG Limited**

To the members of
La Opala RG Limited

1. We, Singhi & Co., Chartered Accountants, the statutory auditors of La Opala RG Limited ("The Company"), have examined the compliance of conditions of corporate governance by the company, for the year ended March 31, 2020 as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46 (2) and para C and D of Schedule V of SEBI (Listing obligations and Disclosure requirements) Regulations, 2015 (the Listing Regulations) as amended (the Listing Regulation).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance note on certification of corporate governance issued by Institute of the Chartered Accountants of India (ICAI), the Standards on Auditing specified under section 143 (10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the guidance note on report or certificate for special purpose issued by ICAI which requires that we comply with ethical requirements of the code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2020.
8. We 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.

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

Navindra Kumar Surana
Partner

Membership No. 053816

UDIN:20053816AAAABN2735

Place: Kolkata
Date: June 30, 2020

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and schedule V para C clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

To
The Members,
La Opala RG Limited,
10th floor, 230A, A J C Bose Road,
Kolkata 700020.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of La Opala RG Limited having (CIN: L26101WB1987PLC042512) and having registered office at Chitrakoot, 10th floor, 230A, A J C Bose Road, Kolkata 700020 and (herein referred to as 'the Company') produced before us by the Company for the purpose of issuing this certificate, in accordance with regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number(DIN) status at the portal www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we here by certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the SEBI, MCA or other Statutory Authority as the case may be.

Sr No	Name of the Director	DIN	Date of appointment
1	Sri Sushil Jhunjunwala	00082461	30/09/1994
2	Sri Ajit Jhunjunwala	00111872	03/10/1989
3	Sri Arun Kumar Churiwal	00001718	26/06/2004
4	Smt Nidhi Jhunjunwala	01144803	20/05/2010
5	Sri Amal Chandra Chakrabortti	00015622	29/10/1994
6	Sri Subir Bose	00048451	07/04/2017
7	Sri Santanu Ray	00642736	05/02/2018
8	Sri Rajiv Gujral	00409916	26/10/2007
9	Smt Mamta Binani	00462925	01/04/2019

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency 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
UDIN: F002366B000389379

Place: Kolkata
Date: 30-06-2020

INDEPENDENT AUDITOR'S REPORT

as at 31st March 2020

To the Members of
La Opala RG Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **La Opala RG Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.(hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
A. Non Current Investment in Listed Company Refer to note 8 to the financial statements. The company hold listed investments, which are carried at fair value through other comprehensive income (not to be recycled) and classified as level 2 financial instruments in the fair value hierarchy. The listed investments are included in "Investments" valued at Rs. 8,146.28 lakh in the financial statements.	Our procedures in respect of the valuation of listed investments included, among others, using our internal valuation specialists as part of our audit team to test the valuation inputs and assumptions, for this significant listed investments, in respect of: <ul style="list-style-type: none"> We benchmarked inputs used for valuations to current market best practices in assessing the appropriateness of the methodologies applied. Re-computation of the values and comparing it with valuer calculations, and

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>The share is listed at Calcutta stock exchange but no trading is being done accordingly no active market rate is available at which the investment is being valued. Consequently, this listed investment is to be valued by using other available valuation technique as determined by the Independent Valuer. Net asset values method has been used for valuation of the captioned investment. The valuation of listed investments requires the exercise of judgement and the use of subjective assumptions made for valuation by the Management or Valuer. Given the significance of the judgements involved in the valuation and classification of listed investments, this was considered a key audit matter in our audit of the financial statements.</p>	<ul style="list-style-type: none"> Our procedures in respect of the classification of investments for accounting purposes included assessing if the company was able to exercise significant influence in respect of these investments by applying the criteria for recognition of an associate set out in IND 28 Investment in Associates. The criteria included, amongst others, assessing whether or not there was representation on the board of the investees, participation in policymaking, and material transactions etc. <p>Our Observation: We consider key assumptions and estimates to be within the acceptable range and we assessed the classification of investment and the disclosure (Refer Note: 38) to the financial statements being proportionate.</p>
<p>B. Valuation and existence of inventories Refer to note 12 to the financial statements. As described in the accounting policies in note 1.2.F to the financial statements, inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realizable value below cost based upon future plans for sale of inventory.</p> <p>Further obtaining sufficient appropriate audit evidence to corroborate the management's assertions regarding existence and ownership.</p>	<p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories, related provisions and appropriate audit evidence to corroborate the management's assertions regarding existence and ownership by:</p> <ul style="list-style-type: none"> Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. Verifying for a sample of individual products that costs have been correctly recorded. Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision. Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year. Recomputing provisions recorded to verify that they are in line with the Company policy. Reviewing the physical verification documents related to inventories conducted during the years. Conducting physical verification of inventories on test basis and verifying quantity reconciliation of stock including review of consumption ratio of raw materials. <p>Our Observation: Based on the audit procedures performed we are satisfied that the valuation of inventory is appropriate.</p>

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>C. Valuation and existence of current investments Valuation and existence of current investments designated at fair value through profit or loss Investments designated at fair value through profit or loss (the Investments) are valued at Rs. 25,879.87 lakh and represent 42.35% of total assets. Further disclosures on the Investments are included at note 8 to the financial statements. This was an area of focus for our audit and the area where significant audit effort was directed. As at March 31, 2020, all Investments are in mutual funds and are actively traded with readily available, quoted market prices.</p>	<p>Our audit procedures included updating our understanding of the business processes employed by the Company for accounting for, and valuing, their investment portfolio. We obtained accounts confirmation from the mutual funds and verified that the company was the recorded owner of all current investments. Our audit procedures over the valuation of the Investments included agreeing the fair valuation of all Investments held at March 31, 2020 to the Net Assets Value provided by the respective Mutual funds.</p> <p>Our Observation: Based on the audit procedures performed we are satisfied with valuation and existence of current investment.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian

Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, 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 the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure

and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020 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 with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) In our opinion, the managerial remuneration for the year ended March

31, 2020 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

- (h) 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, as amended, 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 – Note 40 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.

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number: 302049E

(Navindra Kumar Surana)
Partner

Place: Kolkata Membership Number: 053816
Date: June 30, 2020 UDIN:20053816AAAABI2100

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of La Opala RG Limited of even date)

- i. In respect of the Company's fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - 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 as shown in note no. 3 & 4 of the financial statements except 3 (three) cases of buildings with gross value of Rs. 1321.80 lakh (Net carrying amount Rs.1274.43 lakh) titles for which registration is pending.
 - The physical verification of inventory excluding inventories in transit has been conducted at reasonable intervals by the Management during the year. The discrepancies noted on physical verification of inventory as compared to book records were not material.
 - The Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.
 - The Company has not given any loan, not made any investment and have not provided any guarantee in respect of which Section 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the paragraph 3(iv) of the Order is not applicable.
 - The Company has not accepted deposits from public within the meaning of section 73,74, 75,76 of the Act and the Rules framed there under to the extent notified
 - Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under section 148(1) of the Act in respect of its product. We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained but no detailed examination of such records and accounts have been carried out by us.
 - According to the information and explanations given to us and on the basis of our examination of the books of account:
 - The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable
 - According to the information and explanation given to us, the dues of sales tax, income tax and duty of excise, which have not been deposited on account of any dispute and the forum where the dispute is pending as on March 31, 2020 are as under:

Name of the statute	Nature of dues	Amount (₹ in Lakh)	Year	Forum where dispute is pending
Jharkhand VAT Act, 2005	Sales Tax	5.12	2007-08	Commissioner of Commercial Tax, Ranchi, Jharkhand
Income Tax Act, 1961	Income Tax	23.84	2011-12	Commissioner of Income Tax (Appeals), Kolkata
		14.72	2012-13	Commissioner of Income Tax (Appeals), Kolkata
		35.70	2013-14	Commissioner of Income Tax (Appeals), Kolkata
		124.20	2015-16	Commissioner of Income Tax (Appeals), Kolkata
The Central Excise Act, 1944	Duty of Excise	4.28	2009-10	Customs, Excise & Service Tax Appellate Tribunal, Kolkata

- According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to any financial institution or bank as at the Balance sheet date. The Company does not have any loans or borrowings from Government as at Balance sheet date.
- The company did not raise any money by way of initial public offer or further public offer including debt instruments and term loan during the year.
- 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 year.
- The Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standards (Ind AS) 24, related parties disclosers specified under Section 133 of the Act.
- During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- The Company has not entered into any non-cash transactions with its Directors or persons connected with them to which section 192 of the Act applies. Accordingly, the provisions of clause 3 (xv) of the order are not applicable to the Company.
- The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number: 302049E

(Navindra Kumar Surana)
Partner

Place: Kolkata Membership Number: 053816
Date: June 30, 2020 UDIN:20053816AAAABI2100

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of La Opala RG Ltd. of even date)

Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statement of **La Opala RG Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement 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. 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 respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statement 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statement 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 judgement, 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 with reference to financial statement.

Meaning of Internal Financial Controls with reference to financial statement

A company’s internal financial control with reference to financial statement 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 with reference to financial statement 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.

Limitations of Internal Financial Controls with reference to financial statement

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement 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, to the best of our information and according to the explanations given to us, the

Company has, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2020, based on the internal control with reference to financial statement 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.

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number: 302049E

(**Navindra Kumar Surana**)
Partner

Place: Kolkata Membership Number: 053816
Date: June 30, 2020 UDIN:20053816AAAABI2100

BALANCE SHEET

as at 31st March 2020

INR in Lakhs

	Note No.	As at 31 st March 2020	As at 31 st March 2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	11,068.92	12,138.49
(b) Right to Use of Assets	4	1,128.32	-
(c) Capital Work in Progress	5	2,476.45	191.03
(d) Intangible Assets	6	6.11	4.74
(e) Intangible Assets under Development	7	56.50	37.00
(f) Financial assets			
(i) Investments	8	8,146.28	12,210.31
(ii) Loans	9	388.74	378.74
(g) Income Tax Assets (Net)	10	73.05	37.84
(h) Other non current assets	11	1,319.19	1,412.04
		24,663.56	26,410.19
Current assets			
(a) Inventories	12	5,504.84	4,835.63
(b) Financial assets			
(i) Investments	8	25,879.87	23,368.88
(ii) Trade receivable	13	4,382.34	4,823.88
(iii) Cash and cash equivalents	14	12.47	75.16
(iv) Bank balances other than (iii) above	15	367.54	302.76
(v) Other Financial Assets	16	67.24	85.79
(c) Other current assets	11	236.75	218.57
		36,451.05	33,710.67
TOTAL ASSETS		61,114.61	60,120.86
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	2,220.00	2,220.00
(b) Other equity	18	52,290.27	50,693.82
		54,510.27	52,913.82
Liabilities			
Non-Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	19	49.63	-
(ii) Other than Financial Liabilities	20	181.09	151.94
(b) Provisions	25	98.01	-
(c) Deferred Tax Liabilities (Net)	21	2,327.22	3324.44
		2,655.95	3,476.38
Current liabilities			
(a) Financial Liabilities			
(i) Borrowing	22	489.42	89.02
(ii) Lease Liabilities	19	4.72	-
(iii) Trade Payables	23		
a) Total Outstanding dues of Micro and Small Enterprise		292.28	304.32
b) Total Outstanding dues other than (iii)(a) above		918.77	984.77
(iv) Other Financial Liabilities	20	1,592.23	1,356.57
(b) Contract Liabilities		173.09	71.60
(c) Other current liabilities	24	243.78	428.99
(d) Provisions	25	147.56	205.52
(e) Current Tax Liabilities (Net)	26	86.54	289.87
		3,948.39	3,730.66
TOTAL EQUITY & LIABILITIES		61,114.61	60,120.86
Significant accounting policies	1		
Key Accounting Estimates & Judgements	2.1		
Other notes to Financial Statements	3 TO 50		

The notes referred to above form integral part of these financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For **Singhi & Co.**

A.C. Chakrabortti

Chartered Accountants

Chairman

Firm Registration no. 302049E

DIN: 00015622

Navindra Kumar Surana

Sushil Jhunjunwala

Ajit Jhunjunwala

Partner

Executive Vice Chairman

Managing Director

Membership Number : 053816

DIN: 00082461

DIN: 00111872

Place : Kolkata

Alok Pandey

Dated : 30.06.2020

CFO & Company Secretary

STATEMENT OF PROFIT & LOSS

for the year ended 31st March 2020

INR in Lakhs

	Note No.	year ended 31 st March 2020	year ended 31 st March 2019
Revenue			
Revenue From Operations	27	27,001.37	27,809.77
Other Income	28	1,669.05	1,739.81
		28,670.42	29,549.58
Expenses			
Cost of materials consumed	29	5,008.94	5,377.28
Purchase of Stock in Trade	30	46.06	78.07
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	31	(787.50)	(1,550.98)
Employee benefits expense	32	4,856.78	4,447.75
Finance costs	33	57.45	61.02
Depreciation and amortisation expense	34	1,596.77	1,645.59
Other expenses	35	7,427.04	8,228.63
		18,205.54	18,287.36
Profit/(Loss) Before Tax		10,464.88	11,262.22
Tax expense			
(i) Current tax	36	2,518.16	3,661.22
(ii) Deferred tax	36	(480.21)	197.47
Total tax expense		2,037.95	3,858.69
Profit/(Loss) for the year		8,426.93	7,403.53
Other Comprehensive Income			
i) Items that will not be reclassified to profit and loss	37	(4,135.89)	(3,847.38)
ii) Income tax relating to these items	36	517.01	469.26
Other Comprehensive Income for the year		(3,618.88)	(3,378.12)
Total Comprehensive Income for the year		4,808.05	4,025.41
Earnings per equity share	47		
Weighted-average number of equity shares (face value of INR 2 each)		11,10,00,000	11,10,00,000
Basic and diluted earnings per share (INR)		7.59	6.67
Significant accounting policies	1		
Key Accounting Estimates & Judgements	2.1		
Other notes to Financial Statements	3 TO 50		

The notes referred to above form integral part of these financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For **Singhi & Co.**

A.C. Chakrabortti

Chartered Accountants

Chairman

Firm Registration no. 302049E

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Navindra Kumar Surana

Sushil Jhunjunwala

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Partner

Executive Vice Chairman

Managing Director

Membership Number : 053816

DIN: 00082461

DIN: 00111872

Place : Kolkata

Alok Pandey

Dated : 30.06.2020

CFO & Company Secretary

CASH FLOW STATEMENT

for the year ended 31st March 2020

INR in Lakhs

	For the year ended 31 st March 2020	For the year ended 31 st March 2019
A Cash Flow from Operating Activities		
Net Profit before Taxation	10,464.88	11,262.22
Adjustment for :		
Depreciation and amortisation expense	1,596.77	1,645.59
Amortisation of initial payment of lease hold land classified as operating lease	-	2.77
Provision for doubtful receivable & advances (Net of write back)	-	14.97
Loss/(Gain) on disposal of property, plant and equipment	(182.29)	34.90
Interest Income	(39.13)	(30.78)
Finance costs	57.45	61.02
Dividend income	(66.49)	(89.57)
Unspent liability & unclaimed balances written back	(25.28)	(32.87)
(Gain)/ Loss on Investments measured at fair value through Profit & Loss	(1,175.70)	(1,016.37)
(Gain)/ Loss on Redemption of Current Investment	(118.52)	(542.51)
Recovery against Provision for Doubtful Receivable	-	(3.93)
Operating Profit before working capital changes	10,511.69	11,305.44
Adjustment for working capital		
Decrease/(Increase) in Inventories	(669.21)	(1,682.69)
Decrease/(Increase) in Trade Receivables, Advances and Other Assets	440.41	(1,583.47)
Increase/(decrease) in Trade Payable and other liabilities	(207.97)	546.71
Cash generated from operating activities	10,074.92	8,585.99
Income Taxes paid(net of refunds)	(2,756.70)	(3,523.85)
Net Cash generated from Operating activities	7,318.22	5,062.14
B Cash flow from Investing activities		
Purchase of Property, Plant and Equipment	(3,585.08)	(1,635.09)
Purchase of Investments	(7,466.49)	(9,089.57)
Sale of Investments	6,249.71	7,453.12
Sale of Property, Plant and Equipment	248.76	17.43
Dividend Received	66.49	89.57
Interest Received	39.13	30.78
Earmarked Balances with Banks	(61.78)	(80.10)
Net cash used in investing activities	(4,509.26)	(3,213.86)
C Cash flow from Financing activities		
Proceeds from Borrowings	400.40	(296.57)
Finance costs paid	(52.73)	(61.02)
Payment of Interest on Lease Liability	(4.72)	-
Dividend and Dividend tax paid	(3214.60)	(1,474.62)
Net Cash (used in) Financing activities	(2,871.65)	(1,832.21)
Net Increase/(Decrease) in cash or cash equivalents (A+B+C)	(62.69)	16.07
Cash and Cash Equivalents at the beginning of the financial year (Refer Note 14)	75.16	59.09
Cash and Cash Equivalents at the end of the year (Refer Note 14)	12.47	75.16

Notes

- The above Statement of Cash Flows Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
- Statement of Net Debt reconciliation

CASH FLOW STATEMENT

for the year ended 31st March 2020

INR in Lakhs

	As at 31st March 2019	Cash Flow	Fair value changes	Current/ Non-current Classification	As at 31st March 2020
Borrowing-Current	89.02	400.40	-	-	489.42
Cash & Cash Equivalents	75.16	(62.69)	-	-	12.47
Other bank balances	302.76	64.78	-	-	367.54
Net Debt	(288.90)	398.31	-	-	109.41

	As at 31st March 2018	Cash Flow	Fair value changes	Current/ Non-current Classification	As at 31st March 2019
Borrowing-Current	385.59	(296.57)	-	-	89.02
Cash & Cash Equivalents	59.09	16.07	-	-	75.16
Other bank balances	220.02	82.74	-	-	302.76
Net Debt	106.48	(395.38)	-	-	(288.90)

In terms of our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration no. 302049E

Navindra Kumar Surana
Partner
Membership Number : 053816

Place : Kolkata
Dated : 30.06.2020

For and on behalf of the Board of Directors

A.C. Chakrabortti
Chairman
DIN: 00015622

Sushil Jhunjunwala
Executive Vice Chairman
DIN: 00082461

Alok Pandey
CFO & Company Secretary

Ajit Jhunjunwala
Managing Director
DIN: 00111872

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2020

A		Equity Share Capital					INR in Lakhs	
Particulars	Balance as at 1st April, 2018	Changes in equity share capital during 2018-19	Balance as at 31st March, 2019	Changes in equity share capital during 2019-20	Balance as at 31st March, 2020			
Equity shares with voting rights	2,200.00	-	2,200.00	-	2,200.00			
B		Other Equity						
Particulars	Reserves and Surplus			Other comprehensive income - Reserve		Total		
	Securities Premium Reserve	General reserve	Retained Earnings	Equity Instruments through Comprehensive Income	Remeasurement of the defined benefit plans			
Balance as at 1st April 2018	5,620.27	5,040.00	23,379.78	14,100.34	-	48,140.39		
Profit for the year	-	-	7,403.53	-	-	7,403.53		
Remeasurement of gain/ (loss) (Net of Tax)	-	-	-	-	(58.06)	(58.06)		
Fair Valuation of equity instruments (Net of Tax)	-	-	-	(3,320.06)	-	(3,320.06)		
Remeasurement of gain/ (loss) (Net of Tax) Transfer to Retained Earnings	-	-	(58.06)	-	58.06	-		
Adjustments								
Transfer to General Reserve	-	1,000.00	(1,000.00)	-	-	-		
Dividend for the year 2018-19	-	-	(1,221.00)	-	-	(1,221.00)		
Dividend Distribution Tax	-	-	(250.98)	-	-	(250.98)		
Balance as at 31st March 2019	5,620.27	6,040.00	28,253.27	10,780.28	-	50,693.82		
Profit for the year	-	-	8,426.93	-	-	8,426.93		
Remeasurement of gain/ (loss) (Net of Tax)	-	-	-	-	(45.15)	(45.15)		
Fair Valuation of equity instruments (Net of Tax)	-	-	-	(3,573.73)	-	(3,573.73)		
Remeasurement of gain/ (loss) (Net of Tax) Transfer to Retained Earnings	-	-	(45.15)	-	45.15	-		
Adjustments								
Transfer to General Reserve	-	1,000.00	(1,000.00)	-	-	-		
Dividend for the year 2019-20	-	-	(2,664.00)	-	-	(2,664.00)		
Dividend Distribution Tax	-	-	(547.60)	-	-	(547.60)		
Balance as at 31st March 2020	5,620.27	7,040.00	32,423.45	7,206.55	-	52,290.27		

In terms of our report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration no. 302049E

Navindra Kumar Surana

Partner

Membership Number : 053816

Place : Kolkata

Dated : 30.06.2020

For and on behalf of the Board of Directors

A.C. Chakrabortti

Chairman

DIN: 00015622

Alok Pandey

CFO & Company Secretary

Ajit Jhurjhunwala

Managing Director

DIN: 00111872

Sushil Jhurjhunwala

Executive Vice Chairman

DIN: 00082461

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Company Background

La Opala RG Limited ("the Company") is a public limited Company incorporated in India with its registered office in Kolkata, West Bengal, India-. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

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

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of financial statements

1.1.1. Compliance with Ind-AS

The Financial Statements comply in all materials aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules 2015] and Other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The company has applied the following accounting standards and its amendment for the first time for annual reporting period commencing 1st April, 2019.

- Ind AS 116, Leases
- Amendment to Ind AS 12, Income Taxes and Ind AS 12 Appendix 'C', Uncertainty over Income Tax Treatments
- Amendment to Ind AS 23, Borrowing Cost
- Amendment to Ind AS 103, Business Combination and Ind AS 111 – Joint Arrangements
- Ind AS 109 – Prepayment Features with Negative Compensation.

The amendments listed above except Ind AS 116 lease, did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods. Impact due to application of Ind AS 116 is summarised below.

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing Ind AS 17, Leases with effect from April 1, 2019 (the effective date). Ind AS 116 sets out principles for recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. However, there was no major change in accounting from a Lessor perspective.

1.1.2. Classification of current and non-current

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 Ind AS 1 – Presentation of financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

1.1.3. Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- defined benefit plans – plan assets measured at fair value;

1.2. Summary of Significant Accounting Policies

A. Property, Plant and Equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of items of property, plant and equipment is mentioned below:

Asset Category	Useful Life
Building	30-60 Years
Plant and Equipment	2-25 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Office Equipment	3-5 Years

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

B. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

	Years
Computer Software	5

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

C. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

D. Revenue Recognition

The Company derives revenue principally from sale of Glassware product. The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Interest and dividends: Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive payments established.

E. Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grant related to assets are presented by deducting the grant from the carrying amount of the asset and Non-monetary grant are recognised at a nominal amount.

F. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials first in first out (FIFO) cost method is used. In determining the cost of packing materials, stock-in-trade, stores, spares, components and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

G. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

G.1. Financial Assets

- **Initial recognition and measurement:** The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

However, trade receivables that do not contain a significant financing component are measured at transaction price.

- **Subsequent measurement:** For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:
 - The Company's business model for managing the financial asset and
 - The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- Financial assets measured at amortized cost
 - Financial assets measured at fair value through other comprehensive income (FVTOCI)
 - Financial assets measured at fair value through profit or loss (FVTPL)
- **Financial assets measured at amortized cost:** A financial asset is measured at the amortized cost if both the following conditions are met:
 - The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (Refer Note 38 for further details). Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

- **Financial assets measured at FVTOCI:** A financial asset is measured at FVTOCI if both of the following conditions are met:
 - The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company, through an irrevocable election at initial recognition, has measured investments in equity instruments at FVTOCI. This equity instruments are neither held for trading nor are contingent consideration

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

On De-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

- **Financial assets measured at FVTPL:** A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

- **De-recognition:** A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:
 - The contractual rights to cash flows from the financial asset expires;
 - The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
 - The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
 - The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On De-recognition of a financial asset [except as mentioned in above for financial assets measured at FVTOCI] difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

- **Impairment of financial assets:** The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:
 - Trade receivables.
 - Financial assets measured at amortized cost (other than trade receivables and lease receivables).
 - Financial assets measured at fair value through other comprehensive income (FVTOCI)- in case of debt instruments.

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In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

G.2. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

G.2.1. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

G.2.2. Financial liabilities

- **Initial recognition and measurement:** The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability

- **Subsequent measurement:** All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

- **De-recognition:** A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

H. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

I. Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/ expenses.

J. Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

K. Foreign Currency Translation

- **Initial Recognition:** On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.
- **Measurement of foreign currency items at reporting date:** Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

L. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

- **Current tax:** Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

- **Deferred tax:** Deferred tax is recognized on temporary differences between

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credit (MAT Credit Entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

- **Presentation of current and deferred tax:** Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

M. Provisions, Contingent Liabilities & Contingent Assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

N. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks where the original maturity is three months or less.

O. Employee Benefits

▪ **Short Term Employee Benefits:** All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which related service is rendered.

▪ **Post-Employment Benefits:**

- **Provident Fund scheme:** Retirement benefit in the form of Provident Fund is a defined contribution scheme and the company recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service. The Company has no obligations other than the contribution payable to the respective funds.
- **Gratuity scheme:** Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- **Recognition and measurement of Defined Benefit plans:** The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. Re-measurement of defined benefit plans is recognised as a part of retained earnings in statement of changes in equity as per Division II of Schedule III of the Companies Act, 2013.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary;

P. Leases

The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Q. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

R. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

S. Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

T. Earnings Per Share

Basic earning per share is calculated by dividing the net profit or loss for the period

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders are divided with the weighted average number of shares outstanding during the year after adjustment for the effects of all dilutive potential equity shares.

U. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

V. Non-Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

W. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise stated.

X. Estimation uncertainty relating to the global health pandemic on COVID-19 - the Company has considered internal and external information up to the date of approval of financial statements in assessing the recoverability of property plant and equipment, receivables, intangible assets, cash and cash equivalent and investments. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The Company has concluded that the impact of COVID - 19 is not material based on these estimates. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.1. Key Accounting Estimates & Judgements:

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

2.1.1. Significant judgments when applying Ind AS 115

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.1.2. Impairment of Non-Current Assets

Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset Company is an integral part of a value chain where no independent prices for the intermediate products exist, a Company of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes is considered.

2.1.3. Employee retirement plans

The Company provides defined benefit employee retirement plans. Measurement of obligations under such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality etc.

2.1.4. Income taxes

The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

2.1.5. Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

2.1.6. Useful lives of depreciable/ amortisable assets (tangible and intangible)

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

2.1.7. Recoverability of advances/ receivables

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factor.

2.1.8. Fair value measurements

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.1.9. Contingent assets and liabilities, uncertain assets and liabilities

Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

2.2. New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement:

The ministry of Corporate Affairs has not notified new standards or amendments to the existing standards which would have been applicable from April 1, 2020

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

3. PROPERTY, PLANT AND EQUIPMENT

INR in Lakh
(For the year ended 31st March, 2020)

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2019	Additions / Deductions	As at 31 st March 2020	For the Year	Upto 31 st March 2020	As at 31 st March 2020
Freehold land	267.81	-	267.81	-	-	267.81
Land Improvement	38.24	-	38.24	0.42	5.93	32.31
Building	4,080.96	10.90	4,020.75	100.87	1,011.53	3,009.22
Plant and machinery	16,867.83	479.72	17,095.07	1,454.34	9,598.71	7,496.36
Furniture and fixtures	367.81	2.58	369.11	17.79	276.01	93.10
Vehicles	153.58	124.18	213.70	15.99	52.17	161.53
Office equipment's	69.24	1.31	70.55	2.39	61.96	8.59
Total	21,845.47	618.69	22,075.23	1,591.80	11,006.31	11,068.92

INR in Lakh
(For the year ended 31st March, 2019)

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2018	Additions / Deductions	As at 31 st March 2019	For the Year	Upto 31 st March 2019	As at 31 st March 2019
Freehold land	267.81	-	267.81	-	-	267.81
Land Improvement	38.24	-	38.24	0.42	5.51	32.73
Building	3,996.80	84.16	4,080.96	99.76	938.20	3,142.76
Plant and machinery	16,289.34	653.29	16,867.83	1,501.59	8,353.07	8,514.76
Furniture and fixtures	356.78	11.03	367.81	22.10	258.22	109.59
Vehicles	137.72	22.25	153.58	17.42	92.41	61.17
Office equipment's	69.04	0.32	69.24	2.67	59.57	9.67
Total	21,155.73	771.05	21,845.47	1,643.96	9,706.98	12,138.49

*Registration of 3 (three) buildings with gross value of INR 1,321.80 lakh (Prev Year - INR 1,321.80 Lakh). Net carrying amount INR 1,274.43 Lakh (Prev. Year- INR 1,295.35 lakh) is pending .

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

4. RIGHT TO USE OF ASSETS

INR in Lakh

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2019	Additions / Deductions	As at 31 st March 2020	For the Year	Upto 31 st March 2020	As at 31 st March 2020
Land Lease Hold	1,141.56	-	1,141.56	13.24	13.24	1,128.32
Total	1,141.56	-	1,141.56	13.24	13.24	1,128.32

(Refer Note 45)

5. CAPITAL WORK IN PROGRESS

INR in Lakh

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2018	Additions / Deductions	As at 31 st March 2020	For the Year	Upto 31 st March 2020	As at 31 st March 2020
Capital Work in Progress	3.58	3.58	958.50	191.03	618.69	2,476.45
Total	3.58	3.58	958.50	191.03	618.69	2,476.45

a. Capital Work in Progress mainly comprises of Plant & Machineries, Furniture & Fixtures and Civil Structures.

6. INTANGIBLE ASSETS

INR in Lakh

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2019	Additions / Deductions	As at 31 st March 2020	For the Year	Upto 31 st March 2020	As at 31 st March 2020
Computer Software	9.76	3.26	13.02	1.90	6.91	6.11
Total	9.76	3.26	13.02	1.90	6.91	6.11

INR in Lakh
(For the year ended 31st March, 2019)

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2018	Additions / Deductions	As at 31 st March 2019	For the Year	Upto 31 st March 2019	As at 31 st March 2019
Computer Software	8.63	1.13	9.76	1.63	5.01	4.74
Total	8.63	1.13	9.76	1.63	5.01	4.74

7. INTANGIBLE ASSETS UNDER DEVELOPMENT

INR in Lakh

Description	Gross block		Accumulated depreciation		Net block	
	As at 1 st April 2018	Additions / Deductions	As at 31 st March 2019	For the Year	Upto 31 st March 2019	As at 31 st March 2020
Implementation of SAP	-	-	37.00	37.00	-	56.50
Total	-	-	37.00	37.00	19.50	56.50

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

8. INVESTMENTS

INR in Lakh

	Face Value per share (₹)	Quantity	Non Current	
			Amount	
			As at 31 st March 2020	As at 31 st March 2019
Equity investments designated at Fair Value through Other Comprehensive Income				
Investments in Quoted Equity Instruments				
Equity shares of INR 10 each fully paid-up in Genesis Exports Ltd.	10	75,330	8,146.28	12,210.31
			8,146.28	12,210.31
Aggregate Quoted Investments-At cost			8.80	8.80
Aggregate Quoted Investments-At Market Value			8,146.28	12,210.31

9. CURRENT INVESTMENTS

INR in Lakh

	As at 31 st March 2020		As at 31 st March 2019	
	Quantity	Amount	Quantity	Amount
Investments designated at Fair Value through Profit & Loss				
Investments in Equity Mutual Fund (unquoted)				
Kotak Credit Risk Fund-Direct Plan Growth (Formerly Kotak Income Opp. Fund Direct Plan Growth)	2,72,41,313	6,390.87	95,78,650	2,062.99
HDFC Credit Risk Debt Fund - Direct Growth*	3,34,21,762	5,829.82	2,17,10,536	3,456.01
ICICI Prudential Credit Risk Fund-DP Growth (Formerly ICICI Prudential Regular Saving Fund Growth)	2,37,90,151	5,506.97	2,37,90,151	5,003.28
Franklin India Short term Income Plan - Direct	1,33,799	5,421.89	1,49,694	6,280.71
Franklin India Short term Income Plan - Retail Plan - Direct Segregated Portfolio 1 (8.25% Vodaphone Idea Ltd 10JUL20)	1,33,799	-	-	-
Franklin India Short term Income Plan - Retail Plan - Direct Segregated Portfolio 2 (10.9% Vodaphone Idea Ltd 02Sep23)	1,33,799	-	-	-
Franklin India Short term Income Plan - Retail Plan - Direct Segregated Portfolio 3 (9.5% Yes Bank Ltd.Co 23DEC21)	1,33,799	-	-	-
ICICI Prudential Short Term Direct Plan Growth Option	36,51,509	1,620.03	45,55,576	1,837.93
SBI Credit Risk Fund Direct Growth (Formerly SBI Corporate Bond Fund Direct Plan Growth)	28,33,604	938.21	28,33,604	878.18
HDFC Equity Opportunities Fund -II Series	20,00,000	172.08	20,00,000	215.04
Kotak Equity Arbitrage Fund - Direct Fortnight Dividend	-	-	68,25,107	1,606.56
Aditya Birla Sun Life Corporate Bond Fund-Growth Reg Plan (Previously Short Term Fund- Growth Regular Plan)	-	-	17,71,326	1,269.10
HDFC Credit Risk Debt Fund	-	-	49,75,884	759.08
		25,879.87		23,368.88
* Refer Note No. 42				
Aggregate Un-Quoted Investments- At cost		22,894.04		20,810.23
Aggregate Un-Quoted Investments- At Market Value		25,879.87		23,368.88
Aggregate amount of Impairment in value of Unquoted Investments		-		-

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

9. LOANS

INR in Lakh

	Non-Current	
	As at 31 st March 2020	As at 31 st March 2019
(Unsecured, considered good unless otherwise stated)		
Security deposits	388.74	378.74
	388.74	378.74

No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member.

10. INCOME TAX ASSET

INR in Lakh

	Non-Current	
	As at 31 st March 2020	As at 31 st March 2019
Advance payment of Tax (net of provisions)	58.05	22.84
Income Tax Refundable	9.58	9.58
Deposit with Income Tax Dept.	5.36	5.36
FBT Refundable	0.06	0.06
	73.05	37.84

11. OTHER NON CURRENT ASSETS

INR in Lakh

	Non-Current		Current	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Capital Advance				
Unsecured, Considered Good	1,309.48	331.87	-	-
Unsecured, Considered Doubtful	1.42	1.42	-	-
Less: Provision for doubtful advances	(1.42)	(1.42)	-	-
	1,309.48	331.87	-	-
Other Advances				
Advance paid to suppliers (Unsecured Considered Goods)	-	-	140.65	142.33
Unsecured, Considered Doubtful	-	-	7.37	7.37
Less: Provision for doubtful advances	-	-	(7.37)	(7.37)
	-	-	140.65	142.33
Prepaid Expenses	9.71	1,080.17	60.12	49.53
(Mainly consist Prepayment of Leasehold Land -considered as Operating Lease)				
Balance with Customs, Port Trusts, Excise etc.	-	-	4.87	3.32
Licence in Hand			26.66	16.13
Other receivables				
Unsecured, Considered Goods	-	-	4.45	7.26
Unsecured, Considered Doubtful	12.70	12.70	-	-
Less: Provision for doubtful advances	(12.70)	(12.70)	-	-
	9.71	1,080.17	96.10	76.24
	1,319.19	1,412.04	236.75	218.57

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

12. INVENTORIES

	INR in Lakh	
	As at 31 st March 2020	As at 31 st March 2019
(As valued and certified by management)		
Work in Progress	3,063.17	2,772.26
Finished Goods	1,162.10	663.28
Raw Materials	417.36	606.28
Packing Material	185.14	157.61
Stores & Spares(including Oil & Repair Stock)	643.27	600.17
Stock in Trade	33.80	36.03
	5,504.84	4,835.63
The above includes goods-in-transit as under:		
Raw Materials	0.35	0.51
Stores & Spares(including Oil & Repair Stock)	7.70	19.68

13. TRADE RECEIVABLE

	INR in Lakh	
	As at 31 st March 2020	As at 31 st March 2019
Trade Receivables	4,426.61	4,872.64
Receivables from Related Party	-	-
Less : loss Allowance	(44.27)	(48.76)
Total Receivables	4,382.34	4,823.88
Current Portion	4,382.34	4,823.88
Non Current Portion	-	-
Break up of Security Details		
Trade Receivables considered Goods - Secured	181.09	151.94
Trade Receivables considered Goods - Un Secured	4,245.52	4,720.70
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
Total	4,426.61	4,872.64
Loss Allowance	(44.27)	(48.76)
Total Trade Receivables	4,382.34	4,823.88

Trade receivables are non-interest bearing and are generally on terms of 45 to 60 days.

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

	INR in Lakh				
Ageing (As on 31 st March 2020)	0-30 days old	30-60 days old	60-90 days old	>90 days old	Total
Gross carrying amount	1,272.92	1,424.28	691.96	1,037.45	4,426.61
Expected loss rate					1%
Expected credit loss provision	12.73	14.24	6.92	10.38	44.27
Carrying amount of trade receivables (Net of impairment)	1,260.19	1,410.04	685.04	1,027.07	4,382.34
Ageing (As on 31 st March 2019)	0-30 days old	30-60 days old	60-90 days old	>90 days old	Total
Gross carrying amount	3,472.23	944.97	270.82	184.62	4,872.64
Expected loss rate					1%
Expected credit loss provision	34.72	9.45	2.71	1.88	48.76
Carrying amount of trade receivables (Net of impairment)	3,437.51	935.52	268.11	182.74	4,823.88

Reconciliation of Expected credit loss provision

	Unlisted equity securities
As at 31st March 2019	48.76
Changes in provision	-4.49
As at 31st March 2020	44.27

14. CASH AND CASH EQUIVALENTS

	INR in Lakh	
	As at 31 st March 2020	As at 31 st March 2019
Cash in hand	2.28	1.46
Balances with banks		
Current accounts	10.19	68.67
Cheque in Hand	-	5.03
	12.47	75.16

15. OTHER BANK BALANCES

	INR in Lakh	
	As at 31 st March 2020	As at 31 st March 2019
On Unpaid Dividend Account	39.04	36.04
Earmarked Balances with Banks	328.50	266.72
	367.54	302.76

16. OTHERS FINANCIAL ASSETS

	INR in Lakh	
	Current	
	As at 31 st March 2020	As at 31 st March 2019
Advances recoverable in cash or in kind (Unsecured)		
Unsecured, Considered Good	11.73	12.44
Interest accrued on deposits	10.54	7.27
Accrued Export and Other Incentives	44.97	66.08
	67.24	85.79

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

17. EQUITY SHARE CAPITAL

INR in Lakh

	Number of shares		INR in Lakh	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Authorised capital				
Equity shares of INR 2 each	11,10,00,000	11,10,00,000	2,220.00	2,220.00
			2,220.00	2,220.00
Issued and subscribed capital & fully paid-up				
Equity shares of INR 2 each	11,10,00,000	11,10,00,000	2,220.00	2,220.00
			2,220.00	2,220.00

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	Number of shares		INR in Lakh	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Equity Shares with voting rights				
Opening balance	11,10,00,000	11,10,00,000	2,220.00	2,220.00
Closing balance	11,10,00,000	11,10,00,000	2,220.00	2,220.00
Total Equity shares outstanding	11,10,00,000	11,10,00,000	2,220.00	2,220.00

b) Details of shareholders holding more than 5% in the company:

	As at 31 st March 2020		As at 31 st March 2019	
	Number of shares of ₹2 per share	Percentage of holding	Number of shares of ₹2 per share	Percentage of holding
Genesis Exports Limited	5,13,99,000	46.31%	5,10,49,000	45.99%
Ajit Jhunjhunwala	83,93,000	7.56%	83,93,000	7.56%
HDFC Smallcap Fund	62,39,967	5.62%	-	-

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

c) **Terms / Rights attached to Equity Shares:**

The Company has only one class of issued shares i.e., Ordinary Shares having par value of INR 2 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

d) **Shareholding Pattern with respect of Holding Company or Ultimate Holding Company:**

The Company does not have any Holding Company or Ultimate Holding Company.

e) No ordinary shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

f) The Company has allotted 5,55,00,000 bonus equity shares of ₹ 2 each as per the approval accorded by the shareholders of the company on March 13, 2018 by capitalisation of general reserve.

g) The Company has not bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared

h) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

i) No calls are unpaid by any Director or Officer of the Company during the year.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

18. OTHER EQUITY

a) **Securities premium reserve**

Securities Premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Opening balance	5,620.27	5,620.27
Changes during the year	-	-
	5,620.27	5,620.27

b) **General reserve**

General Reserves is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Opening balance	6,040.00	5,040.00
Transfer from Retained Earning	1,000.00	1,000.00
	7,040.00	6,040.00

c) **Retained earnings**

INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Opening balance	28,253.27	23,379.78
Add: Remeasurement of defined benefit obligation (net of tax)	(45.15)	(58.06)
Add: Profit for the year	8,426.93	7,403.53
	36,635.05	30,725.25
Less: Transfer to General Reserve	1,000.00	1,000.00
Less: Dividend on Equity Shares	2,664.00	1,221.00
Less: Dividend Distribution Tax	547.60	250.98
	32,423.45	28,253.27

d) **Other Comprehensive Income**

The company has elected to recognise changes in the fair value of quoted investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Particulars	As at 31 st March 2020	As at 31 st March 2019
Equity instrument through Other Comprehensive Income		
Balance at the beginning of the year	10,780.28	14,100.34
Add/(Less): Change in Fair Value (net of tax)	(3,573.73)	(3,320.06)
Balance at the end of the year	7,206.55	10,780.28
TOTAL OTHER EQUITY	52,290.27	50,693.82

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

19. LEASE LIABILITIES

INR in Lakh

	Non-Current		Current	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Lease Liabilities	49.63	-	4.72	-
	49.63	-	4.72	-

20. OTHER FINANCIAL LIABILITY

INR in Lakh

	Non-Current		Current	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Liability under Litigation	-	-	429.73	372.20
Employee related Liability	-	-	559.12	500.29
Payable against purchase of capital assets	-	-	334.70	55.47
Trade and other deposits- unsecured	181.09	151.94	-	-
Unclaimed dividends	-	-	39.04	36.04
Other Payables	-	-	229.64	392.57
	181.09	151.94	1,592.23	1,356.57

21. DEFERRED TAX

INR in Lakh

	As at 31 st March 2020	As at 31 st March 2019
Deferred Tax Liabilities		
Property, Plant & Equipment's & Intangible Assets	772.69	1,142.20
Deferred Tax Liability on Fair valuation of Mutual Funds	628.40	734.71
Deferred Tax Liability on Fair valuation of Equity Instruments	930.93	1,421.23
Deferred Tax Liability on Fair valuation of Land	42.56	43.34
	2,374.58	3,341.48
Deferred Tax Assets		
Allowance for credit loss	11.14	17.04
Others	36.22	-
	47.36	17.04
Deferred Tax Liabilities (Net)	2,327.22	3,324.44

Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2019 and 31st March, 2020

INR in Lakh

	As at 31 st March 2019	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 st March 2020
Deferred Tax Liabilities				
Property, Plant & Equipment's & Intangible Assets	1,142.20	(369.51)	-	772.69
Fair valuation of Mutual Funds	734.71	(106.31)	-	628.40
Fair valuation of Equity Instruments	1,421.23	-	(490.30)	930.93
Deferred Tax Liability on Fair valuation of Land	43.34	(0.78)	-	42.56
	3,341.48	(476.60)	(490.30)	2,374.58
Deferred Tax Assets				
Allowance for credit loss	17.04	(5.90)	-	11.14
Others	-	9.51	26.71	36.22
	17.04	3.61	26.71	47.36
Deferred Tax Liabilities (Net)	3,324.44	(480.21)	(517.01)	2,327.22

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

INR in Lakh

	As at 31 st March 2018	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 st March 2019
Deferred Tax Liabilities				
Property, Plant & Equipment's & Intangible Assets	1,128.93	13.27	-	1,142.20
Fair valuation of Mutual Funds	547.87	186.84	-	734.71
Fair valuation of Equity Instruments	1,859.30	-	(438.07)	1,421.23
Deferred Tax Liability on Fair valuation of Land	43.34	-	-	43.34
	3,579.44	200.11	(438.07)	3,341.48
Deferred Tax Assets				
Allowance for credit loss	14.40	2.64	-	17.04
	14.40	2.64	-	17.04
Deferred Tax Liabilities (Net)	3,565.04	197.47	(438.07)	3,324.44

22. BORROWINGS

INR in Lakh

	Current	
	As at 31 st March 2020	As at 31 st March 2019
Secured		
Repayable on demand :		
From banks	489.42	89.02
	489.42	89.02

22.1. Working capital borrowing from banks is secured by hypothecation of Current Assets of the Company. The rate of interest payable on Working Capital Borrowing is ~ 8.90% p.a.(P.Y.-9.50%)

23. TRADE PAYABLES

INR in Lakh

	Current	
	As at 31 st March 2020	As at 31 st March 2019
(Trade payables for goods and services)		
Total outstanding dues of creditors		
to micro enterprises and small enterprises	292.28	304.32
to other than micro enterprises and small enterprises	918.77	984.77
	1,211.05	1,289.09

Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015.

Sl. No.	Particulars	As at 31 st March 2020	As at 31 st March 2019
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	292.28	304.32
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

The above information has been determined to the extent such parties have been identified on the basis of information available with the company.

24. OTHER LIABILITIES

	Current	
	As at 31st March 2020	As at 31st March 2019
	Statutory dues payable	243.78
	243.78	428.99

25. PROVISIONS

	Non-Current		Current	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
	Provision for leave encashment	-	-	67.33
Provision for gratuity	98.01	-	80.23	146.70
	98.01	-	147.56	205.52

26. CURRENT TAX LIABILITY

	Current	
	As at 31st March 2020	As at 31st March 2019
	Provision for Taxation (Net of advances)	86.54
	86.54	289.87

27. REVENUE FROM OPERATIONS

	For the year ended 31st March 2020	For the year ended 31st March 2019
Sale of Products		
Glass & Glassware	26,734.30	27,395.61
Electricity	24.70	29.37
	26,759.00	27,424.98
Other Operating Revenues		
Scrap Sales	83.60	31.37
Export Incentives	158.77	180.53
Budgetary Support under GST Regime	-	172.89
	242.37	384.79
	27,001.37	27,809.77

NATURE OF GOODS AND SERVICES

The Company is engaged in the manufacturing of Glass & Glassware Products and generates revenue from the sale of Glass ware and the same is only the reportable segment of the Company.

DISAGGREGATION OF REVENUE

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

	For the year ended 31st March 2020	For the year ended 31st March 2019
i) Primary Geographical Markets		
Within India	23,198.24	23,487.18
Outside India	3,560.76	3,937.80
Total	26,759.00	27,424.98

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

	For the year ended 31st March 2020	For the year ended 31st March 2019
ii) Major Products		
Glass & Glassware Product	26,734.30	27,395.61
Others	24.70	29.37
Total	26,759.00	27,424.98

	For the year ended 31st March 2020	For the year ended 31st March 2019
iii) Timing of Revenue		
At a point in time	26,759.00	27,424.98
Over time	-	-
Total	26,759.00	27,424.98

	For the year ended 31st March 2020	For the year ended 31st March 2019
iv) Contract Duration		
Long Term	-	-
Short Term	26,759.00	27,424.98
Total	26,759.00	27,424.98

	For the year ended 31st March 2020	For the year ended 31st March 2019
iv) Sales Channel		
Direct to Customers	26,759.00	27,424.98
Through Intermediaries	-	-
Total	26,759.00	27,424.98

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers Receivables, which are included in 'Trade receivables'

Trade Receivables	4,382.34	4,823.88
Contract assets	-	-
Contract liabilities	173.09	71.60

Other Information

a) Transaction price allocated to the remaining performance obligations	Nil	Nil
b) The amount of revenue recognised in the current year that was included in the opening contract liability balance	Nil	Nil
c) The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
d) Performance obligations - The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil
e) Significant payment terms		
Financing Component	-	-
Volume Discount	Nil	68.72

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

28. OTHER INCOME

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Interest Income	39.13	30.78
Dividend on Current Investments	66.49	89.57
Net Gain/ (Loss) on Investments measured at fair value through Profit & Loss	1,175.70	1,016.37
Gain on Redemption of Current Investments	118.52	542.51
Profit on sale of Property, Plant & Equipment	182.29	-
Recovery / adjustments against Provision for Doubtful Receivable	-	3.93
Unspent Liability & unclaimed balances Written Back	25.28	32.87
Insurance & Other Claims	28.24	-
Gain on Exchange Fluctuation (Net)	12.49	-
Miscellaneous Receipts	20.91	23.78
	1,669.05	1,739.81

29. COST OF MATERIAL CONSUMED

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Raw Materials		
Inventory at the beginning of the year	606.28	547.15
Add: Purchases	3,205.54	3,719.92
Less: Inventory at the end of the year	(417.36)	(606.28)
	3,394.46	3,660.79
Packing Materials Consumed		
Inventory at the beginning of the year	157.61	148.12
Add: Purchases	1,642.01	1,725.98
Less: Inventory at the end of the year	(185.14)	(157.61)
	1,614.48	1,716.49
	5,008.94	5,377.28

30. PURCHASE OF STOCK IN TRADE

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Glass & Glassware	46.06	78.07
	46.06	78.07

31. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Opening stock		
Stock in Trade	36.03	27.50
Work in Progress	2,772.26	1,494.79
Finished Goods	663.28	398.30
	3,471.57	1,920.59
Closing stock		
Stock in Trade	33.80	36.03
Work in Progress	3,063.17	2,772.26
Finished Goods	1,162.10	663.28
	4,259.07	3,471.57
	(787.50)	(1,550.98)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

32. EMPLOYEE BENEFIT EXPENSE *

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Salaries, Wages, Bonus, Incentives & Leave pay	4,495.62	4,108.28
Contribution to Provident and other fund	293.15	282.84
Staff Welfare Expenses	68.01	56.63
	4,856.78	4,447.75

*For descriptive notes on disclosure of defined benefit obligation refer note 43.

33. FINANCE COSTS

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Interest Expenses on Financial Liabilities measured at amortised Cost	20.32	28.50
Interest Expenses on Lease Liabilities	4.72	-
Other Finance Charges	35.10	32.52
	60.14	61.02
Less : Capitalised during the year	2.69	-
	57.45	61.02

34. DEPRECIATION AND AMORTISATION EXPENSES

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
On Property, Plant & Equipment	1,591.80	1,643.96
On Right to Use	13.24	-
On Intangible Assets	1.90	1.63
	1,606.94	1,645.59
Less : Capitalised during the year	10.17	-
	1,596.77	1,645.59

35. OTHER EXPENSES

	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Power & Fuel	4,179.60	4,500.05
Consumption of Stores, Spares and Consumables	647.13	659.10
Repair and Maintenance		
Plant & Machinery	128.59	49.15
Building	14.21	26.91
Others	18.52	15.83
Freight and forwarding charges	931.64	922.74
Advertisement and Sales Promotion	352.70	598.29
Directors' Commission	231.00	472.49
Loss on Discarded Assets	-	34.90
Travelling and conveyance	233.33	234.46
Legal and professional fees	58.42	113.21
Expenses on Corporate Social Responsibility (Refer Note No. 46)	155.45	129.36
Rent and Hire Charges	54.33	58.80
Provision for Doubtful Receivables & Advances		
Irrecoverable debts / advances written off	28.12	6.05
Less : Adjusted against Provision	28.12	-
Rates & Taxes	13.91	16.14
Brokerage & Commission	12.90	18.22

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

35. OTHER EXPENSES (Contd.)

INR in Lakh

	Year ended 31 st March 2020	Year ended 31 st March 2019
Provision for Doubtful Receivables & Advances	26.25	14.97
Breakage	5.13	10.60
Insurance	17.91	18.11
Payment to Auditor		
Audit Fees	9.00	9.00
In other capacity	7.58	16.58
Directors' sitting fees	11.40	12.30
Donation	1.21	1.15
Loss on Exchange Fluctuations (Net)	-	18.42
Miscellaneous Expenses	316.83	286.88
	7,427.04	8,228.63

36. TAX EXPENSE

INR in Lakh

	Year ended 31 st March 2020	Year ended 31 st March 2019
Income Tax Recognised in the Statement of Profit and Loss		
Current Tax for the year	2,518.16	3,653.26
Income Tax for earlier years	-	7.96
Current Tax	2,518.16	3,661.22
Deferred Tax	(480.21)	197.47
	2,037.95	3,858.69
Income Tax expenses recognised in OCI		
Current Tax for the year	-	31.18
Deferred Tax	26.71	-
Deferred Tax benefit on fair value gain on Investments in Equity instrument through OCI	490.30	438.08
	517.01	469.26

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

INR in Lakh

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Accounting profit before income tax	10,464.88	11,262.21
Indian Statutory income tax rate	25.168%	34.944%
Estimated Income Tax Expense	2,633.80	3,935.47
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense		
Effect of Income that is exempted from Tax	16.73	31.30
Tax on Non Deductible Expenses	-	5.91
Corporate Social Responsibility	(19.56)	(19.74)
Effect of Income which is taxed at Special rate	109.84	102.09
Due to Change in substantively enacted tax rates*	493.62	-
Others	(4.78)	(42.78)
	595.85	76.78
Income tax expense in Statement of Profit & Loss	2,037.95	3,858.69

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

37. OTHER COMPREHENSIVE INCOME

INR in Lakh

	Year ended 31 st March 2020	Year ended 31 st March 2019
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	(71.86)	(89.24)
Less: Tax expense on the above	26.71	31.18
	(45.15)	(58.06)
Equity Instruments through Other Comprehensive Income	(4,064.03)	(3,758.14)
Less: Tax expense on the above	490.30	438.08
	(3,573.73)	(3,320.06)
Total Other Comprehensive Income	(3,618.88)	(3,378.12)

*During the Financial Year ended 31st March 2020, the Company has elected to exercise the option of lower tax rate of 25.168% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company had re-measured its Deferred Tax Liabilities as at 31st March 2019 and the full impact of this was recognized in the statement of Profit and Loss during the year ended 31st March 2020. The Company has recognized provision for tax based on the rate prescribed in the said section during the year to date from 1st April 2019 to 31st March 2020.

38. Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.2.(G & H) to the financial statements.

i) Financial assets & liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2020, March 31, 2019.

Particulars	As at 31 st March 2020			As at 31 st March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments	-	8,146.28	-	-	12,210.31	-
Mutual Funds	25,879.87	-	-	23,368.88	-	-
Trade receivables	-	-	4,382.34	-	-	4,823.88
Cash and cash equivalents	-	-	12.47	-	-	75.16
Other Bank Balances	-	-	367.54	-	-	302.76
Loans	-	-	388.74	-	-	378.74
Other Financial Assets	-	-	67.24	-	-	85.79
Total	25,879.87	8,146.28	5,218.33	23,368.88	12,210.31	5,666.33
Financial liabilities						
Borrowings	-	-	489.42	-	-	89.02
Trade payable	-	-	1,211.05	-	-	1,289.09
Lease Liability	-	-	54.35	-	-	-
Other Financial Liabilities	-	-	1,773.32	-	-	1,508.51
Total	-	-	3,528.14	-	-	2,886.62

ii) Fair values hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

As at 31st March 2020	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Mutual Funds		25,879.87	-	-	25,879.87
Investments at FVOCI					
Equity instruments					
Quoted	38(iii)	-	8,146.28	-	8,146.28
Total financial assets		25,879.87	8,146.28	-	34,026.15
Financial liabilities					
Financial instruments at FVTPL					
Total financial liabilities		-	-	-	-

There have been no transfer in between Level 1 and Level 2 during the period

Financial Instruments measured at fair value

As at 31st March 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Mutual Funds		23,368.88	-	-	23,368.88
Investments at FVOCI					
Equity instruments					
Quoted	38(iii)	-	12,210.31	-	12,210.31
Total financial assets		23,368.88	12,210.31	-	35,579.19
Financial liabilities					
Financial instruments at FVTPL					
Total financial liabilities		-	-	-	-

There have been no transfer in between Level 1 and Level 2 during the period

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Quoted investments (Mutual Funds)- Net Asset Value
- Quoted investments - As determined by Independent Valuer. The equity shares of Genesis Exports Limited are listed but have not been traded for many years. Fair value estimates of equity investments are included in level-2 and are based on information relating to value of investee company's net assets.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

39 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

A) Capital Management

i) Risk Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company

The following table summarises the Net Debt, Equity and Ratio thereof.

INR in Lakh

Particulars	Notes	As at 31st March 2020	As at 31st March 2019
Total Borrowings	22	489.42	89.02
Less: Cash & Cash Equivalents & Other bank balances	14 & 15	380.01	377.92
Net Debts (A)		109.41	(288.90)
Total equity	17 & 18	54,510.27	52,913.82
Total equity & Net Debt (B)		54,619.68	52,624.92
Net Debt to Equity Ratio (A/B)		0.20%	-0.55%

No changes were made in objectives, policies or processes for managing capital during the years ended 31st March 2020 and 31st March 2019

(iii) Dividends

INR in Lakh

Particulars	As at 31st March 2020	As at 31st March 2019
(i) Equity shares		
Final Dividend for the Financial Year 2018-19 of INR 1.10 (Previous year INR 2.00) & Interim Dividend for the financial year 2019-20 of INR 1.10 per equity share of INR 2 each fully paid	2,664.00	1,221.00
Dividend Distribution tax on final dividend	547.60	250.98

B) Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below:-

i) Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents. None of the financial instruments of the Company result in material concentration of credit risks.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and reconciled. Based on historical trend, industry practice and the business environment in which the company operates, an impairment analysis is performed at each reporting date for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 13.

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies. Investments of surplus funds are made only with approved Financial Institutions/ Counterparty.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

Contractual maturities of financial liabilities as at 31 st March 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	489.42	-	-	-	489.42
Trade payable	1,211.05	-	-	-	1,211.05
Lease Liability	4.72	4.72	4.72	379.53	393.69
Trade & Other deposits	-	-	-	181.09	181.09
Other payables	1,592.23	-	-	-	1,592.23
Total	3,297.42	4.72	4.72	560.62	3,867.48

Contractual maturities of financial liabilities as at 31 st March 2019	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	89.02	-	-	-	89.02
Trade payable	1,289.09	-	-	-	1,289.09
Trade & Other deposits	-	-	-	151.94	151.94
Other payables	1,356.57	-	-	-	1,356.57
Total	2,734.68	-	-	151.94	2,886.62

iii) Market Risk

a) Foreign currency risk

The company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the Pound, Euro, USD. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company's functional currency. The company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and such contracts are not designated as hedges under Ind AS 109. The company does not use forward contracts and swaps for speculative purposes.

Foreign currency risk exposure - Unhedged

The company's exposure to foreign currency risk at the end of the reporting period expressed are as follows:
INR in Lakh

Currency	Liabilities		Assets	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Pound	-	-	302.48	151.54
Euro	20.70	21.14	863.98	180.34
USD	139.39	78.15	348.54	644.59

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	As at 31 st March 2020	As at 31 st March 2019
Pound sensitivity		
INR/Pound- increase by 10% *	3.02	1.52
INR/Pound- decrease by 10% *	(3.02)	(1.52)
Euro sensitivity		
INR/Euro- increase by 10% *	8.43	1.59
INR/Euro- decrease by 10% *	(8.43)	(1.59)
USD sensitivity		
INR/USD- increase by 10% *	2.09	5.66
INR/USD- decrease by 10% *	(2.09)	(5.66)

* Holding all other variables constant

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost

Below is the overall exposure of the company to interest rate risk: INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Variable rate borrowing	489.42	89.02
Fixed rate borrowing	-	-
Total borrowings	489.42	89.02

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates. INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Interest Rate increase by 100 basis points	4.89	0.89
Interest Rate decrease by 100 basis points	(4.89)	(0.89)

c) Price risk

i) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI

INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Fair Value of Quoted Equity Investments	8,146.28	12,210.31
Total Equity Investments	8,146.28	12,210.31

Sensitivity

INR in Lakh

Particulars	As at 31 st March 2020	As at 31 st March 2019
Increase in market price by 5%	407.31	610.52
Decrease in market price by 5%	(407.31)	(610.52)

D) Other Risk- Impact of COVID 19 Pandemic

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. La Opala plants and offices were under nationwide lockdown since March 24, 2020 and operations are being resumed in a phased manner taking into account directives from the Government. As a result of lockdown the volumes for the month of March 2020 have been impacted and consequently, the performance for the month of March 2020 has also been partially impacted. Management is expecting that demand for products will improve on stabilization of COVID-19, post removal of lock down. The Company has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, Intangible assets, Trade Receivables, Inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the financial statements.

Management believes that it has taken into account all the possible impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the stand-alone financial statements. The impact on our business will depend on future developments that cannot be reliably predicted. It is uncertain how long these conditions will last. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to future economic conditions. Management expects no significant impact on the continuity of operations of the business on a long term basis.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

40. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

INR IN LAKH

A. Contingent Liabilities

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
(i) Letter of Credit	1,111.28	90.01
(ii) Bank Guarantee	6.05	18.51
(iii) Demand under Income Tax Act, 1961 for Assessment Year 2012-13, 2013-14 & 2014-15, the matter is pending before Commissioner of Income Tax (Appeals).	198.46	77.76
(iv) Demand for Excise duty under Central Excise Act, 1985 for Assessment Year 2008-09 and 2009-10, matter pending before Customs Excise & Service Tax Appellate Tribunal, Kolkata	4.28	4.28
(v) Penalty order passed by ACCT, Deoghar for electricity duty for A.Y. 2006-07 to 2008-09 pending before Commissioner of Commercial Tax, Jharkhand, Ranchi	5.96	5.96
(vi) Reassessment order passed by DCCT Circle under JVAT Act, 2005 for A.Y. 2007-08 for difference between export sales booked in account and as per Bank Realisation Certificate. The matter is pending before Commissioner of Commercial Tax, Jharkhand, Ranchi	5.12	5.12
(vii) Dispute with respect to stamp duty on leasehold land at Jaisalmer. The matter is pending with High Court of Rajasthan, Jodhpur	2.00	2.00

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

D. Contingent Assets

INR in Lakh

	As at 31st March 2020	As at 31st March 2019
(i) Insurance Claim Lodged but not settled	241.88	241.88
	241.88	241.88

41. COMMITMENTS

Capital Commitments

INR in Lakh

Particulars	As at 31st March 2020	As at 31st March 2019
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of advances)	4,539.63	2,454.59
	4,539.63	2,454.59

42. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current borrowings are:

INR in Lakh

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
Inventories	5,504.84	4,835.63
Financial Assets		
Trade Receivables	4,382.34	4,823.88
Investments (HDFC Credit Risk Debt Fund- Direct Growth Fund) - 18,90,000 Units (14,00,000)	329.68	222.86
Total assets pledged as security	10,216.86	9,882.37

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

43 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS'.

43.1 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under :

INR in Lakh

	Year ended 31st March 2020	Year ended 31st March 2019
a) Provident Fund & ESI	221.03	226.33

43.2 Defined Benefit Plan:

43.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

43.2.2 Risk Exposure

Defined benefit plans expose the Company to the following types of actuarial risks:

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk: Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

43.2.3 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components :

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Balance at the beginning of the year	741.31	593.64
Current Service Cost	64.15	52.99
Past Service Cost	-	-
Interest Cost on Defined Benefit Obligation	57.09	44.31
Actuarial (gain)/losses arising from:		
Changes in demographic assumptions	-	-
Changes in financial assumptions	44.26	101.94
Experience adjustment	22.09	(15.11)
Benefits paid from the plan assets	(26.31)	(36.46)
Balance at the end of the year	902.59	741.31

43.2.4 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Balance at the beginning of the year	594.61	529.72
Interest Income on Plan Assets	49.11	40.79
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(5.51)	(2.41)
Employer Contributions to the Plan	112.45	62.97
Benefits Paid from the Plan Assets	(26.31)	(36.46)
Balance at the end of the year	724.35	594.61

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

43.2.5 The amount recognised in the Balance Sheet

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Present value of Defined Benefit Obligation	902.59	741.31
Fair Value of Plan Assets	724.35	594.61
Net (Asset)/Liability in the Balance Sheet	178.24	146.70

43.2.6 Expenses recognized in profit or loss

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Current Service Cost	64.15	52.99
Past Service Cost	-	-
Interest Cost	57.09	44.31
Interest Income on Plan Assets	(49.11)	(40.79)
Total defined Benefit Cost recognised in Profit & Loss	72.13	56.51

43.2.7 Remeasurement recognized in other comprehensive income

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Actuarial (gain)/losses arising from:		
Changes in demographic assumptions	-	-
Changes in financial assumptions	44.26	101.94
Experience adjustment	22.09	(15.11)
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	5.51	2.41
Total defined Benefit Cost recognised in other Comprehensive income	71.86	89.22

43.2.8 Major Categories of Plan Assets

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Qualified Insurance Policies	100%	100%

The Gratuity Scheme is invested in policies offered by Life Insurance Corporation (LIC) of India. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

43.2.9 Asset Liability Matching Strategy

The Company's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investment are being managed by these insurance companies and at the year end interest is being credited to the fund value. The company has not changed the process used to manage its risk from previous periods. The company's investment are fully secured and would be sufficient to cover its obligations.

43.2.10 Actuarial Assumptions

INR in Lakh

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Financial Assumptions		
Discount Rate	7.00%	7.70%
Salary Escalation Rate	8.00%	8.00%
Demographic Assumptions		

Mortality Rate	IALM (2006-08) Table	IALM (2006-08) Table
Withdrawal Rate	1% to 8%	1% to 8%

43.2.11 At 31st March 2020, the weighted average duration of the defined benefit obligation was 6 years (previous year 5.26 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on	Gratuity (Funded)
31st March 2021	135.05
31st March 2022	37.77
31st March 2023	61.99
31st March 2024	53.26
31st March 2025	77.13
31st March 2026 to 31st March 2030	514.92

43.2.12 The Company expects to contribute ₹ 80.23 Lakh (previous year ₹ 59.29 Lakh) to its gratuity fund in 2020-21.

43.2.13 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity (Funded)	
	2019-20	2018-19
Effect on DBO due to 1% increase in Discount Rate	840.80	689.80
Effect on DBO due to 1% decrease in Discount Rate	972.21	799.32
Effect on DBO due to 1% increase in Salary Escalation Rate	970.82	798.21
Effect on DBO due to 1% decrease in Salary Escalation Rate	841.11	690.18
Effect on DBO due to 1% increase in Withdrawal Rate	899.15	740.62
Effect on DBO due to 1% decrease in Withdrawal Rate	906.37	742.03

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

44. INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS- 24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2020.

44.1 Name of related parties and nature of relationship where control exists are as under:

a) Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence.

Ishita Housing (P) Ltd.
GDJ Housing Pvt. Ltd.
SKJ Estate (P) Ltd.
SKJ Investments Pvt. Ltd. (Formerly known as Anuradha Designers (P) Ltd.)
Genesis Exports Limited

b) Key Management Personnel

Mr. A.C. Chakrabortti	Chairman and Non Executive Independent Director
Mr. Sushil Jhunjunwala	Executive Vice Chairman
Mr. Ajit Jhunjunwala	Managing Director
Mrs. Nidhi Jhunjunwala	Executive Director
Mr. Arun Churiwal	Non Executive Director
Mr. Rajiv Gujral	Non Executive and Independent Director
Mr. Subir Bose	Non Executive and Independent Director
Prof. Santanu Ray	Non Executive and Independent Director
Mrs Mamta Binani	Non Executive and Independent Director

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

44.2 Transaction with related parties:

a) **Genesis Export Limited:** INR in Lakh

Nature of Transaction during the year	Year ended 31st March 2020	Year ended 31st March 2019
Rent	39.67	39.67
Dividend Paid	1,229.38	557.80
Balance outstanding as at the year end- Amount Payable	0.97	-

b) **Transaction with Key Management Personnel** INR in Lakh

Nature of Transaction during the year	Year ended 31st March 2020	Year ended 31st March 2019
Remuneration, Perquisites & Others		
Short Term Employee Benefits		
Mr. Sushil Jhunjunwala	289.67	258.43
Mr. Ajit Jhunjunwala	193.12	170.40
Mrs. Nidhi Jhunjunwala	68.16	67.02

Post Employment Benefit *

* Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

INR in Lakh

	Year ended 31st March 2020	Year ended 31st March 2019
Dividend paid		
Mr. Sushil Jhunjunwala	97.20	55.55
Mr. Ajit Jhunjunwala	201.43	108.82
Mr. A.C.Chakrabortti	0.29	0.13

INR in Lakh

Sitting Fees & Commission	Year ended 31st March 2020		Year ended 31st March 2019	
	Sitting Fee	Commission	Sitting Fee	Commission
Mr. Sushil Jhunjunwala	-	100.00	-	180.20
Mr. Ajit Jhunjunwala	-	60.00	-	180.20
Mrs. Nidhi Jhunjunwala	-	45.00	-	90.09
Mr. A. C. Chakrabortti	2.70	6.00	3.30	6.00
Mr. Rajiv Gujral	2.70	4.00	3.00	4.00
Mr. Subir Bose	1.20	4.00	1.80	4.00
Mr. Arun Churiwal	2.40	4.00	2.40	4.00
Prof. Santanu Ray	1.50	4.00	1.80	4.00
Mrs. Mamta Binani	0.90	4.00	-	-

INR in Lakh

	As at 31st March 2020	As at 31st March 2019
Balance outstanding as at the year end- Amount Payable		
Mr. Sushil Jhunjunwala	86.04	137.71
Mr. Ajit Jhunjunwala	43.32	123.68
Mrs. Nidhi Jhunjunwala	26.06	59.84
Mr. A.C.Chakrabortti	5.70	5.67
Mr. Arun Churiwal	3.80	3.87
Mr. Rajiv Gujral	3.80	3.87
Mr. Subir Bose	3.80	3.87
Prof. Santanu Ray	3.80	3.87
Mrs. Mamta Binani	3.80	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Terms and Conditions of transactions with Related Parties

The transactions with Related Party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding Balances at the year end are unsecured and settlement occurs in cash for the year ended 31st March, 2020, the Company has recorded the receivable relating to amount due from Related Parties. This assessment is undertaken each Financial Year through examining the Financial position of the Related Parties and the market in which the Related Party operates.

45 EFFECTIVE APRIL 01, 2019 THE COMPANY ADOPTED IND AS 116 "LEASE" USING MODIFIED RETROSPECTIVE APPROACH IN ACCORDANCE WITH THE MODIFIED RETROSPECTIVE TRANSITION METHOD, THE COMPARATIVE HAVE NOT BEEN RETROSPECTIVELY ADJUSTED. THE ADOPTION OF IND AS 116 HAS THE FOLLOWING IMPACT.

(A) **The Company recognized ROU assets for the following asset categories** INR in Lakh

ROU Asset Category	As at April 01, 2019
Land	1141.56
Total	1141.56

(B) **The change in accounting policy affected the following items in Balance Sheet** INR in Lakh

Particulars	As at April 01, 2019
Prepaid rent decreased by	1,087.20
Right of Use asset increased by	1,141.56
Lease liability increase by	54.36

(C) The operating cash flow for the Year Ended March 31, 2020 has increased by INR 4.72 lakhs and the financing cash flows have decreased by INR 4.72 lakhs as repayment of lease liabilities and related interest has been classified as cash flows from financing activities.

(D) Practical Expedients applied on initial application date.

- The Company has not reassessed whether a contract is or contains a lease at the date of initial application.
- The Company has utilised the exemptions provided for short-term leases (less than a year) and leases for low value assets.
- The Company has utilised hindsight in determining the lease terms where contracts contained options to extend or terminate the lease
- Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
- The Company has used a single discount rate to a portfolio of leases with reasonable similar characteristics based on the remaining lease term as at the date of initial application.
- The Company has relied on its previous assessment on whether leases are onerous.
- The weighted average of the Company's incremental borrowing rate applied to lease liabilities at the date of initial applications was 9.50%.

(E) **A reconciliation of the operating lease commitments at 31st March, 2019, disclosed in the Company's 2018-19 financial statements, to the lease liabilities recognised in the statement of financial position is provided below:**

Particulars	INR in Lakhs
Operating lease commitments disclosed as at 31st March 2019 -	
Gross lease liabilities recognised as at April 01, 2019	398.40
Effect of discounting	344.04
Lease liabilities recognised as at April 01, 2019	54.36

46 SEGMENT INFORMATION

46.1 Consequent to the adoption of Ind AS, the Company has identified one operating segment viz, "glass and glassware" which is consistent with the internal reporting provided to the Managing Director, who is the chief operating decision maker. The Company deals in only one product i.e., glass and glassware. The products and their applications are homogenous in nature.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2020

Geographical Information		
	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Revenue from external customers		
India	23,198.24	23,487.18
Outside India	3,560.76	3,937.80
	26,759.00	27,424.98

Non-Current Assets*		
	INR in Lakh	
	Year ended 31st March 2020	Year ended 31st March 2019
Non-Current Assets*		
India	16,128.53	13,821.14
Outside India	-	-

* excludes financial assets, deferred tax assets, post-employment benefit assets.

46.2 The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

47 EARNING PER SHARE (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholder by the weighted average number of equity shares outstanding during the year.

INR in Lakh		
	Year ended 31st March 2020	Year ended 31st March 2019
Profit for the period (INR Lakh)	8,426.93	7,403.52
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of Basic Equity Shares outstanding	11,10,00,000	11,10,00,000
Face value of per share (INR)	2.00	2.00
Basic EPS (INR)	7.59	6.67
Diluted EPS (INR)	7.59	6.67

48 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are in accordance to the CSR Policy of the Company which includes Rural Development Project, eradicating hunger, poverty and malnutrition, healthcare and sanitation, animal welfare, etc. A CSR committee has been formed by the Company as per the Act.

INR in Lakh		
	For the year ended	
	31st March 2020	31st March 2019
Gross amount required to be spent by the Company during the year	206.11	182.35
Amount spent during the year	155.45	129.36
Provision made in relation to CSR expenditure	NIL	NIL

49. Figures for the previous year have been regrouped and reclassified to confirm to the classification of the current period, where necessary.

50. The Financial Statements have been approved in Audit Committee Meeting held on 30.06.2020 and approved by the Board of Directors on the same day.

In terms of our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration no. 302049E

Navindra Kumar Surana
Partner
Membership Number : 053816

Place : Kolkata
Dated : 30.06.2020

For and on behalf of the Board of Directors

A.C. Chakraborti
Chairman
DIN: 00015622

Sushil Jhunjunwala
Executive Vice Chairman
DIN: 00082461

Alok Pandey
CFO & Company Secretary

Ajit Jhunjunwala
Managing Director
DIN: 00111872



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