



# Resilience and Recovery

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## 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. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. 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.



# Resilience and Recovery



The year under review was the most challenging in the company's existence.

The year was marked by extremes in business reality – pandemic-induced lockdown during the early part of the year and the unleashing of pent-up consumption during the last two quarters.

The result is that La Opala was tested for resilience during the first quarter of 2020-21 and thereafter for responsiveness to demand recovery during the latter part of the year.



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How we remained flexible and adaptive to the pandemic

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## La Opala. Capitalised on the online wave

**At La Opala, one of the better things to happen at our company last year was an increase in the number of people who never needed to step out to buy.**

They bought with the click of a button.

Following an informal survey among all those who purchased La Opala online, this is what we aggregated by way of feedback:

“Who wants to get the car out, drive and find parking space?”

“This is a standardised product; how much can get you go wrong in buying La Opala?”

“The packaging was first-rate. I will always buy La Opala online.”





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How we remained flexible and adaptive to the pandemic

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## La Opala. Provided a 'feel good factor' at home

**At La Opala, we felt that perhaps consumers would be likely to save their money at a time when one was uncertain about where the economy would go or where their next salary raise would come from.**

So when our products began to disappear off the shelves starting from the second half of the last financial year, we asked our trade partners to seek consumers out and ask why they were buying.

These were some of the answers that came in from all over.

"We wanted to give our dinner table a 'feel good' influence during the pandemic"

"I surprised my wife on her birthday with a La Opala dinner set"

"I sent it online to a newly married couple. So what if they didn't invite anyone?"

"Since I was not eating out of a tiffin box, I wanted something better."

" I wanted to celebrate life!"







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How we remained flexible and adaptive to the pandemic

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## La Opala. Extended beyond gifting

**At La Opala, our trade partners had always celebrated our brands for their gifting potential.**

'As long as people keep getting married,' they would tell us laughingly, 'La Opala products will continue to sell.'

Then came the pandemic. Marriages were deferred. Marriage receptions were cancelled.

Our trade partners feared the worst.

But curiously, the orders kept coming in. Our trade partners asked their walk-in consumers: 'For who are you buying?'

The answer in virtually case: 'For my family, for who else?'

Our trade partners are now saying: 'La Opala products are moving faster than they ever did!'

La Opala RG Limited.  
Bringing value to the  
consumer's table.  
In more senses than one.  
Through its long-standing  
opalware market  
leadership in India.  
And exports to more than  
35 countries.

#### 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

Our roadmap starts with our mission, which is enduring. It declares our purpose as a company and serves as the standard against which we weigh our actions and decisions. Our mission is to continuously optimise 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.

#### Our background

Established in 1987, La Opala RG Limited was the first to introduce opal glass and 24% lead crystal 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 distribution network

The Company's extensive distribution network is spread across India, comprising more than 12,000 retailers. The Company focused on demand coming out of semi-urban India, addressing more than 650 towns with a population of 100,000+. The Company also enjoys an international presence, exporting products to over 35 countries.

#### 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 manufacturing capacities

The company has scaled its capacities across the decade. The opalware capacity at Sitarganj (Uttarakhand) has increased manifold since FY08. Besides, the company operates an opal ware and crystal ware plant in Madhupur (Jharkhand). The expansions have ensured adequate capacity is available to the Company to address consumer demands. The Company intends to expand its manufacturing capacity at its Sitarganj unit.

### Manufacturing units

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

## Our brands

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.



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



'Solitaire' offers premium crystal glassware.

La Opala collaborated with the renowned Indian fashion designer Manish Malhotra to design and curate its premium range of opalware under the brand of Diva. The brand had also engaged Bipasha Basu, a popular face of the Bollywood industry, as its brand ambassador in the past.

## Our alliances

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

## Our management

The Company is steered by the able leadership and experience of its Board, with Mr. Sushil Jhunjhunwala as the promoter and 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.

## Awards & 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)
- Balakrishna Gupta Award for Exports – AIGMF, 2020

## Our products portfolio

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 listing

The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange. The market capitalisation of the Company stood at ₹2,461.98 Crore as on 31st March, 2021.



# Our collection of products





**novo**  
— collection —

The Novo Collection was crafted at our state-of-the-art, fully automated plant equipped with European technology. This new range under La Opala boasts of whiter, lighter and stronger products at affordable prices.



## CLASSIQUE

— COLLECTION —

The Classique Collection from Diva is a unique design solution to unite diverse consumer preferences. It was the first to elevate tableware quality standards to an international level.





IVORY  
-collection-

The international styling of the Ivory Collection from Diva has been designed to capture the hearts of deserving consumers with a global profile. Its soft milky glaze and smooth texture have been adored through the years.



## COSMO

— collection —

Basking in the purity of whiteness, the Cosmo Collection by Diva from La Opala defies time with its classy look and dreamy shape. Having a wider eating space and pristine grandeur, it is the most sought-after tableware range among the HORECA (Hotels, Restaurants & Caterers) industry.





## QUADRA

— COLLECTION —

Keeping with the tradition of constant innovation, we launched our stylish range of square shapes, known as the Quadra Collection from Diva. The Quadra Collection promises to add a trendy, contemporary feel to the dining experience.



## SOVRANA

— COLLECTION —

Inspired by elements of royalty from around the world, Sovrana promises to transform every dining experience into a majestic banquet. From gilded, filigree patterns on rich, regal backgrounds to consistent geometric shapes amidst pristine cool colors, each design evokes an aura of nobility, aristocracy and prestige.



## Diva Tea & Coffee Collection

Diva's Tea and Coffee collection stands tall amongst competitive brands and their range in measures of all attributes; it is made with tempered extra-strong glass. This collection is micro-oven friendly, extra white and light. Unlike most competitive products, it is truly break-resistant.





La Opala brings to you its tempered borosilicate cookware / bakeware range called Cook N Serve. It promises to transform cooking and storage habits in Indian homes. This exclusive range is Made in France, by one of the best manufacturers in the world. It is resistant to extreme temperature, thermal shocks and can be easily used in traditional & microwave ovens, dishwashers, refrigerators and freezers.



SOLITAIRE  
CRYSTAL™

Solitaire Crystal is handcrafted to perfection as per global standards in aesthetics and design. Every cut and every sparkle redefines the spheres of clarity. Renowned globally, it marks a prominent presence of India in the world market of crystals. Painstakingly mouth-blown, hand cut and shaped, each Solitaire product is polished to perfection, making it the most preferred crystalware and the ultimate gift.

# Milestones

1987

La Opala Glass Private Limited was incorporated.

1988

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

1991

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

1995

La Opala became the first public limited tableware company in India.

2005

The company was recognised as an Export House by the Government of India.

2007

The Company became the first in India to supply 24% lead crystal glassware to the world-renowned Rosenthal.

The Company set up a fully-automated state-of-the-art plant at Sitargunj, Uttarakhand, to produce world-class opal glass tableware.

La Opala issued a 1:1 bonus of equity shares to all its shareholders

2008

The Company launched Diva, the hi-tech world class opal brand in the premium segment.

2015

The Company was presented the Economic Times Bengal Corporate Award for 'Best Financial Performer in the ₹100 - 300 Crore Category'

The Company's second additional furnace with a press line was installed at the Sitargunj plant

2016

The Company was presented the Economic Times Bengal Corporate Award for 'Best Financial Performer in the ₹100 - 300 Crore Category'

The Company was acknowledged as 'India's Most Trusted Table Ware Brand' by TRA

The Company made a grand launch of Quadra and Sovrana from the Sitargunj plant

The decal unit was set up in the Sitargunj plant

2017

The Company won the 'Best CSR Idea' in the Economic Times Bengal Corporate Awards

The Company won CFO of the Year Award - Rank 3 in the Small Enterprises - Manufacturing Category



1996

Pioneered the 24% lead crystal glassware technology in India  
 Set up the first crystal glass plant at Madhupur, Bihar.  
 Launched India's first 24% lead crystal glassware under the brand name of 'Solitaire'.

1997

La Opala became the first Indian company to export 24% lead crystal tableware.

1999

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

2011

The Company was ranked 250th among the top 400 small cap companies of India by Dalal Street.

2012

The company completed a major expansion at Sitargunj, Uttarakhand.

2018

The Company increased the capacity of the second furnace was increased  
 The Company was awarded the prestigious ET Bengal Corporate Award for Best Financial Performance 2018 of 100 Crore to 200 Crore  
 The Company launched the Cosmo Collection – Catering to the HORECA Segment (Hotels, Restaurants & Caterers)  
 The Company issued a bonus issue of equity shares in ratio of 1:1 to all its shareholders

2013

The Company was awarded the prestigious Bengal Corporate Awards by Economic Times for the most innovative business model  
 The Company was recognised as the Forbes Best under a Billion 'Top 200 Companies in Asia'  
 The Company was presented the 'Star SME Medium Scale Manufacturing' at Business Today SME Awards

2019

The Company won CFO of the Year Award - Rank 1 in Small Enterprises - Manufacturing Category

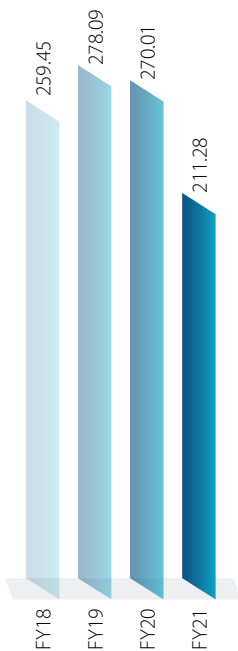
2014

La Opala shares were split from ₹10 face value to ₹2 each  
 The Company was awarded the prestigious ET Bengal Corporate Award for Best Innovation In Business Model

2020

The Company was awarded the Balakrishna Gupta Award for Exports by AIGMF

# How the strength of La Opala's brands has translated into financial numbers over the last few years



## Revenues

₹ Crore

### Definition

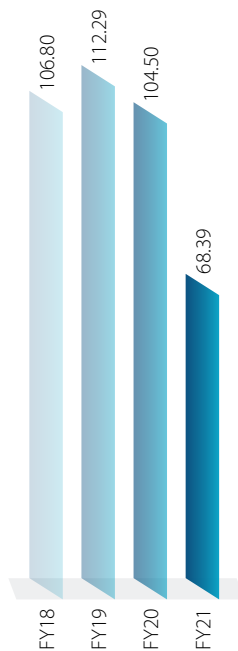
Growth in sales net of taxes

### Why is this measured?

It is an index that showcases the Company's ability to maximise products offtake, which can be easily compared with the retrospective average and sectoral peers.

### What does it mean?

Aggregate sales decreased by 21.44% to ₹210.23 Crore in 2020-21 due to the effect of the global pandemic.



## EBITDA

₹ Crore

### Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

### Why is this measured?

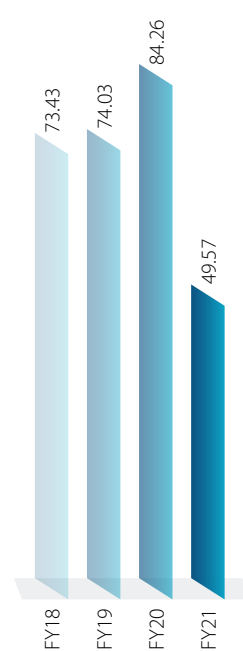
It is an index that showcases the Company's ability to generate a surplus based on operating realities.

### 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.

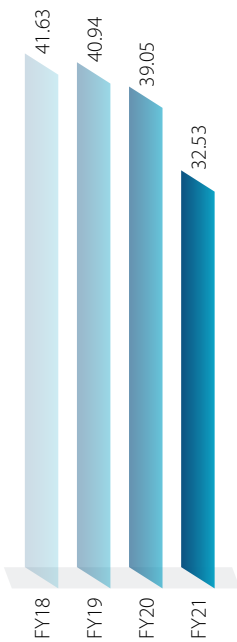
### What does it mean?

Ensures that adequate cash is available for reinvestment and allows the Company's growth engine to sustain.

### Value impact

The Company reported a 41.17% decrease in its net profit in 2020-21 to ₹49.57 Crore.





**EBITDA margin** %

**Definition**

EBITDA margin is a profitability ratio used to measure a company’s cost competitiveness and operating efficiency

**Why is this measured?**

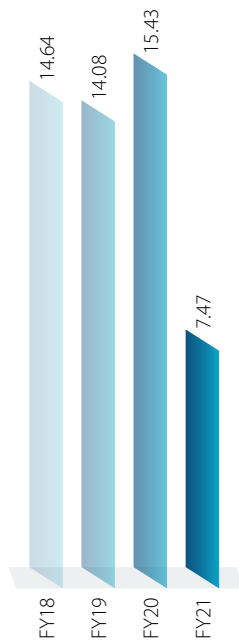
The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

**What does it mean?**

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

**Value impact**

The Company reported a 652 bps decrease in EBITDA margin during 2020-21 despite one of the worst years in terms of demand.



**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?**

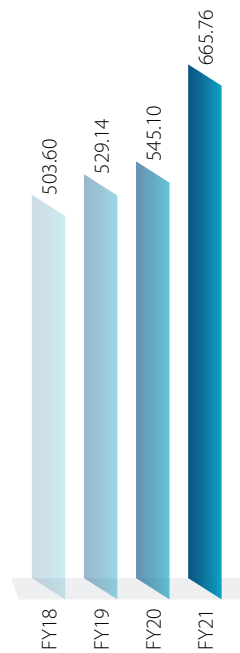
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

**What does it mean?**

Enhanced ROCE can potentially drive valuations and perception.

**Value impact**

The Company reported a 796 bps decrease in ROCE during 2020-21



**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 shareholders’ funds available with the company, influencing gearing (which, in turn, influences the cost at which the company can mobilise debt).

**Value impact**

The Company’s net worth strengthened 22.13% during the year.

Strategic overview

At La Opala, there has never been a moment when our business model has been more relevant than it is now.



## *Dear shareholders,*

Each year, my communication to shareholders focuses on some economic reality on how we expect to protect or grow shareholder value.

This year I intend to focus on how we did something completely different during the last financial year to protect our business.

We protected our most precious capital, our people, from the effect of the pandemic..

### **Responsive**

As a responsive organisation, La Opala moved its back-office operations to residences across Kolkata and other cities; the manufacturing operations were shut following the government imposed lockdown; the company created an operating architecture that could be shifted from our formal offices to dozens of homes across cities.

This safety-first approach helped the company protect most of its talent capital from the risk of infection. Even as I am pained that the world passed through extensive misery, I am relieved to communicate that we did not lose a single professional during the year to COVID-19. No financial number and no profit margin can be more important than the fact that we finished the year under review with all our talent capital intact and most of their family members safe. We believe that this 'internal stakeholder' focus will empower our company to address the needs of our external customers across the foreseeable future.

### **Preparedness**

At La Opala, there has never been a moment when our business model has been more relevant than it is now.

During the last year, when consumers were compelled to spend much of their time indoors, there was a need to break the routine that gradually set in. A number of people did various things to disrupt the monotony; one of the ways they did so was by bringing out the opalware that had been reserved for special occasions. This graduated the mundane to the special for a number of people.

There is something else that became increasingly manifest while people were locked indoors. Most people ordered food through smartphone apps; most people ordered their groceries online; a number of people moved to e-commerce as a part of their everyday existence. The trend extended deeper to opalware as well. In the past, there was often a dissent on whether the consumer would ever venture to buy our products online. I am pleased to state that the confidence inspired by our brand – assurances of quality, consistency, packaging and pricing – resulted in a number of people turning to buy our products online. During the year under review, we generated an appreciable proportion of our revenues from e-commerce and I am optimistic that this trend will only accelerate.

The third factor that made us even more relevant was the growing attention being paid

to food consumption hygiene. People do not just wish to eat safer following the pandemic outbreak; they wish to enhance that sense of hygiene to the utensils and crockery being used. In view of this, a cultural shift has subtly taken place, which accounted for record volumes in the last quarter of 2020-21.

### **Outlook**

In a world threatened by a third wave and variants of the original virus, it would be ill-fitting to provide any financial guidance.

At La Opala, we are attractively placed to make the world a happier place. We will have considerably larger capacity in play by the second half of the year; we have no debt on our books that could make us reckless; we possess a large war chest to address emerging opportunities; we possess a strong brand that has weathered a number of down cycles.

I am optimistic that this complement will empower us to bring a wider range of products and designs to consumers that enhances some colour, aesthetics and convenience into their lives.

In today's uncertain environment, there can be no bigger priority.

### **Sushil Jhunjunwala**

Chairman

## Management's review

# 'The sustainability of our business model was validated by our resilience and our recovery in 2020-21'

**Interview with Managing Director Mr Ajit Jhunjunwala on how the company performed in a challenging 2020-21**

## Q What are the principal messages that the La Opala management intends to communicate to its stakeholders?

A: The two principal points that we wish to send out are what have been themed in the headline of this report – Resilience and Recovery. When we entered the business three decades ago, we recognised that there would be years when we would be tested; during those junctures, we would need to raise our game, stay resilient and protect our multi-year sustainability.

We also recognised that there would be years when demand for our products would exceed our capacity to deliver, putting a premium on our flexibility, supply chain and manufacturing capacity. We could not have visualised that there would be a year when both extreme realities would figure: as they did during the first quarter of the last financial year and thereafter

in the last two quarters of the last year. The fact that La Opala's Balance Sheet was not impaired and its brand remained protected was the biggest validation of its business model. As it turned out, the company reported ₹211.28 Crore in revenues, ₹68.39 Crore in EBITDA and an earning per share of ₹4.47 in a challenging year.

## Q What were the biggest challenges and achievements that the company encountered during the year under review?

A: The biggest challenge that the company encountered was the nature of the pandemic – unpredictable and unprecedented - that threatened the safety of all the people within our eco-system. In turn, the outcomes of the pandemic extended to revenue haziness for

nearly five months, evaporated consumer sentiment and resulted in a temporarily low stakeholder morale.

The biggest achievement was the manner in which the La Opala management addressed these challenges. The employees of the company responded with

unprecedented team working, a growing resolution that the challenge would be overcome through grit and perseverance, voluntary pay cuts by the senior management for two years and a commitment to protect the team from infection through safe workplace practices.

## Q What was the biggest validation of the company's performance during the year?

A: The biggest validation during the pandemic was the company's commitment to prudent de-risking. A few years ago, the company had mobilised net worth from marquee foreign institutional investors to invest in manufacturing capacities in addition to enhancing its net worth. The company had prudently deployed the proceeds

in a calibrated manner: not too much in one go that could have potentially disrupted marketplace dynamics and not too small an amount that would have compromised the company's brand. I am pleased to report that this de-risked approach paid off in an unprecedented year: at no time during the lockdown and after was the company ever

vulnerable in terms of addressing its statutory liabilities or employee salaries or other overheads. On the contrary, possessing a treasury corpus of ₹299.77 Crore as on 31st March, 2021 proved to be an excellent buffer: the company generated ₹6.70 Crore in treasury income that lubricated our financials in a challenging year.

## Q What are the various ways in which the company addressed the pandemic?

A: The company had taken a shutdown of one of its furnaces at the Sitargunj manufacturing facility for relining with refractory bricks after a campaign life of nearly 26 months. When the lockdowns were imposed by the government in March 2020, the furnace was under relining. Given

the reality of no consumer offtake, the management extended the shutdown of this furnace.

The other initiative by the company was the decision to hold its nerve, trust its brand and maintain its price-line. By not disrupting its established realisations in the marketplace,

the company protected its brand. The result is that when demand revived, there was no catch-up in terms of receivables or bad debts. The company finished the year under review with a clean Balance Sheet, one of the most important achievements during the year under review.

## Q How did the company protect its business in the early part of 2020-21?

A: At La Opala, we recognised that the most important priority in the first quarter of the last financial year was to keep our people engaged and motivated. There was a specific need for this: no one had a clue about how the scenario – from health or financial perspectives – would evolve. This was the first time in our existence across more than 30 years that we did not have a

perspective – adverse or positive – on what was likely to transpire. This absence of any perspective proved more challenging than we could have expected: it could have demoralised our people. What the senior management of the company did consistently was talk to its senior and middle managers across its two manufacturing locations every single day – on how we

saw realities evolving from our urban location. This ongoing engagement had a therapeutic impact; our colleagues knew that the management was visible and approachable. Gradually, the sense of disorientation turned to a quiet confidence that, in turn, evolved to a collective resolve that we would prevail beyond the odds.

## Q How did the company strengthen its business in 2020-21?

A: The Company had announced an expansion in capacity in 2019-20. During the year under review, the management took a decision to defer work on the expansion in the first part of the year; by the close of the year, major investments had been made in the expansion (the largest single expansion programme in the company's existence).

There was a renewed focus on enhanced sales and distribution independent of the capacity expansion. The company generates a fair proportion of its revenues from the large urban clusters in India and the

international markets and a sizable proportion of revenues from an emerging India comprising Tier-2 cities, semi-urban markets and rural India. In a country that is the second most populous after China and where 65% of the population lives in non-urban locations, we see a large emerging opportunity from the latter geographies.

The company engaged responsibly with its large family of trade partners. A number of trade partners have been with us for years (if not decades); at a time when no fresh sales were being made, we could have

demanded that our trade partners liquidate their payables to us. On the contrary, the La Opala management took a relatively lenient and sensitive view: it extended the payables cycle to us, supported its channel partners and, in doing so, reinforced the perspective that La Opala is a humane company to work with. I must add here that one word that gained even wider and quicker currency was 'family'. During the worst of times, the entire La Opala eco-system came closer.

## Q What opportunity do you see from these locations?

A: At La Opala, we are convinced that the movement from metalware to opalware is irreversible; it is only a matter of time before this consumption accelerates. Interestingly, we see only a moderate increase in consumption coming out of

India's urban markets; we see a larger offtake coming from non-urban India. This represents an opportunity and also a challenge: the markets of the future are geographically dispersed; there are a number of white spaces within India from a distribution

point of view where we are either not represented at all or are considerably under-represented. In view of this, we believe that the next leap by La Opala will not be as manufacturing-driven as it will be distribution-directed.



## Q What gives you the optimism that this is the right moment to capitalise?

A: At La Opala, we see a number of positive realities coming together around the same time. One, a sustained increase in incomes and aspirations that is making people graduate to better crockery. Two, digitalisation is making it easier (and more cost-effective) for people to buy opalware from branded players.

Three, the role of the social media is enhancing a sense of home-pride and food-pride, translating into a need for compatible crockery. Four, the introduction of GST has moderated the price differential between opalware and alternatives (bone china, melamine, glass and metal), strengthening our price-value

proposition. Five, the pandemic stretched the financial and manufacturing capabilities of the non-opalware manufacturers with relatively low access to formal banking or financing channels. The coming together of these realities indicates that disguised in the pandemic lies an inflection point of sizable possibilities.

## Q What kind of possibilities and how is La Opala intending to capitalise on them?

A: At La Opala, we recognise that a 'business as usual' approach will only work to an extent and no more. We will need to evolve our business model in various ways. One, we will need more

to sell; in view of this, we are engaged in the biggest capacity expansion in our existence (explained earlier). Two, the Indian consumer is less price-sensitive and willing to spend more to buy

into considerably better quality; we intend to launch two more branded lines during the current financial year.

## Q What should shareholders expect from the company during 2021-22?

A: The first quarter of the current financial year was affected by the second wave of the pandemic. There was a decline in demand when compared with the immediately preceding quarter; however, the impact on the company was not as

extensive during this quarter. The company expects demand to revive appreciably during the subsequent quarters; during the second half of the year, the company expects to have commissioned its expansion, reconciling demand growth

with increased manufacturing throughput. By the virtue to possessing a leading brand, larger manufacturing capacity, increased brand lines, no debt and sizable cash on the books, the company expects to grow faster from this point onwards.

Environment-social-governance (ESG)

At La Opala, we are  
deepening our ESG  
commitment to enhance  
our overall responsibility





**Overview**

At La Opala, our central operating philosophy is a commitment to environment-social-governance (ESG).

We have always managed our business around a respect for systems, strategic clarity and environment responsibility. During the last few years, we deepened this commitment through institutionalisation, documentation and responsible target-setting.

Our environment component ensures that we consume environmentally responsible resources, utilise an optimal quantum of finite fossil fuels, recycle waste, moderate our

carbon footprint and build resistance to climate change.

Our social component addresses a proactive investment in talent, relationships (customer and vendors) and social responsibility.

Our governance component indicates how we will do business, indicating strategic clarity, explaining conduct codes, highlighting Board composition

and indicating an alignment with UNGC principles and extensive de-risking, among others.

This comprehensive platform – environment, social and governance – makes it possible to generate long-term growth across market cycles, enhancing value for all stakeholders.

The company emphasises the alignment of business with United Nations’ principles especially with the following:



**Our 5P’s Sustainability Platform**  
 At La Opala, our commitment to environment responsibility has been centred round the 5 P’s: People, Product, Process, Profit and Planet. The 5P’s represent our platform for business sustainability, our commitment to reconcile production growth and a moderated carbon footprint.

**People**

A preferred employer among opalware companies in India  
 Increased productivity; driven by outperformance  
 Prudent recruitment of merit-driven talent  
 Driven by passion, youthfulness, delegation and stretch target-setting

**Product**

A prominent opalware brand  
 Superior designs addressing enhanced pride  
 End-to-end knowhow from raw material sourcing to manufacture to customer engagement  
 Pioneered a range of opalware products in India

**Process**

Focus on getting more out of less  
 Focus on stretch target, measurement and outperformance  
 Institutionalised digitalised approach  
 Recruitment of specialised technology professionals

**Profit**

Retained leadership despite rising competition  
 Strong brand; growing revenues  
 Better working capital management  
 Net cash company

**Planet**

Moderated carbon footprint of the product  
 Investments in 4R’s (recycling, reuse and reduction)  
 Investment in cutting-edge technologies, enhancing manufacturing efficiency  
 Preference for cleaner fuels, plants, resources and processes

# Our Stakeholder Value-Creation Report, 2020-21

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

## Overview

The Integrated Value-Creation Report encapsulates how the company enhances value for its stakeholder family.

The approach explains the sectorial context, analyses the business approach and competitiveness across business segments (financial, management commentary, governance, remuneration and sustainability reporting) that provide an integrated value-enhancing perspective.

The influence of Integrated Reporting extends beyond the financial; it enhances understanding across all stakeholders - including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to enhance long-term value.

## Our value-enhancement approach

Investment in a market-leading brand

Prudent brand promotion

Timely capacity expansions

Longstanding channel partner relationships

Investment in cutting-edge manufacturing technology

Cost leadership in organised opalware market in India

Products across a range of price-points

Exports to 35 countries

Reinvestment of profits into the business

Net debt free; large cash corpus

## Strength of our business model

### Large headroom

La Opala's focus is to enhance the dining experience through better crockery, providing a superior alternative to traditional materials (glass, melamine, bone china and metal). The rationale of the business has only increased; the market is being catalysed by a rise in disposable incomes, urbanisation, exposure to global lifestyle trends on social media and enhanced lifestyle pride.

### Rising population

India is expected to emerge as the world's most populous country by the late Twenties, growing at >1% per year, the largest global population increment likely to drive a preference towards opalware.

### Increasing incomes

The nominal per capita net national income has consistently risen during the last decade (except for a year of fleeting decline in 2020-21), widening the market for opalware from around ₹50 Crore to an estimated ₹500 Crore today (fastest growth across all competing segments).

### Urbanisation

About 34% of India is urban; by 2036, 39% of India's population is expected to be urban, catalysing the offtake of opalware.

### Traction for aesthetics

There is a stronger traction towards well-designed crockery, partly out of a sense of home-pride and vanity, replacing traditional steel tableware.

### Millennial demand

Much of the increased consumer spending in India is coming from millennials (34% of India's population and ~47% of its working population) who are educated and better-connected with the world.

### Focus on hygienic and health

There is a preference for opalware on account of the use of opal glass that is non-porous; this makes it impervious to food particles that, in turn, retards bacterial action. The hygienic angle has catalysed offtake in a pandemic-affected world.

### Family re-organisation

Nearly 74% Indian households had five or fewer members (Source: 2011 Census). The decline in average household size, coupled with higher aspirations and incomes, could drive spends for lifestyle products.

### Growing modern retail

The growth of modern trade and e-commerce is driving the offtake of opalware products, enhancing convenience and cost-effectiveness.

### Eating out

The culture of eating out is on the rise, driving the demand for opalware.

### Ideal for gifting

Glass tableware is perceived as ideal for gifting on special occasions (especially weddings) – reasonable in price for the giver and utility for the recipient.

### Microwave ovens

Opalware can be used in microwave ovens, enhancing its utility in the modern Indian kitchen over competing alternatives.

## Drivers of La Opala value

At La Opala, we believe that the interplay of value for our various stakeholders has translated into 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 cash flows, growing RoCE and, in doing so, enhance the value of their holdings.

Our vendors provide a credible and continuous supply of resources (quartz sand, lime, soda, borax, transfers paper) 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 and culture etc.). Our focus is to support and grow communities through consistent engagement.

Our government 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

### Financial capital

The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

### Manufactured capital

Our assets, technologies and equipment for service delivery constitute our manufactured capital.

### Human capital

Our management and employees form a part of our workforce, their experience and competence enhancing our value.

### Intellectual capital

Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge, account for our intellectual resources.

### Natural capital

We depend on nature and have a moderate impact on the natural environment.

### Social and relationship capital

Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

**Our strategy**

Strategic focus	Key enablers	Material issues / addressed
<p><b>Vendor focus</b></p>	<p>La Opala has generated a growing appetite for resources and services.</p> <p>The Company sources quartz sand, lime, soda, borax and packaging paper boards.</p>	<p>Superior use of cutting-edge technologies leading to differentiated solutions.</p>
<p><b>Shareholder focus</b></p>	<p>La Opala emphasises governance, operational excellence and cost leadership.</p> <p>The Company is focused on profitable growth.</p> <p>The Company possessed ₹299.77 Crore of free cash at the close of 2020-21</p> <p>The Company had no net debt on its books</p> <p>Market capitalisation was ₹2,461.98 Crore as on 31st March, 2021</p>	<p>Creating the basis of long-term viability through a superior price-value proposition.</p>
<p><b>Customer focus</b></p>	<p>La Opala creates aspirational products that influence consumers to upgrade their lifestyle.</p> <p>The Company's products are available through more than 12,000 retailers</p>	<p>Enhancing revenue visibility through diversified product offerings.</p>
<p><b>Employee focus</b></p>	<p>La Opala is a responsible employer of talent across locations..</p> <p>The Company has facilitated personal and professional development</p> <p>People retention was high in 2020-21</p> <p>The Company's people strength blended experience and enthusiasm</p>	<p>Creating a professional culture seeking overarching excellence in everything the company does.</p>
<p><b>Community focus</b></p>	<p>La Opala is engaged in community-strengthening initiatives near its manufacturing facilities (Jharkhand and Uttarakhand)</p> <p>The Company employed from within local communities, helping economically recharge the local community</p> <p>The Company allocated 2% of the average net profit of the last three years towards CSR activities</p>	<p>Reinforced its position as a responsible corporate citizen</p>
<p><b>Government focus</b></p>	<p>La Opala pays taxes on time, generates local employment, complies with laws and statutes</p> <p>The Company generated ₹29.07 Crore in foreign exchange in 2020-21</p>	<p>Played an active role in engaging with the government on trade and industry issues</p>

# Management discussion and analysis

## Global economic review

The global economy reported de-growth of 3.5% in 2020 compared to a growth of 2.9% in 2019, the sharpest contraction since World War II. This steep decline in global economic growth was largely due to the outbreak of the novel coronavirus and the consequent suspension of economic activities across the world. This led to global supply chain disruptions, resulting in a de-growth in some of the largest global economies.

Consequently, global FDI reported a significant decline from USD 1.5 Trillion in 2019 to USD 859 billion in 2020, the lowest since the 1990s and more than 30% below the investment trough that followed the 2008-09 global financial meltdown

Regional growth %	2020	2019
World output	(3.5)	2.9
Advanced economies	(4.9)	1.7
Emerging and developing economies	(2.4)	3.7

(Source: IMF)

**United States:** The country witnessed a GDP de-growth of 3.4% in 2020 compared to a growth of 2.3% in 2019.

**China:** The country's Gross Domestic Product grew 2.3% in 2020 compared to 6.1% in 2019 despite being the epicentre of the outbreak of the novel coronavirus.

**United Kingdom:** Britain's GDP shrank 9.9% in 2020 compared to 1.4% growth in 2019, 2x the annual contraction recorded in the aftermath of the global meltdown in 2009.

**Japan:** Japan witnessed a contraction of 4.8% in 2020, the first instance of a contraction since 2009. (Source: CNN,

IMF, Economic Times, trading economics, Statista, CNBC)

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with policy support in large economies. (Source: IMF)

## Indian economic review

At the start of 2020, India was among five largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at 1.38 Billion was the second largest in the world; its rural population of the under-consumed was the largest in the world.

The Indian government announced a complete

lockdown in public movement and economic activity from the fourth week of March 2020. The outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown, coupled with muted consumer sentiment and investments, had a severe impact on the Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9%

in the first quarter of 2020-21, the sharpest de-growth experienced by the country since the index was prepared.

The Indian and state governments selectively lifted controls on movement, public gatherings and events from June 2020 onwards, each stage of lockdown relaxation linked to corresponding economic recovery. The result is that India's relief consumption,

following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented

growth. India de-grew at a relatively improved 7.5% in the July-September quarter and reported 0.4% growth in the October-December quarter and a 1.6% growth in the last quarter of the year under review. The result is that India’s GDP contracted

7.3% during 2020-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery – one of the most decisive among major economies – validated India’s robust long-term consumption potential.

**Y-o-Y growth of the Indian economy**

	FY18	FY19	FY20	FY21
Real GDP growth (%)	7	6.1	4.2	(7.3)

**Growth of the Indian economy, 2020-21**

	Q1,FY21	Q2,FY21	Q3,FY21	Q4,FY21
Real GDP growth (%)	(23.9)	(7.5)	0.4	1.6

**Global tableware market overview**

Amid the COVID-19 crisis, the global tableware market size stood at USD 40.8 billion in 2020 and is projected to reach USD 55 billion by 2027, growing at a CAGR of 4.3% during this period of time. The glassware segment, which comprises a major share of the tableware market is expected to grow at a CAGR rate aligned with that of its parent segment (4.3%) by the year 2027 and is estimated to reach a market value of USD 12.9 billion.

The US has the largest market in this regard with an estimated

market size of USD 11 billion in 2020. Meanwhile, China is expected to become a serious competitor to the US with a projected market size of USD 11.9 billion by the year 2027. Other countries that are forming a major part of the global tableware sector are Japan (1.4% CAGR), Canada (3.3% CAGR) and Germany (2.3% CAGR)

The global tableware market has been growing on account of multiple factors, some of these being higher living standards, especially in the developing

economies, owing to robust economic growth. Furthermore, this has led to an increase in disposable incomes and a rise in the demand for tableware. Moreover, as population worldwide increases and nuclear-family trends keep getting more intense, growth can sustain..

(Source: Strategyr.com, Transparency market research)

**Indian tableware market overview**

The role of the dining room has transformed from being just a place for a meal. Tableware adds grace to the dining room. In India, there is a hardly a modern household that does not exhibit its tableware in a strategic spot on the mantle and showcase another set for daily use. The demand for tableware in India has undergone a dramatic change. The segment

is no longer used solely as serve ware but is also used as a lifestyle product. With the changing lifestyles and attitudes of people, designs in this segment have seen a positive change. The main transition observed has been from stainless steel to glassware. With an increase in the cultural diversity and varied lifestyles in India, this market has

become one of the most vibrant market in the country. India’s tableware market is dominated by steel followed by bone china. However, interestingly, except for opalware, no other segment in the country has established branded products, which makes the market fragmented. (Source: Daedal Research)

**Indian opalware market overview**

Opal glass is an opaque heat resistant material. Over the years, the perception of investing in crockery has changed in India. Crockery is no longer seen just as a utilitarian but as a lifestyle

product, majorly fueled 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 change.



The Indian retail market contributes ~10% to the country's GDP and the COVID-19 lockdown affected the opalware market. A stronger demand for the delivery of essential retail goods through e-commerce platforms is expected, whereas non-essential items may take a backseat. The lockdown impacted the hospitality and restaurant businesses, which may result in a decline in investments in premium crockery.

### Company overview

La Opala RG Limited is the biggest player in the Indian opalware sector, enjoying a dominant share of the market. The opalware category is gaining consumer attention at a rapid pace, resulting in an enhanced

### Opportunities

- Decline in the unorganised market due to the COVID-19 threat
- Decline in imports, leading to a dependence on the domestic market
- Widening of the market
- Diversification in products offered
- Attractive price-value proposition
- Rising dependence of consumers on e-retail

### Threats

- Increase in the number of organised sector players
- Disruption in the transportation network due to the lockdown
- Lower spending on non-essential goods
- Decline in exports due to shortage of a containers; increased freight cost
- Overall decline in budgetary spending on luxury goods, individual and institutional

consumer traction from various categories. The Company has two manufacturing units, one at Madhupur (Jharkhand) and the other at Sitarganj (Uttarakhand). La Opala focused on deepening its distribution network and brand

recall. The Company received Top Export Award & Trophy from EPCH (Export Promotion Council for Handicrafts) and CAPEXIL (Chemical and Allied Export Promotion Council).

### Financial review

#### Analysis of the profit and loss statement

**Revenues:** Revenues from operations during 2020-21 were ₹211.28 Crore against ₹270.01 Crore in 2019-20. Other incomes of the Company in 2020-21 was ₹8.08 Crore against ₹16.69 Crore in 2019-20, which was a 3.82% share of the Company's revenues and reflecting the Company's responsible dependence on its core business operations.

**Expenses:** Total expenses of the Company decreased by 14.65% from ₹182.05 Crore in 2019-20 to ₹155.37 Crore in 2020-21.

#### Analysis of the Balance Sheet

##### Sources of funds

- The net worth of the Company increased by 22.13% from ₹545.10 Crore as on 31st March, 2020 to ₹665.76 Crore as on 31st March, 2021 owing to an increase in Reserves and Surplus. The Company's equity share capital comprising 11,10,00,000 equity shares of ₹2 each, during the year under review.
- The Company did not have any long-term borrowings
- Finance costs decreased by 56.14% from ₹0.57 Crore in 2019-20 to ₹0.25 Crore in 2020-21.

#### Working capital management

Current assets of the Company increased by 2.88% from ₹364.51 Crore as on 31st March, 2020 to ₹375 Crore as on 31st March, 2021. The Current and Quick Ratios of the Company stood at 8.28 and 7.63, respectively in 2020-21 compared to 9.23 and 7.84, respectively in 2019-20.

#### Margins

The Company reported an EBDITA margin of 32.53% during 2020-21.



## Risk management

**Economy risk:** An economic slowdown could have an adverse impact on the Company's performance.

**Mitigation:** The Company reported a PAT degrowth of 41.17% in 2020-21 despite a 7.3% contraction in the Indian GDP.

**Geographic risk:** The global demand and exports may face a decline due to the economic de-growth.

**Mitigation:** The Company's products are marketed in 35 countries and it intends to expand into new overseas markets.

**Liquidity risk:** Unavailability of cash may negatively impact its operational smoothness.

**Mitigation:** The Company is a cash-rich organisation with free cash reserves amounting to ₹299.77 Crore as on 31st March, 2021.

**Safety risk:** The labour-intensive industry of opalware is exposed to accidents, health and injury risks.

**Mitigation:** The Company has developed and implemented critical safety standards throughout its manufacturing facilities and has further established training needs identification protocol at each level.

**Competition risk:** The Company's profitability could get affected due to a rising number of players in the industry.

**Mitigation:** The Company's unique designs, cutting-edge technology access, attractive pricing, strong relationships with distributors and retailers as well as sectoral experience helps it create a competitive advantage over rivals.

**Pricing risk:** Reduction in prices by competitors may affect the Company's offtake.

**Mitigation:** The crockery and glassware segment in India consists of 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 a range of products for the middle-income group of people to penetrate the market deeper.

## 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.

## CORPORATE INFORMATION

### Board of Directors

<b>Chairman</b>	: Mr. Sushil Jhunjunwala
<b>Managing Director</b>	: Mr. Ajit Jhunjunwala
<b>Executive Director</b>	: Mrs. Nidhi Jhunjunwala
<b>Directors</b>	: Mr. Rajiv Gujral Mr. Arun Churiwal Mr. Subir Bose Prof. Santanu Ray Ms. Mamta Binani
<b>CFO</b>	: Mr. Alok Pandey
<b>Company Secretary</b>	: Mrs. Kanchan P Jaiswal

### 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

Eco Centre 8th Floor,  
EM-4, Sector-V, Kolkata - 700 091  
Telephone nos: 7604088814/5/6/7  
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 Reports

## NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Members of LA OPALA RG LIMITED will be held on Saturday, the 25th September, 2021 at 1:00 P.M. (IST) through Video Conferencing (VC) / other Audio Visual Mode (OAVM) means, to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend for the year ended 31st March, 2021.
3. To appoint a Director in place of Mr. Ajit Jhunjhunwala (DIN: 00111872) who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mrs. Nidhi Jhunjhunwala (DIN: 01144803) who retires by rotation and, being eligible, offers herself for reappointment.

### SPECIAL BUSINESS

5. Continuation of Directorship for Shri Sushil Jhunjhunwala as Chairman of the Company for his remaining tenure.

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

**“RESOLVED THAT** pursuant to the provisions of section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) consent of the Members be and is hereby accorded to the appointment of Shri. Sushil Jhunjhunwala (DIN: 00082461) as Chairman and to continue as Chairman of the Company on attending the age of seventy years, till the remaining tenure of his appointment up to 30th September 2024 on the same terms and conditions as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary or expedient to give effect to this resolution.”

By order of the Board of Directors

**KANCHAN P JAISWAL**

Place: Kolkata

*Company Secretary*

Date: 25th May, 2021 Membership No. ACS 38107

### Notes:

1. In view of the continuing 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, April 13, 2020 and January 13, 2021, (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as ‘SEBI 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”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), MCA Circulars & SEBI 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 relevant Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, setting out all material facts relating to Special Business to be transacted at the meeting is annexed herewith and the same should be taken as part of this Notice.
3. The relevant details of the Directors seeking re-appointment at this AGM pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, in respect of Directors retiring by rotation seeking re-appointment at this Annual General Meeting (‘Meeting’ or ‘AGM’) are annexed hereto.
4. 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 this AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM are not annexed

- to this Notice convening this 34th AGM. The deemed venue of the 34th AGM shall be the Registered office of the Company.
5. 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.
  6. 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.
  7. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of the 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 and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in Demat mode. 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 may contact the Company's Registrar and Share Transfer Agent (RTA), Maheshwari Datamatics Private Limited ("MDPL") for assistance in this regard.
  8. 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.
  9. 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.
  10. 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.
  11. 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.
  12. 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.
  13. 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.
  14. The due dates for transfer of the unclaimed or unpaid dividend relating to subsequent years to IEPF are as follows: -
 

Dividend for the Financial Year ended and its Due dates for transfer to IEPF :-

March 31, 2014	September 18, 2021
March 31, 2015	September 19, 2022
March 31, 2016	September 19, 2023
March 31, 2017	September 30, 2024
March 31, 2018	September 19, 2025
March 31, 2019	September 18, 2026
March 31, 2020	March 19, 2027
- 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](http://www.iepf.gov.in). The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.
15. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the AGM along with the Annual Report 2020-21 are 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 2020-21 will also be available on the Company's website [www.laopala.in](http://www.laopala.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
  16. 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 34th AGM.
  17. The Company has fixed Friday, 17th September, 2021 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2021, if approved at the AGM.
  18. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 18th September, 2021 to Saturday, 25th September, 2021 (both days inclusive)** for the purpose of AGM and Payment of Dividend. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or before Friday, 22nd October, 2021 as under:
    - i) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited (both collectively referred to as 'Depositories') as of the close of business hours on Friday, September 17, 2021;
    - ii) To all Members in respect of shares held in physical form after giving effect to transfers in respect of valid transfer requests lodged with the Company on or before the close of business hours on Friday, September 17, 2021;

Pursuant to Regulation 12 of the Listing Regulations read with Schedule I to the said Regulations, it is mandatory for the Company either directly or through Depositories or RTA to use bank details as furnished by the investors for the payment of dividend through any RBI approved electronic mode of payment. In case, the bank details are not available or the Company is unable to pay the dividend directly through electronic mode, the Company shall, dispatch the dividend warrant / banker's cheque and demand draft to such Members. Further in terms of Schedule I to the Listing Regulations, the Company is required to mandatorily print the bank account details of the investors on such payment instruments and in cases where the bank details of investors are not available, the Company shall mandatorily print the address of the investors on such payment instruments.

Members holding shares in physical mode, may send their mandates for receiving dividend directly into their bank accounts through any RBI approved electronic mode of payments, by writing at [info@laopala.in](mailto:info@laopala.in) and [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) enclosing the following documents:-

    - a. Folio Number and self-attested copy of PAN Card;
    - b. Name of the Bank, Branch where dividend is to be received and type of Account;
    - c. Bank Account No. & 11 digits IFSC Code; and
    - d. Self-attested scanned copy of Bank Passbook and Cancelled Cheque leaf bearing the name of the Member or the first holder.
  19. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments

thereof. In general, to enable compliances with TDS requirements, Members are requested to complete and / or update their Residential status, PAN, Category with their depository participants ('DPs') or in case shares are held in physical form, with the Company / Registrars and Transfer Agents ('RTA') by uploading /sending documents on or before 17th day of September, 2021. For the detailed process, please click here: <https://laopala.in/other-investor-information.php>

20. 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 read with MCA & SEBI Circulars, 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 Wednesday, 22nd September, 2021 (9:00 A.M. IST) and ends on, Friday, 24th September, 2021 (5:00 P.M. IST).** During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, 18th September, 2021 on the cut off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

Those Members, who are 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. **A person who is not a member as on the Cut off date i.e., Saturday, September 18, 2021 should treat this Notice for information purpose only.**

- iii. The Board has appointed Mr. Pravin Kumar Drolia of M/s. Drolia & Company, Company Secretaries (Membership No.: FCS-2366 and C.P. No. 1362), as the Scrutinizer for scrutinizing the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after

the conclusion of the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in presence of at least two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 48 hours after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website ([www.laopala.in](http://www.laopala.in)) and on the e-Voting website of NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Report shall also be displayed for at least 3 days on the Notice Boards of the Company at its Registered Office.

Subject to the receipt of requisite number of votes, the businesses mentioned in the Notice / the resolutions forming part of the Notice shall be deemed to be passed on the date of the AGM, i.e., Saturday, September 25, 2021.

- 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](mailto: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:** Access to NSDL e-Voting system

**Step 2:** Cast your vote electronically and join General Meeting on NSDL e-Voting system.

Details on Step 1 are mentioned below:

Step 1: Access to NSDL e -Voting system

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>"Beneficial Owner"</b> icon under "Login" which is available under <b>"IDeAS"</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit de-mat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542/43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**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 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) 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.
  - c) How to retrieve your 'initial password'?
    - (i) 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'.
    - (ii) 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:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) 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.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the print out of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. 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](mailto:droliapraavin@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. 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.nsdl.com> to reset the password.
3. 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.nsdl.com> or call on toll free no: 1800-222-990 or send a request to Mr. Vikram Jha at [evoting@nsdl.co.in](mailto: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 e-voting for the resolutions set out in this notice:**

Login type	Helpdesk details
Physical Holding	<p>Members are requested to directly register their email id/update their PAN by visiting the link of the Company's Registrar and Share Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd. as given below:</p> <p>Link for email registration - <a href="http://mdpl.in/form/email-update">http://mdpl.in/form/email-update</a> or by mailing to the Company at <a href="mailto:info@laopala.in">info@laopala.in</a> or <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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.</p>
Demat Holding	<p>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 <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a> or <a href="mailto:info@laopala.in">info@laopala.in</a>. or <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a></p> <p>Register/Update through respective Depository Participants (DPs) (Any such updation effected by the DPs will automatically reflect in the Company's subsequent records).</p> <ol style="list-style-type: none"> <li>Alternatively shareholder/members may send a request to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> for procuring user id and password for e-voting by providing above mentioned documents.</li> <li>In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.</li> </ol>

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

- Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the 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.
- 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/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at [info@laopala.in](mailto:info@laopala.in). The same will be replied by the company suitably. Kindly mention the day, date and time
- Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at [info@laopala.in](mailto:info@laopala.in) latest by 5.00 p.m. (IST) on Tuesday, 21st day of September, 2021. The same will be replied by the company suitably.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.
4. 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****INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. 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.
3. 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.
1. 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 votes casted during the AGM 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](http://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

**KANCHAN P JAISWAL**

*Company Secretary*

Membership No. ACS 38107

Place: Kolkata  
Date: 25th May, 2021

**Registered Office:**

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

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. (5)****Continuation of Directorship for Shri Sushil Jhunjunwala as Chairman of the Company for his remaining tenure:**

Shri Sushil Jhunjunwala (DIN: 00082461) was appointed as Executive Vice Chairman of the Company by the members at the 32nd Annual General Meeting held on August 10, 2019 for a period of 5 years from 1st October, 2019 to 30th September, 2024. Subsequently, the Board varied his designation to Chairman with effect from 14th August, 2020.

In terms of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, consent of the Members by way of a Special Resolution is accorded to the appointment of Shri

Sushil Jhunjunwala as Chairman & to continue as Chairman of the Company on attending the age of seventy years. Mr. Jhunjunwala is renowned industrialist having experience of around 52 years in the glass industry and has been on the Board of the Company w.e.f., September 30, 1994. The Board considers that Mr. Jhunjunwala's continued association as Chairman of the Company would be of immense benefit to the Company.

Except Mr. Sushil Jhunjunwala, Mr. Ajit Jhunjunwala & Mrs. Nidhi Jhunjunwala, none of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 as contained in the Notice.

The Board recommends the resolution set out at Item No. 5 by way of a Special Resolution for approval of the Members.

By order of the Board of Directors

**KANCHAN P JAISWAL**

*Company Secretary*

Membership No. ACS 38107

Place: Kolkata

Date: 25th May, 2021

**Registered Office:**

Chittrakoot, 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	Mr. Ajit Jhunjunwala	Mrs. Nidhi Jhunjunwala
DIN	00082461	00111872	01144803
Date of Birth	23.08.1950	29.12.1970	19.07.1973
Qualification	Graduate in Commerce	Graduate in Commerce	Graduate in Arts
Experience & Expertise in specific functional areas	Over 52 years of wide experience particularly in the glass industry	Over 31 years wide experience particularly in the glass industry	Over 21 years of experience in Marketing/ Product Designing
Date of first appointment on the Board of the Company	1st October, 1994	3rd October, 1989	20th May, 2010
No of shares held in the Company as on March 31, 2021	40,50,000	83,93,000	9,00,000
No. of meeting of the Board attended during the Year	5/5	5/5	5/5

Name of Director	Mr. Sushil Jhunjunwala	Mr. Ajit Jhunjunwala	Mrs. Nidhi Jhunjunwala
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.	Genesis Exports Ltd SKJ Investments Pvt. Ltd. Ishita Housing Pvt. Ltd. SKJ Estate Pvt. Ltd. GDJ Housing Pvt. Ltd.	-
Chairman/Member of the Committee of Board of Directors of other Public Companies of which he is a director in the Audit & Stakeholders Relationship Committee	<b>Chairperson</b> Genesis Exports Ltd – Stakeholders Relationship Committee  <b>Member</b> BSL Limited – Audit Committee Genesis Exports Ltd – Audit Committee	<b>Member</b> Genesis Exports Ltd – Stakeholders Relationship Committee	-
Relationship between Directors inter-se	Shri. Sushil Jhunjunwala is father of Shri. Ajit Jhunjunwala and Father-in-law of Smt. Nidhi Jhunjunwala.	Shri Ajit Jhunjunwala is son of Shri Sushil Jhunjunwala and husband of Smt. Nidhi Jhunjunwala	Smt. Nidhi Jhunjunwala is wife of Shri Ajit Jhunjunwala and daughter in law of Shri Sushil Jhunjunwala.

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.

## ADDENDUM TO THE NOTICE OF 34th ANNUAL GENERAL MEETING

Addendum to the Notice of 34th Annual General Meeting of the Company to be held on Saturday, 25th September, 2021 at 1.00 P.M. through Video Conference (VC) / Other Audio Visual Means (OAVM). Pursuant to change of Registered office of the Company, the venue of the meeting shall be deemed to be the new Registered Office of the Company i.e., Eco Center, 8th Floor, EM - 4, Sector - V, Kolkata - 700 091.

This Addendum forms an integral part of the Notice of the AGM dated 25th May, 2021.

By order of the Board of Directors

Place: Kolkata  
Date: 28th June, 2021

**KANCHAN P JAISWAL**  
Company Secretary  
Membership No. ACS 38107

### Registered Office:

Eco Centre, 8th Floor, EM - 4, Sector V  
Kolkata - 700 091  
CIN: L26101WB1987PLC042512; Tel: +91 760488814/15/16/17  
Email: info@laopala.in; Website: www.laopala.in

# DIRECTORS' REPORT

*Dear members*

The Directors present the 34th Annual Report of La Opala RG Limited (the Company), along with Audited Financial Statements for the financial year ended 31st March 2021.

## 1. FINANCIAL RESULTS

The Financial Results of the Company for the year under review are as under: -

(₹ In Lakhs)

Sl. No.	Particulars	For the Year ended 31st March' 2021	For the Year ended 31st March' 2020
1.	Revenue from operations	21,127.82	27,001.37
2.	Other Income	807.93	1,669.05
3.	Total expenses before interest and depreciation	14,288.65	16,551.32
4.	Finance Cost	25.37	57.45
5.	Profit after Interest but before Depreciation	7,621.74	12,061.65
6.	Depreciation	1,223.02	1,596.77
7.	Profit before Taxation	6,398.72	10,464.88
8.	Tax Expenses	1,441.32	2,037.95
9.	Profit after Taxation	4,957.40	8,426.93
10.	Profit Available for Appropriation	4,957.40	8,426.93
11.	Re-measurement of gain/(loss) (Net of tax)	29.39	(45.15)
12.	Dividend and Others	-	2,664.00
13.	Tax on Dividend	-	547.60
14.	Transferred to General Reserve	-	1,000.00
15.	Balance as per last year (Retained Earnings)	32,423.45	28,253.27
16.	Balance carried forward to Balance Sheet	37,410.24	32,423.45

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

During FY 2020-21, your Company achieved Revenue from Operations ₹ 211.28 crores as against ₹ 270.01 crores profit before tax ₹ 63.99 crores as against ₹ 104.65 crores and profit after tax ₹ 49.57 crores, as against ₹ 84.27 crores in comparison with the FY 2019-20

The last year operations in the F.Y. 2020-21 has been affected by Covid-19 pandemic.

## 3. IMPACT OF COVID-19

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were also impacted due to COVID-19.

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 and does not anticipate any challenge in the Company's ability to continue as a going concern. The impact of the pandemic may be different from that estimated as at the date of approval of these results and the management continues to closely, monitor any material change to future economic condition.

## 4. SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2021 was ₹ 22.20 crores 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, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## 5. DIVIDEND

The Board of Directors of the Company recommended a payment of dividend of 75% i.e. ₹ 1.50 per share on equity shares of the face value of ₹ 2 each for the



financial year ended 31st March 2021 (previous year 2019-20: Interim dividend ₹ 1.20 per share on equity shares of the face value of ₹ 2 each). The dividend, subject to approval of members at the Annual General Meeting, will be paid within statutory period, to those members whose names appear in the register of members, as on the date of book closure.

The Dividend Distribution Policy is available on the website of the Company at <https://laopala.in/policies.php>.

## 6. TRANSFER TO RESERVES

There was no transfer to General Reserves during the year under review.

## 7. TRANSFERS 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 ₹ 3,82,806 for the financial year ended March 31, 2013. Further 45,720 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](http://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.

## 9. DEPOSITS

In terms of the provisions of Section 73 to 76 of the Act read with the relevant rules made there under, 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 unmodified 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 June 30, 2020 appointed M/S Drolia & Company, Company Secretaries, Kolkata as the Secretarial Auditor for the financial year ending March 31, 2021. The Secretarial Auditor's Report for the financial year ending March 31, 2021 is annexed to the Boards' Report as **Annexure I**. There is 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 have 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

In terms of Articles of Association of the Company, Shri Ajit Jhunjunwala (DIN: 00111872) and Smt. Nidhi Jhunjunwala (DIN: 01144803) Directors of the Company retire 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 34th Annual General Meeting of the Company. Your Directors recommend the Resolutions for your approval.

During the year Shri A.C. Chakrabortti, Chairman resigned from the Board of Directors of the Company with effect from August 14, 2020 due to age factor. The Board expressed its gratitude for the invaluable contribution made by Shri A. C. Chakrabortti, Chairman during his period of association with the Company.

Whereas subsequent to the resignation of Shri A. C. Chakrabortti, Chairman from the Board of Directors of the Company, the Board nominated Shri Sushil Jhunjunwala as Chairman of the Company w.e.f. August 14, 2020.

Except stated above, there is no change in the composition of the Board of Directors during the year under review.

## 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 16(1)(b) & 25(8) 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), Chairman
- Mr. Ajit Jhunjunwala (DIN: 00111872), Managing Director
- Mrs. Nidhi Jhunjunwala (DIN:01144803), Executive Director
- Mr. Alok Pandey, Chief Financial Officer (CFO) and
- Mrs. Kanchan P Jaiswal, Company Secretary (CS) w.e.f October 1, 2020

Mrs. Kanchan P Jaiswal (ACS No. A38107) being appointed as the Company Secretary of the Company in place of Mr. Alok Pandey, who shall continue to act as the Chief Financial Officer of the Company with effect from October 1, 2020.

## 15. BOARD EVALUATION

The Nomination & Remuneration Committee of the Board of Directors had laid down the criteria for evaluation of the performance of the Board as a whole, the Directors individually as well as the evaluation of the working of the Committees of the Board.

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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The process for Board evaluation is inclusive of the following:

- The Board evaluates the performance of the Independent Directors excluding the Director being evaluated;
- The Nomination & Remuneration Committee evaluates the performance of each Director;
- The Independent Directors evaluate the performance of the Non Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole;
- Performances of the Committees of the Board are also evaluated.

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 5 times during the year ended March 31, 2021 on June 9, 2020, June 30, 2020, August 14, 2020, November 12, 2020 and February 12, 2021. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, as amended.

The details of the Board Meetings held during the F.Y. 2020-21 have been furnished in the Corporate Governance Report forming part of this Annual Report.

## 17. COMMITTEES OF THE BOARD

As on March 31, 2021, the Board had the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. 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 <https://laopala.in/policies.php>

## 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, as amended, 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:

- (a) In the preparation of the annual accounts for the year ended March 31, 2021, 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, 2021 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 the Listing Regulations, to report concerns about unethical behaviour. The Policy is available on the Company's website at [www.laopala.in](http://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. ANNUAL RETURN

As required under Section 92 of the Companies Act, 2013, the Annual Return for the financial year 2021 is available on the website of the Company. <https://laopala.in/other-investor-information.php>

## 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 Annual listing fee has already been paid to the respective stock exchanges within the specified timeline.

## 26. SUBSIDIARY/ ASSOCIATES/ JOINT VENTURE COMPANIES

The Company does not have any subsidiary / associate / joint venture Company for the year ended March 31, 2021.

## 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 II** 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 <https://laopala.in/policies.php>

## 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 III**.

## 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 promoting education, preventive health care, disaster management, animal welfare, women empowerment environment sustainability, girl's education, child development and promoting rural sports. 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 <https://laopala.in/policies.php>. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this reports as **Annexure IV**.

### 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 V**.

### 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 VI**.

### 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, 2021.

### 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 the SEBI (LODR) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/10/2015 dated 4 November 2015. In compliance with the Listing Regulations, we have integrated BRR disclosures into our Annual Report for FY 2020-21.

### 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 <https://laopala.in/policies.php>. 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

**Sushil Jhunjunwala**

*Chairman*

Place: Kolkata

Date: May 25, 2021

DIN: 00082461



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**for the financial year ended 31st Day of March, 2021**

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

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

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

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the La Opala RG Limited (L26101WB1987PLC042512) and also the information provided by the Company, its officers, and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended 31st March, 2021 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:

I 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, 2021 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 obligation and disclosure requirements) Regulations, 2015

[The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31-03-2021, 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;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) 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
  - l. Goods and Services Tax Act and Income Tax Act
  - m. Shop and establishment Act and all other relevant Act, rules and regulations applicable to the Company

I 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 Shareholder's meeting.

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

I 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.

I 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.

I 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

Place: Kolkata

Date: 25-05-2021

FCS: 2366, C P: 1362

UDIN: F002366C000364783

Note:

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

**Annexure A**

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. I have not carried out the physical verification of any records due to prevailing condition of COVID 2019 in the Country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the management representation made by the Company in this regard.

FOR DROLIA & COMPANY  
*(Company Secretaries)*

**(Pravin Kumar Drolia)**  
*Proprietor*

Place: Kolkata  
Date: 25-05-2021

FCS: 2366, C P: 1362  
UDIN: F002366C000364783

## ANNEXURE-II

**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 PROVISIO 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 Jhunjunwala* (KMP)	Mr. Ajit Jhunjunwala (KMP)	Mrs. Nidhi Jhunjunwala (KMP)
(b)	Nature of contracts/ arrangements/ transactions	Leasing of Real Estate	Appointment as 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	5years	5 years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has taken on lease the office and car parking space at Kolkata. The rent paid by Company amounts to ₹ 39.67 Lakh.	Remuneration	Remuneration	Remuneration
(e)	Date(s) of approval by the Board, if any:	30-06-2020	30-03-2019	09-05-2017	14-02-2020
(f)	Amount paid as advances, if any:	Nil	Not Applicable	Not Applicable	Not Applicable

\*Mr. Sushil Jhunjunwala has been promoted as the Chairman from Vice Chairman w.e.f., August 14, 2020.

For and on behalf of the Board

Place: Kolkata  
Date: 25-05-2021

**Sushil Jhunjunwala**  
*Chairman*  
DIN: 00082461

## ANNEXURE-III

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

**(A) Conservation of energy-**

- (i) the steps taken or impact on 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.

- (ii) the steps taken by the company for utilising alternate sources of energy: N.A.

- (iii) the capital investment on energy conservation equipment: NIL

**(B) Technology absorption-**

- (i) the efforts made towards technology absorption;

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.

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: N.A.

- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year – N.A.

- (a) the details of technology imported;

- (b) the year of import;

- (c) whether the technology been fully absorbed;

- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

- (iv) the expenditure incurred on Research and Development: Nil

**(C) Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

<b>i) Actual Inflows:</b>	<b>Foreign Exchange Earnings</b>	<b>2020-21</b>	<b>2019-20</b>
	Exports at FOB Basis	2,907.29	3,560.76
	Other	6.72	4.04
	<b>Total</b>	<b>2,914.01</b>	<b>3,564.80</b>
<b>ii) Actual Outflow:</b>	<b>Foreign Exchange Outgo</b>		
	Imports		
	- Raw Material	510.62	769.79
	- Components and spare parts	90.21	376.40
	- Capital goods	3,782.09	443.48
	Travelling	3.51	46.10
	Technical Fees	1.84	1.42
	Others	19.39	29.16
	<b>Total</b>	<b>4,407.67</b>	<b>1,666.35</b>

For and on behalf of the Board

**Sushil Jhunjunwala**

*Chairman*

DIN: 00082461

Place: Kolkata

Date: 25-05-2021

## Annexure - IV

## Corporate Social Responsibility

### 1. Brief outline on CSR Policy of the Company:

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 <http://www.laopala.in/policies.php>

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Arun Churiwal, Chairman	Non-Executive Director	1	1
2	Mr. Santanu Ray, Member	Independent Director	1	1
3	Mr. Sushil Jhunjunwala, Member	Chairman	1	1
4	Mr. Ajit Jhunjunwala, Member	Managing Director	1	1
5	Ms. Nidhi Jhunjunwala, Member	Executive Director	1	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: **[www.laopala.in](http://www.laopala.in)**
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable.**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

- Average net profit of the company as per section 135(5): ₹ 10,572.47 Lakhs
- Two percent of average net profit of the company as per section 135(5) : ₹ 211.45 Lakhs
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil.
  - Amount required to be set off for the financial year, if any: Nil
  - Total CSR obligation for the financial year (7a+7b-7c): ₹ 211.45 Lakhs
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 211.47 Lakhs	Nil		Nil		



(b) Details of CSR amount spent against ongoing projects for the financial year: (₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.

Not Applicable

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: (₹ in Lakhs)

-1	-2	-3	-4	-5		-6	-7	-8	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/No)	Location of the project.		Amount spent for the project (₹ In Lakhs)	Mode of Implementation Direct (yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Contribution towards construction of College	Promoting Education	No	Bihar	Bhagalpur	60.00	No	Shri Marwari Pathsala Samity	-
2	Donation for One Teacher School	Promoting Education	Yes	West Bengal	Kolkata	22.00	No	Friends Tribal Society	-
3	Contribution for preventive Health Care	Promotion of Health Care	No	West Bengal	Kolkata	20.00	No	Ramkrishna Sarada Mission	-
4	Preventive Health Care during Pandemic	Disaster Management	Yes	West Bengal; Jharkhand; Uttarakhand	Kolkata; Madhupur;	14.78	No	Direct	-
5	Renovation of Gauthala including Electric wiring and Fan, fittings etc.	Animal Welfare	Yes	Rajasthan	Lachmangarh	11.00	No	Shree Lachmangarh Pinjrapole;	-
6	Renovation of Gauthala	Animal Welfare	Yes	West Bengal	Kolkata	11.00	No	Calcutta Pinjrapole ;	-
7	Construction of school building	Promoting Education	Yes	West Bengal	Kolkata	10.00	No	Pariwar Milan;	-
8	Contribution for Medical Care & Public Welfare	Promoting Health Care	No	Telangana	Karimnagar	10.00	No	Shree Sitharama Seva Sadan	-
9	Contribution towards research on medicine	Preventive Health Care	Yes	West Bengal	Kolkata	10.00	No	Institute of Neuroscience	-
10	Contribution for Education	Promoting Education	Yes	West Bengal	Kolkata;	10.00	No	Shri Aurobindo Society;	-
11	Contribution for Education	Promoting Education	Yes	Uttarakhand	Sitarganj	7.56	No	Direct	-
12	Contribution towards PM Cares	PM Cares Fund	No	NA	NA	5.00	Yes	Direct	-
13	Disaster Management	Disaster Management	Yes	Jharkhand	Madhupur	4.11	No	Direct	-
14	Construction of School Building	Promoting Education	Yes	West Bengal	Kolkata	3.75	No	Kolkata Gives Foundation	-
15	Contribution towards Dog Shelter house	Animal Welfare	Yes	West Bengal	Kolkata	2.75	No	Nikhil Banga Kalyan Samity	-
16	Preventive Health Care for Women	Promotion of Health Care	No	West Bengal	Kolkata	2.50	No	Paint it Red Foundation	-

-1	-2	-3	-4	-5		-6	-7	-8	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local Area	Location of the project.		Amount spent for the project (₹ In Lakhs)	Mode of Implementation Direct (yes/No)	Mode of implementation - Through implementing agency	
			(Yes/No)	State	District			Name	CSR registration number
17	Disaster Management	Disaster Management	Yes	West Bengal	Kolkata	1.00	No	Contribution to Corona Virus Help Group	-
18	Promotion of Education for Girls	Promoting Education	No	Rajasthan	Didwana	1.00	No	All India Marwari Mahila Samity	-
19	Promoting Education	Promoting Education	Yes	West Bengal	Kolkata	1.00	No	Raghunath Balika Vidyalaya	-
20	Promotion of Health Care	Promotion of Health Care	No	Maharashtra	Anadvan	1.00	No	Nisarga Swasthya Sansthan	-
21	Promotion of Health Care	Promotion of Health Care	Yes	West Bengal	Kolkata	1.00	No	La Opala Foundation	-
22	Up gradation of Indian Tradition & Social Activities	Protection of National Heritage	Yes	West Bengal	Kolkata	0.50	No	Calcutta Chamber of Commerce	-
23	Promoting Rural Sports	Promotion of Sports & Rural Sports	Yes	Jharkhand	Madhupur	0.50	No	Deoghar District Cricket Association	-
24	Contribution for Education	Promoting Education	Yes	Pondicherry	Pondicherry	0.50	No	Vraja Trust	-
25	Promotion of Health Care	Promotion & Prevention of Health Care	Yes	West Bengal	Kolkata	0.27	No	B D J Charitable Trust	-
26	Promoting Rural Sports	Promotion of Sports & Rural Sports	Yes	Jharkhand	Madhupur	0.25	No	Direct	-

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 211.47 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs.)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 211.45
(ii)	Total amount spent for the Financial Year	₹ 211.47
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	

NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in ₹).	(7) Amount spent on the project in the reporting Financial Year (in ₹).	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed / Ongoing.
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Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

- Date of creation or acquisition of the capital asset(s): None
- Amount of CSR spent for creation or acquisition of capital asset: Nil
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N.A.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

For and on behalf of the Board

For and on behalf of the Board

**Ajit Jhunjhunwala**

*Managing Director*

DIN: 00111872

**Arun Kumar Churiwal**

*(Chairman, CSR Committee)*

DIN: 00001718

Place: Kolkata

Date: 25th May, 2021

## ANNEXURE-V

**[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 2020-21 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 (Resigned w.e.f., 14.08.2020)	Chairman & Non-Executive Independent Director	1.10	-75.00
2.	Mr. Sushil Jhunjunwala	Chairman	262.16	-9.29
3.	Mr. Ajit Jhunjunwala	Managing Director	166.76	6.60
4.	Mrs. Nidhi Jhunjunwala	Executive Director	77.06	-10.93
5	Mr. Subir Bose	Non-Executive & Independent Director	2.94	-
6	Mr. Rajiv Gujral	Non-Executive & Independent Director	2.94	-
7	Mr. Arun Churiwal	Non-Executive Director	2.94	-
8	Prof. Santanu Ray	Non-Executive & Independent Director	2.94	-
9	Mrs. Mamta Binani	Non-Executive & Independent Director	2.94	-
10.	Mr. Alok Pandey	Chief Financial Officer	Not Applicable	-
11.	Mrs. Kanchan P Jaiswal	Company Secretary	Not Applicable	-

- 2) The percentage increase in the median remuneration of employees in the financial year is 4.22%.
- 3) The permanent number of employees on the rolls of the Company is 978.
- 4) Relationship between average increase in remuneration and company performance: - The profit before tax for the financial year ended March 31, 2021 decreased by 38.85% whereas increase in median remuneration was 4.22%.
- 5) Comparison of Remuneration of the Key Managerial Personnel against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 8.81% from ₹ 846.82 lakhs in FY 2019-20 to ₹ 921.40 lakhs in FY 2020-21 whereas Profit before tax decreased by 38.86% from ₹ 10,464.88 lakhs in FY 2019-20 to ₹ 6,398.72 lakhs in FY 2020-21. The key Managerial Personnel were paid around ₹ 18.59% of the Profit after Tax in the FY 2020-21 and 13.59% in the FY 2019-20.

- 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	31-03-21	31-03-20
Market Capitalization (₹ In crores)	2461.98	1637.81
Price Earnings Ratio	49.62	19.44
Increase in the market quotations of the equity shares in comparisons to the rate at which the last public offer made in February,1995	9936%	6576%

- 7) The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 12.05 % as against the increase of 14.76 % 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 38.85 % 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 Jhunjhunwala	9.29%	8.82%
Mr. Ajit Jhunjhunwala	6.60%	5.59%
Mrs. Nidhi Jhunjhunwala	10.93%	2.50%
Mr. Alok Pandey	-	0.99%
Mrs. Kanchan P Jaiswal	-	0.25%

- 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 Chairman. No employee has received remuneration in excess of the Executive 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: 25th May, 2021

**Sushil Jhunjhunwala**  
*Chairman*  
DIN: 00082461

## ANNEXURE-VI

**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. Sushil Jhunjunwala	Chairman	357.27	Graduate in Commerce	52	01.10.1994	70	Radha Glass & Industries Ltd.	Director
Mr. Ajit Jhunjunwala	Managing Director	227.25	Graduate in Commerce	31	01.10.1997	50	-	-
Mrs. Nidhi Jhunjunwala	Executive Director	105.01	Graduate in Arts	21	01.07.2002	47	-	-

Note: 1. All appointments are contractual.

For and on behalf of the Board

Place: Kolkata  
Date: 25th May, 2021

**Sushil Jhunjunwala**  
*Chairman*  
DIN: 00082461



# 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 2020-21.

## 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	'Chittrakoot', 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	2020-21
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	The Company carries out business activities across India with:
	(a) Number of International Locations	Factories – 3
	(b) Number of National Locations	Corporate Office – 1
10.	Markets served by the Company	Serves National and International Market

## SECTION B: FINANCIAL DETAILS OF THE COMPANY (Standalone)

- Paid up Capital (INR) :** ₹ 22.20 Crores
- Total Turnover (INR) :** ₹ 210.23 Crores
- Total Profit After Taxes (INR) :** ₹ 49.57 Crores
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :** 2.00%
- List of activities in which expenditure in 4 above has been incurred:** - Disaster Management, PM Cares, Promoting Education, Medical Care, Public Welfare, Disaster Management, Animal Welfare, Rural Sports, Health Care preventives during pandemic, Preventive Health Care.

## SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? :** No
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? :** Not Applicable (N.A)
- 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:

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

- (b) Details of the BR Head

S r. No.	Particulars	Details
1	DIN Number (if applicable)	N.A.
2	Name	Mr. Alok Pandey
3	Designation	Chief Financial Officer
4	Telephone number	7604088814/15/16/17
5	E-mail 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
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?	<a href="https://laopala.in/policies.php">https://laopala.in/policies.php</a>								
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](http://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 2020-21, a total of 3 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-III 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 : 319

Permanent Workers :  $\frac{659}{978}$

- B. Total number of employees hired on temporary/contractual/casual basis : 309**

- C. Number of permanent women employees : 67**

- 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?: 4.09%**

- 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?**

- Permanent Employees: 100%
- Permanent Women Employees: 100%
- Casual/Temporary/Contractual Employees: 100%
- 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 2020-21, 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. 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.**

The Company 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 ensures 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

**Sushil Jhunjunwala**

*Chairman*

DIN: 00082461

Place: Kolkata

Date: 25th May, 2021

## ANNEXURE TO DIRECTORS' REPORT

# REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2021, 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](http://www.laopala.in) for general information.

### 2. BOARD OF DIRECTORS

#### (a) Composition of Board

As on March 31, 2021, the Company has eight Directors. Of the eight directors, five are Non-Executive Directors out of which four are Independent Directors and the remaining three are Executive Directors

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

Since, the Company has an Executive Chairman; half of its Board is comprised of Independent Directors in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended as on March 31, 2021. Thus, composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

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 & 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, 2021 is as under:**

Name of the Director	Category of Director	No. of Board Meetings Attended During the FY 2021	Attendance At last AGM held on August 14, 2020	No. of Directorship(s) held in other Public limited Companies as on March 31, 2021	No. of Committee* Positions held in other Board Committee of Public Limited Companies as on March 31, 2021		Directorship in other listed entities (Category of directorship)
					Chairman	Member	
Mr. Sushil Jhunjunwala	Chairman	5	Yes	2	1	2	Genesis Exports Limited (Non-Executive) BSL Limited (Non-Executive & Independent)
Mr. Ajit Jhunjunwala	Managing Director	5	Yes	1	0	1	Genesis Exports Limited (Non-Executive)
Mrs. Nidhi Jhunjunwala	Executive Director	5	Yes	0	0	0	None
Mr. Rajiv Gujral **	Non-Executive & Independent	4	Yes	2	0	2	None
Mr. Subir Bose	Non-Executive & Independent	5	Yes	1	0	1	None



Name of the Director	Category of Director	No. of Board Meetings Attended During the FY 2021	Attendance At last AGM held on August 14, 2020	No. of Directorship(s) held in other Public limited Companies as on March 31, 2021	No. of Committee* Positions held in other Board Committee of Public Limited Companies as on March 31, 2021		Directorship in other listed entities (Category of directorship)
					Chairman	Member	
Prof. Santanu Ray	Non-Executive & Independent	5	Yes	8	4	4	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	5	Yes	3	0	2	BSL Limited (Executive)
							RSWM limited (Non-Executive & Non Independent)
Ms. Mamta Binani	Non-Executive & Independent	5	Yes	9	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)
							Balrampur Chinni Mills Ltd (Non-Executive & Independent)
							Emami Paper Mills Ltd (Non-Executive & Independent)

**Notes:**

- For this purpose, only Audit Committee and Stakeholders Relationship Committee of Indian Public Ltd Companies have been considered.
- Mr. A. C. Chakrabortti, Non Executive & Independent Director, has step down from the Position of Chairman & Independent Director of the Company and all the Committee thereunder in which he was member w.e.f, close of business hours of August 14, 2020.
- Mr. Sushil Jhunjhunwala promoted as Chairman of the Company with effect from August 14, 2020.
- None of the Directors serves as 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, 2021 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) Changes in composition of the Board of Directors since last Report**

Mr. A. C. Chakrabortti, Non Executive & Independent Director, has step down from the Position of Chairman & Independent Director of the Company and all the Committees there under in which he was member w.e.f., close of business hours of August 14, 2020, due to his age factor and has also confirmed that there is no other material reason for his resignation.

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

The Board have met five times during the financial year 2020-21 on June 9, 2020; June 30, 2020; August 14, 2020; November 12, 2020 and February 12, 2021. The gap between two board meetings is within 120 days. The requisite 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.

**(g) 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 core skills, expertise and competencies of Directors as on March 31, 2021, as identified by the Board:

Name of the Directors	Skills and Attributes	Description
Sushil Jhunjunwala, Ajit Jhunjunwala, Nidhi Jhunjunwala, Arun Churiwal, Rajiv Gujral, Subir Bose	Business & Industry	Domain Knowledge in Business and understanding of business environment, Optimizing the development in the industry for improving Company's business.
Sushil Jhunjunwala, Ajit Jhunjunwala, Arun Churiwal, Subir Bose, Santanu Ray, Rajiv Gujral	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.
Sushil Jhunjunwala, Ajit Jhunjunwala, Arun Churiwal, Shantanu Ray, Mamta Binani	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.

**(d) Disclosure of relationship between Directors inter-se:**

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

**(e) Independent Directors Meeting and Non-Executive Directors**

During the FY 2021, one meeting of the Independent directors of the Company was held on February 12, 2021 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. 2020-21, 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.

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

The Non-Executive Director, 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, 2021.

**(h) 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 <https://laopala.in/pdf/Familiarisation%20Programme%20for%20IDs%202020-21.pdf>

**(i) 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, 2021. During the F.Y. 2020-21, 4 (four), meetings of the Committee were held on June 30, 2020, August 14, 2020, November 12, 2020 and February 12, 2021.

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. 2020-21 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	2	2
Mr. Santanu Ray, Member#	Non-Executive and Independent	2	2
Mr. Arun Kumar Churiwal, Member	Non-Executive	4	4

\*Mr. A C Chakrabortti, Non-Executive & Independent Director stepped down as Member of Committee w.e.f., August 14, 2020 and.

#Mr. Santanu Ray, Non-Executive and Independent Director appointed as member of the Committee w.e.f., August 14, 2020.

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:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be

included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-Payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Ms. Kanchan P Jaiswal, Company Secretary acts as the Secretary to the Audit Committee w.e.f., October 1, 2020 in place of Mr. Alok Pandey, who continue to remain the Chief Financial Officer of the Company.

The Chairman of the Audit Committee, Mr. Rajiv Gujral, an Independent Director was present at the Annual General Meeting of the Company held on 14th August, 2020.

#### 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, 2021. The Committee met twice during the financial year 2020-21 on August 14, 2020 and February 12, 2021.

The details of members, their category and number of meetings attended by them during the F.Y. 2020-21 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	2	2
Mr. A. C. Chakrabortti, Member*	Non-Executive and Independent	1	1
Mr. Santanu Ray, Member#	Non-Executive and Independent	1	1
Mr. Arun Kumar Churiwal, Member	Non-Executive	2	2

\*Mr. A C Chakrabortti, Non-Executive & Independent Director stepped down as member of the Committee w.e.f., August 14, 2020 and

#Mr. Santanu Ray, Non-Executive and Independent Director appointed as member of the Committee w.e.f., August 14, 2020.

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 the 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:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration of the directors, Key Management Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the performance of the Board, its Committees and individual directors;
3. Laying down criteria, to identify persons who are qualified to become directors & who can be appointed in senior management;

4. Recommending to the Board, appointment/re-appointment & removal of directors & senior management;
5. Review the performance of the Board of Directors and senior Management employees and based on criteria as approved by the Board.
6. Devising a policy on Board diversity
7. Oversee familiarization programs for Directors.
8. Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Chairman of the Nomination & Remuneration Committee, Mr. Subir Bose, an Independent Director attended the Annual General Meeting held on 14th August, 2020.

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. 2020-21 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, Chairman	262.27	95	357.27
Mr. Ajit Jhunjunwala, Managing Director	172.25	55	227.25
Mrs. Nidhi Jhunjunwala, Executive Director	70.01	35	105.01
<b>Total</b>	<b>504.53</b>	<b>185</b>	<b>689.53</b>

#### Details of sitting fees/commission to Non-Executive Directors

(₹ in lakh)

Name of the Directors	Sitting Fees	Commission	Total
Mr. A C Chakrabortti*	1.50	-	1.50
Mr. Rajiv Gujral	2.40	4.00	6.40
Mr. Arun Kumar Churiwal	2.85	4.00	6.85
Mr. Subir Bose	1.65	4.00	5.65
Prof. Santanu Ray	2.25	4.00	6.25
Mrs. Mamta Binani	1.50	4.00	5.50
<b>Total</b>	<b>12.15</b>	<b>20.00</b>	<b>32.15</b>

\* Mr. A. C. Chakrabortti, Non Executive Independent Director has stepped down as Director with effect from August 14, 2020.

#### 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 broad role of Stakeholders Relationship Committee and terms of reference inter alia includes the following:

- Resolving the grievances of the security holders of the listed entity including complaints relating to transfer / transmission / of shares, non – receipt of annual report, non – receipt of declared Dividends, issue of new / duplicate certificates, general Meeting, etc.,
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring

timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

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 her 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 2020-21 on February 12, 2021 and all members were present at the meeting.

The Composition of the Committee as stated below:

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

The previous AGM of the Company was held on August 14, 2020 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 Mrs. Kanchan P Jaiswal, Company Secretary as the Compliance Officer of the Company with effect from October 1, 2020 in place of Mr. Alok Pandey, who continues to be the Chief Financial Officer of the Company.

The details of complaints received and resolved during the F.Y. ended March 31, 2021 are given below:

#### Details of Shareholders' complaints received and resolved during the year ended March 31, 2021:

Opening as on April 01, 2020	Nil
Received during the year	3
Resolved during the year	3
Closing as on March 31, 2021	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 & Designation of the Committee Member	Category in the Board
Mr. Arun Kumar Churiwal, Chairman	Non-Executive Director
Mr. A. C. Chakrabortti, Member*	Non-Executive Independent Director
Prof. Santanu Ray, Member#	Non-Executive Independent Director
Mr. Sushil Jhunjunwala, Member	Chairman
Mr. Ajit jhunjunwala, Member	Managing Director
Mrs. Nidhi Jhunjunwala, Member	Executive Director

\* \*Mr. A C Chakrabortti, Non-Executive & Independent Director step down w.e.f., August 14, 2020 and

#Mr. Santanu Ray, Member appointed as member of the Company w.e.f., August 14, 2020.



The Committee met once during the financial year 2020-21 i.e. on February 12, 2021 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 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 2021.

#### Risk Management Committee

The Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. As on March 31, 2021, the Risk Management Committee comprises of the following:

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

The Committee met once during the financial year 2020-21 i.e., on February 12, 2021 where all members were present at the meeting

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
2019 - 2020	14th August, 2020	02:00 P.M.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM), at Registered office Chitrakoot, 10th Floor, 230A, A.J.C. Bose Road, Kolkata 700 020,
2018 - 2019	10th August, 2019	11:00 A.M.	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017
2017 - 2018	14th August, 2018	03:00 P.M.	'Kala Kunj'. 48, Shakespeare Sarani, Kolkata 700 017

### b) Extra Ordinary General Meeting:

No Extra Ordinary General Meeting held during the F.Y. 2020-21

of the Company w.e.f, 1st October, 2019 up to 30th September 2024.

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

(a) Special Resolution passed at the 33rd Annual General Meeting held on August 14, 2020

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

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

- Re-appointment of Shri Sushil Jhunjunwala as Executive Vice Chairman

(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.

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

**d) Resolutions passed through Postal Ballot:**

During the year under review, the Company has passed three 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:

<b>Description of the Resolution</b>		Remuneration paid to Mr. Sushil Jhunjunwala (DIN: 00082461) as executive Chairman, in the whole – time employment of the Company in accordance with Regulation 17(6)(e) of the Listing Regulations of SEBI till the remaining tenure of his appointment up to 30/09/2024.					
<b>Type of resolution</b>		Special					
<b>Manner of Voting</b>	<b>Total Votes</b>	<b>Invalid/ Not Voted</b>	<b>Valid Votes</b>	<b>Votes in favour of the resolution</b>		<b>Votes against the resolution</b>	
	<b>Nos.</b>			<b>Nos.</b>	<b>Nos.</b>	<b>Percentage</b>	<b>Nos.</b>
E-Voting	96083108	0	96083108	80064997	83.33	16018111	16.67
Postal Ballot	-	-	-	-	-	-	-
Poll	-	-	-	-	-	-	-
<b>Total</b>	<b>96083108</b>	<b>0</b>	<b>96083108</b>	<b>80064997</b>	<b>83.33</b>	<b>16018111</b>	<b>16.67</b>

<b>Description of the Resolution</b>		Remuneration paid to Mr. Ajit Jhunjunwala (DIN: 00111872) as Managing Director in the whole – time employment of the Company in accordance with Regulation 17(6)(e) of the Listing Regulations of SEBI till the remaining tenure of his appointment up to 30/09/2022					
<b>Type of resolution</b>		Special					
<b>Manner of Voting</b>	<b>Total Votes</b>	<b>Invalid/ Not Voted</b>	<b>Valid Votes</b>	<b>Votes in favour of the resolution</b>		<b>Votes against the resolution</b>	
	<b>Nos.</b>			<b>Nos.</b>	<b>Nos.</b>	<b>Percentage</b>	<b>Nos.</b>
E-Voting	96083108	0	96083108	80064640	83.33	16018468	16.67
Postal Ballot	-	-	-	-	-	-	-
Poll	-	-	-	-	-	-	-
<b>Total</b>	<b>96083108</b>	<b>0</b>	<b>96083108</b>	<b>80064640</b>	<b>83.33</b>	<b>16018468</b>	<b>16.67</b>

<b>Description of the Resolution</b>		Remuneration paid to Mrs. Nidhi Jhunjunwala (Din: 01144803) as Executive Director in the whole-time employment of the Company in accordance with Regulation 17(6)(e) of the Listing Regulations of SEBI till the remaining tenure of her appointment up to 19/05/2025					
<b>Type of resolution</b>		Special					
<b>Manner of Voting</b>	<b>Total Votes</b>	<b>Invalid/ Not Voted</b>	<b>Valid Votes</b>	<b>Votes in favour of the resolution</b>		<b>Votes against the resolution</b>	
	<b>Nos.</b>			<b>Nos.</b>	<b>Nos.</b>	<b>Percentage</b>	<b>Nos.</b>
E-Voting	96083108	0	96083108	80064543	83.33	16018565	16.67
Postal Ballot	-	-	-	-	-	-	-
Poll	-	-	-	-	-	-	-
<b>Total</b>	<b>96083108</b>	<b>0</b>	<b>96083108</b>	<b>80064543</b>	<b>83.33</b>	<b>16018565</b>	<b>16.67</b>

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 only to its shareholders to cast their votes electronically only through the NSDL e-voting platform. 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 then announced by the Authorised office. The voting results were sent to the Stock Exchange and displayed on the Company's website.

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

In the Notice of the forthcoming 34th Annual General Meeting there are no items of Business (Special Business) which require to be conducted through Postal Ballot.

## 5. DISCLOSURES

### (a) Related Party Transactions:

Transactions entered into with related parties during FY 2021 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 Ind-As 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 <https://laopala.in/policies.php>

### (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 <https://laopala.in/policies.php>. 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, 2021. However, The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is displayed on the Company's website <https://laopala.in/policies.php>.

### (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. Mrs. Kanchan P Jaiswal, Company Secretary is the Compliance Officer w.e.f., October 1, 2020 in place of Mr. Alok Pandey, who continued to be the Chief Financial Officer of the Company. The Code of Conduct is applicable to all Directors, Wholtime 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, 2021. 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. <https://laopala.in/code-conduct.php>

### (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-paras (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 lakhs)

Particulars	Amount
Audit fees for Statutory Audit (including quarterly audits)	9.00
Other Services	7.40
<b>Total</b>	<b>16.40</b>

## 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. 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.

### ii. Audit qualifications:

The Company's financial statement for the year 2020-21 does not contain any audit qualification.

### iii. 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	Saturday, September 25, 2021
Time	1:00 PM
Venue	The Company will conduct 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. 2021-2022):

Financial Year	1st April, 2021 – 31st March, 2022
First quarter results	On or before 14th August, 2021
Second quarter/Half Yearly results	On or before 14th November, 2021
Third quarter results	On or before 14th February, 2022
Results for the Financial Year	On or before 30th May, 2022
Dividend Payment date	As mentioned in the notice convening the Annual General meeting for FY 2020-21

<b>c) Listing on Stock Exchanges</b>	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)
<b>d) Stock Code/Symbol</b>	BSE Limited: 526947 NSE Limited: LAOPALA
<b>e) Demat ISIN No. for CDSL &amp; NSDL</b>	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 2020	207.75	141.70	200.00	140.00	33,887.25	27,500.79	9,889.05	8,055.80
May 2020	182.50	146.10	175.85	146.10	32,845.48	29,968.45	9,598.85	8,806.75
June 2020	200.90	150.45	205.00	150.00	35,706.55	32,348.10	10,553.15	9,544.35
July 2020	224.00	177.20	205.50	180.10	38,617.03	34,927.20	11,341.40	10,299.60
August 2020	251.60	176.65	251.85	176.35	40,010.17	36,911.23	11,794.25	10,882.25
September 2020	250.60	195.00	250.95	194.60	39,359.51	36,495.98	11,587.20	11,024.40
October 2020	227.50	202.80	227.50	202.10	41,048.05	38,410.20	12,022.05	11,347.05
November 2020	242.50	200.30	242.50	203.20	44,825.37	39,334.92	13,145.85	12,978.00
December 2020	249.00	208.50	244.65	208.00	47,896.97	44,118.10	14,024.85	12,962.80
January 2021	247.15	215.20	247.50	215.50	50,184.01	46,160.46	14,753.55	13,596.75
February 2021	229.00	202.45	228.75	206.80	52,516.76	46,433.65	15,431.75	13,661.75
March 2021	239.00	206.80	239.00	205.65	51,821.84	48,236.35	15,336.30	14,264.00

**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:**

All requests for dematerialisation of shares, which are found to be in order, are generally processed within 15 days and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share transfers in physical form are generally registered within 15 days from the date of receipt provided that the documents are found to be in order. Stakeholders Relationship Committee considers and approves the transfer proposals.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialised form with the depositories. According to the Listing Regulations, no shares can be transferred unless they are held in dematerialised mode. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form. Hence, Members holding shares in physical form are requested to dematerialize their holdings.

Further, SEBI vide its Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020 has fixed 31st March, 2021 as the cut-off date for re-lodgement of physical share transfer requests and has provided that such transferred shares shall be issued only in demat mode. The Company has received no such request for transfer of securities held in physical mode during the financial year 2020-2021.

**i) Distribution of Shareholding as on March 31, 2021:**

No. of equity Shares held	Shareholder(s) Nos.	Shareholder(s) %	Share(s) Nos.	Shares %
1 to 500	27,596	88.83	19,98,730	1.80
501 to 1000	1,346	4.33	10,65,623	0.96
1001 to 2000	1,211	3.90	20,00,058	1.80
2001 to 3000	334	1.07	8,20,141	0.74
3001 to 4000	168	0.54	6,04,336	0.54
4001 to 5000	89	0.29	4,11,910	0.37
5001 to 10000	152	0.49	11,20,969	1.01
10001 to Above	169	0.54	10,29,78,233	92.77
<b>Total</b>	<b>31,065</b>	<b>100.00</b>	<b>11,10,00,000</b>	<b>100.0000</b>

**j) Dematerialization of Shares:**

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. As on March 31, 2021, 99.55 % of the Company's total paid up equity share capital representing 11,05,02,827 equity shares were held in dematerialized form and balance 0.45 % representing 4,97,173 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:**

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

**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 following address :

**La Opala RG Ltd.**

Eco Centre, 8th Floor  
EM - 4, Sector V  
Kolkata - 700 091  
Telephone Nos: 7604088814/5/6/7  
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) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:** Nil**p) OTHER DISCLOSURES**

No funds have been raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations during the year.

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as a Director by SEBI/Ministry of Corporate Affairs or any such statutory authority, which has also been confirmed by M/s. Drolia & Co., Practicing Company Secretaries in a Certificate which is attached and forms part of the Annual Report.

During the financial year ended March 31, 2021, the Board has accepted all recommendations of its Committees.



The total fees paid by the Company to M/s. Singhi & Co., Chartered Accountants, Auditors of the Company and all other entities forming part of the same network, aggregate ₹ 16.40 Lakhs.

**q) 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, 2021 and the same is attached with this report.

**r) 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, 2021, as stipulated under Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended is annexed hereto.

For and on behalf of the Board

Place: Kolkata  
Date: May 25, 2021

**Sushil Jhunjunwala**  
*Chairman*  
DIN: 00082461

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## 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, 2021.

For and on behalf of the Board

Place: Kolkata  
Date: May 25, 2021

**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 Jhunjunwala, Managing Director and Alok Pandey, Chief Financial Officer (CFO) 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, 2021 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) 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: May 25, 2021

**Alok Pandey**  
Chief Financial Officer

**Ajit Jhunjunwala**  
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, 2021 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, 2021.
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:21053816AAAAE54702**

Place: Kolkata  
Dated: May 25, 2021

## 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,**  
Chitrakoot, 10th floor, 230A, A J C  
Bose Road, Kolkata 700020.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of La Opala R G Limited having **(CIN: L26101WB1987PLC042512)** having registered office at Chitrakoot, 10th floor, 230A, A J C Bose Road, Kolkata 700020 and (herein referred to as '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, as amended.

In my opinion and to the best of my 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 me by the Company and its office electronically, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or other Statutory Authority, as applicable.

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	Smt. Nidhi Jhunjunwala	01144803	20/05/2010
4	Sri Arun Kumar Churiwal	00001718	26/06/2004
5	Sri Subir Bose	00048451	07/04/2017
6	Sri Santanu Ray	00642736	05/02/2018
7	Sri Rajiv Gujral	00409916	26/10/2007
8	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. My responsibility is to express an opinion on these based on my 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: 1362

Place: Kolkata  
Date: 25-05-2021  
UDIN: F002366C000364761

**Note:** My attendance for the purpose of physical verification and examination of relevant records in relation to the issue of above certificate was impracticable due to the prevailing restrictions caused by CORONA Pandemic and I relied on the records and information as made available to me by the Company through digital mode only and other details available on MCA portal.

# Financial Statements

## INDEPENDENT AUDITOR'S REPORT

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, 2021, 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. (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, 2021, 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, 2021. 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
<p><b>A. Non-Current Investment in Listed Company</b></p> <p>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 ₹ 16140.07 Lakh in the financial statements.</p>	<p>Our procedures in respect of the valuation of listed investment 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 investment, in respect of:</p> <ul style="list-style-type: none"> <li>• We benchmarked inputs used for valuations to current market best practices in assessing the appropriateness of the methodologies applied.</li> <li>• Re-computation of the values and comparing it with valuer calculations, and</li> <li>• Our procedures in respect of the classification of investment for accounting purposes included assessing if the company was able to exercise significant influence in respect of this investment by applying the criteria for recognition of an associate set out in IND AS 28 Investment in Associate. 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.</li> </ul>



Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>The share of Investee Company 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 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>	<p><b>Our Observation:</b></p> <p>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 is considered to be reasonable.</p>
<p><b>B. Valuation of inventories</b></p> <p>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>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by:</p> <ul style="list-style-type: none"> <li>• Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>• Verifying the effectiveness of key inventory controls operating over inventories.</li> <li>• Verifying for a sample of individual products that costs have been correctly recorded.</li> <li>• Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision.</li> <li>• Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year.</li> <li>• Recomputing provisions recorded to verify that they are in line with the Company policy.</li> </ul> <p><b>Our Observation:</b></p> <p>Based on the audit procedures performed we did not identify any material exceptions in the valuation of inventories.</p>
<p><b>C. Valuation and existence of current investments</b></p> <p>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 ₹ 29977.13 Lakh and represent 40.41 % 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, 2021, all Investments are in mutual funds and are actively traded with readily available, net assets value.</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, 2021 to the Net Assets Value provided by the respective Mutual funds.</p> <p><b>Our Observation:</b></p> <p>Based on the audit procedures performed we did not identify any material exceptions in the valuation and existence of Current investments.</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, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting 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, 2021 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: May 25, 2021

UDIN:21053816AAAAEK8186

## 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:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of property plant & equipments were physically verified by the management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as shown in Note No. 3 of the financial statements except 2 (two) cases of buildings with gross value of ₹ 990.01 Lakh (Net carrying amount ₹ 938.14 Lakh) titles for which is pending registration.
- ii. The physical verification of inventory excluding inventories in transit have 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.
- iii. 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.
- iv. In our opinion and according to the information and explanations given to us, 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.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. 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.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of account:
  - a. 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, 2021 for a period of more than six months from the date they became payable

- b. 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, 2021 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	
		35.70	2013-14	
		124.20	2015-16	
		54.17	2017-18	
		0.40	2012-13	
The Central Excise Act, 1944	Duty of Excise	4.28	2009-10	Customs, Excise & Service Tax Appellate Tribunal, Kolkata

- viii. 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 did not have any borrowing from Government and dues to debenture holders as at balance sheet date.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. 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.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. 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.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, 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: May 25, 2021

UDIN:21053816AAAAEK8186

## 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 under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to financial statement of La Opala RG Limited ("the Company") as of March 31, 2021 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting with reference to financial statement and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statement included obtaining an understanding of internal financial controls over financial reporting 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 over financial reporting with reference to financial statement.

### Meaning of Internal Financial Controls over financial reporting with reference to financial statement

A company's internal financial control over financial reporting 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 over financial reporting 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 over financial reporting with reference to financial statement

Because of the inherent limitations of internal financial controls over financial reporting 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 over financial reporting with reference to financial statement to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting with reference to financial statement and such internal financial controls over financial reporting with reference to financial statement were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**

*Chartered Accountants*

Firm Registration Number: 302049E

**(Navindra Kumar Surana)**

*Partner*

Place: Kolkata

Date: May 25, 2021

Membership Number: 053816

UDIN:21053816AAAAEK8186

Balance Sheet as at 31<sup>st</sup> March 2021

INR in Lakh

	Note No.	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	10,320.24	11,068.92
(b) Right to Use of Assets	4	1,115.08	1,128.32
(c) Capital Work in Progress	5	7,959.42	2,476.45
(d) Intangible Assets	6	6.06	6.11
(e) Intangible Assets under Development	7	96.13	56.50
(f) Financial assets			
(i) Investments	8	16,140.07	8,146.28
(ii) Loans	9	387.88	388.74
(g) Income Tax Assets (Net)	10	72.99	73.05
(h) Other non current assets	11	575.90	1,319.19
		<b>36,673.77</b>	<b>24,663.56</b>
<b>Current assets</b>			
(a) Inventories	12	2,973.86	5,504.84
(b) Financial assets			
(i) Investments	8	29,977.12	25,879.87
(ii) Trade receivable	13	3,779.86	4,382.34
(iii) Cash and cash equivalents	14	8.60	12.47
(iv) Bank balances other than (iii) above	15	425.98	367.54
(v) Other Financial Assets	16	83.53	67.24
(c) Other current assets	11	250.79	236.75
		<b>37,499.74</b>	<b>36,451.05</b>
<b>TOTAL ASSETS</b>		<b>74,173.51</b>	<b>61,114.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17	2,220.00	2,220.00
(b) Other equity	18	64,356.36	52,290.27
		<b>66,576.36</b>	<b>54,510.27</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease Liabilities	19	49.80	49.63
(ii) Other financial liabilities	20	180.10	181.09
(b) Provisions	25	127.65	98.01
(c) Deferred tax liabilities (net)	21	2,712.91	2,327.22
		<b>3,070.46</b>	<b>2,655.95</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	105.18	489.42
(ii) Lease Liabilities	19	4.77	4.72
(iii) Trade payables	23		
a) Total Outstanding dues of Micro and Small Enterprises		390.25	292.28
b) Total Outstanding dues other than Micro and Small Enterprises		910.35	918.77
(iv) Other financial liabilities	20	2,404.59	1,592.23
(b) Contract Liabilities		160.46	173.09
(c) Other current liabilities	24	261.63	243.78
(d) Provisions	25	131.13	147.56
(e) Current Tax Liabilities (Net)	26	158.33	86.54
		<b>4,526.69</b>	<b>3,948.39</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>74,173.51</b>	<b>61,114.61</b>

Significant accounting policies 1  
Key Accounting Estimates & Judgements 2.1  
Other notes to Financial Statements 3 to 49  
The notes referred to above form integral part of these financial statements

**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 : 25.05.2021**

**For and on behalf of the Board of Directors**

**Sushil Jhunjunwala**

Chairman

DIN: 00082461

**Ajit Jhunjunwala**

Managing Director

DIN: 00111872

**Alok Pandey**

Chief Financial Officer

**Kanchan P Jaiswal**

Company Secretary

Statement of Profit & Loss for the year ended 31<sup>st</sup> March 2021

INR in Lakh

	Note No.	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Revenue</b>			
Revenue From Operations	27	21,127.82	27,001.37
Other Income	28	807.93	1,669.05
		<b>21,935.75</b>	<b>28,670.42</b>
<b>Expenses</b>			
Cost of materials consumed	29	3,050.42	5,008.94
Purchase of Stock in Trade	30	116.14	46.06
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	31	2,532.62	(787.50)
Employee benefits expense	32	4,013.52	4,856.78
Finance costs	33	25.37	57.45
Depreciation and amortisation	34	1,223.02	1,596.77
Other expenses	35	4,575.94	7,427.04
		<b>15,537.03</b>	<b>18,205.54</b>
<b>Profit/(Loss) Before Tax</b>			
		<b>6,398.72</b>	<b>10,464.88</b>
Tax expense			
(i) Current tax	36	1,980.00	2,518.16
(ii) Deferred tax	36	(538.68)	(480.21)
<b>Total tax expense</b>			
		<b>1,441.32</b>	<b>2,037.95</b>
<b>Profit/(Loss) for the year</b>			
		<b>4,957.40</b>	<b>8,426.93</b>
<b>Other Comprehensive Income</b>			
i) Items that will not be reclassified to profit and loss	37	8,033.06	(4,135.89)
ii) Income tax relating to these items	36	(924.37)	517.01
<b>Other Comprehensive Income for the year</b>			
		<b>7,108.69</b>	<b>(3,618.88)</b>
<b>Total Comprehensive Income for the year</b>			
		<b>12,066.09</b>	<b>4,808.05</b>
<b>Earnings per equity share</b>			
Weighted-average number of equity shares (face value of INR 2 each)	47	11,10,00,000	11,10,00,000
Basic and diluted earnings per share (INR)		4.47	7.59

Significant accounting policies

1

Key Accounting Estimates &amp; Judgements

2.1

Other notes to Financial Statements

3 to 49

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

**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 : 25.05.2021

**For and on behalf of the Board of Directors****Sushil Jhunjunwala**

Chairman

DIN: 00082461

**Ajit Jhunjunwala**

Managing Director

DIN: 00111872

**Alok Pandey**

Chief Financial Officer

**Kanchan P Jaiswal**

Company Secretary

## Cash Flow Statement for the year ended 31<sup>st</sup> March 2021

INR in Lakh

	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
<b>A Cash Flow from Operating Activities</b>		
<b>Net Profit before Taxation</b>	<b>6,398.72</b>	<b>10,464.88</b>
Adjustment for :		
Depreciation and amortisation expense	1,223.02	1,596.77
Loss/(Gain) on disposal of property, plant and equipment	19.83	(182.29)
Interest Income	(33.84)	(39.13)
Finance costs	25.37	57.45
Dividend income	-	(66.49)
Unspent liability & unclaimed balances written back	(24.92)	(25.28)
(Gain)/ Loss on Investments measured at fair value through Profit & Loss	(557.92)	(1,175.70)
(Gain)/ Loss on Redemption of Current Investment	(112.18)	(118.52)
<b>Operating Profit before working capital changes</b>	<b>6,938.08</b>	<b>10,511.69</b>
Adjustment for working capital		
Decrease/(Increase) in Inventories	2,530.98	(669.21)
Decrease/(Increase) in Trade Receivables, Other Financial & Other Assets	581.51	440.41
Increase/(decrease) in Trade Payable, Other Financial Liability, Provision & Other liabilities	185.99	(207.97)
<b>Cash generated from operating activities</b>	<b>10,236.56</b>	<b>10,074.92</b>
Income Taxes paid( net of refunds)	(1,908.15)	(2,756.70)
<b>Net Cash generated from Operating activities</b>	<b>8,328.41</b>	<b>7,318.22</b>
<b>B Cash flow from Investing activities</b>		
Purchase of Property, Plant and Equipment & Intangible Assets	(4,627.41)	(3,585.08)
Purchase of Investments	(47,681.68)	(7,466.49)
Sale of Investments	44,254.53	6,249.71
Sale of Property, Plant and Equipment	156.27	248.76
Dividend Received	-	66.49
Interest Received	33.84	39.13
Earmarked Balances with Banks	(58.44)	(61.78)
<b>Net cash used in investing activities</b>	<b>(7,922.89)</b>	<b>(4,509.26)</b>
<b>C Cash flow from Financing activities</b>		
Proceeds/ (Repayment) of Borrowings	(384.24)	400.40
Finance costs paid	(20.58)	(52.73)
Payment of Interest on Lease Liability	(4.57)	(4.72)
Dividend and Dividend tax paid	-	(3,214.60)
<b>Net Cash (used in) Financing activities</b>	<b>(409.39)</b>	<b>(2,871.65)</b>
<b>Net Increase/(Decrease) in cash or cash equivalents (A+B+C)</b>	<b>(3.87)</b>	<b>(62.69)</b>
Cash and Cash Equivalents at the beginning of the financial year (Refer Note 14)	12.47	75.16
<b>Cash and Cash Equivalents at the end of the year (Refer Note 14)</b>	<b>8.60</b>	<b>12.47</b>

### 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.
- Reconciliation for total Liability from Financing Activity

## Cash Flow Statement for the year ended 31<sup>st</sup> March 2021

INR in Lakh

	As at 31 <sup>st</sup> March 2020	Cash Flow	Non Cash Changes		Interest paid	As at 31 <sup>st</sup> March 2021
			Interest Expenses	Interest Expenses on Lease Liabilities		
Borrowing-Current	489.42	(384.24)	20.58	-	(20.58)	105.18
Lease Liability	54.35	(4.57)	-	4.78	-	54.58
<b>Total Liability from Financing Activity</b>	<b>543.77</b>	<b>(388.81)</b>	<b>20.58</b>	<b>4.78</b>	<b>(20.58)</b>	<b>159.76</b>

INR in Lakh

	As at 1 <sup>st</sup> April 2019	Cash Flow	Non Cash Changes		Interest paid	As at 31 <sup>st</sup> March 2020
			Interest Expenses	Interest Expenses on Lease Liabilities		
Borrowing-Current	89.02	400.40	52.73	-	(52.73)	489.42
Lease Liability	54.36	(4.72)	-	4.71	-	54.35
<b>Total Liability from Financing Activity</b>	<b>143.38</b>	<b>395.68</b>	<b>52.73</b>	<b>4.71</b>	<b>(52.73)</b>	<b>543.77</b>

**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 : 25.05.2021**

**For and on behalf of the Board of Directors  
Sushil Jhunjunwala**

Chairman

DIN: 00082461

**Ajit Jhunjunwala**

Managing Director

DIN: 00111872

**Alok Pandey**

Chief Financial Officer

**Kanchan P Jaiswal**

Company Secretary

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2021

### A Equity Share Capital

Particulars	Balance as at 1 <sup>st</sup> April, 2019	Changes in equity share capital during 2019-20	Balance as at 31 <sup>st</sup> March, 2020	Changes in equity share capital during 2020-21	Balance as at 31 <sup>st</sup> March, 2021
	Equity shares with voting rights	2,200.00	-	2,200.00	-

INR in Lakh

### B Other Equity

Particulars	Reserves and Surplus		Retained Earnings	Other comprehensive income through Equity Instruments through Other Comprehensive Income	Reserve Remeasurement of the defined benefit plans	Total
	Securities Premium Reserve	General reserve				
<b>Balance as at 1<sup>st</sup> April 2019</b>	<b>5,620.27</b>	<b>6,040.00</b>	<b>28,253.27</b>	<b>10,780.28</b>		<b>50,693.82</b>
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)			(45.15)	(3,573.73)		(3,573.73)
Remeasurement of gain/ (loss) (Net of Tax) Transfer to Retained Earnings					45.15	-
<b>Adjustments</b>						
Transfer to Bonus Issue						-
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)
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>5,620.27</b>	<b>7,040.00</b>	<b>32,423.45</b>	<b>7,206.55</b>	-	<b>52,290.27</b>
Profit for the year			4,957.40			4,957.40
Remeasurement of gain/ (loss) (Net of Tax)					29.39	29.39
Fair Valuation of equity instruments (Net of Tax)			-	7,079.30		7,079.30
Remeasurement of gain/ (loss) (Net of Tax) Transfer to Retained Earnings			29.39		(29.39)	-
<b>Adjustments</b>						
Transfer to General Reserve		-	-			-
Dividend for the year 2020-21			-			-
Dividend Distribution Tax			-			-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>5,620.27</b>	<b>7,040.00</b>	<b>37,410.24</b>	<b>14,285.85</b>	-	<b>64,356.36</b>

#### 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 : 25.05.2021

#### In terms of our report of even date

#### For and on behalf of the Board of Directors

Sushil Jhunjunwala

Chairman

DIN: 00082461

#### Alok Pandey

Chief Financial Officer

#### Ajit Jhunjunwala

Managing Director

DIN: 00111872

#### Kanchan P Jaiswal

Company Secretary



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 Ministry of Corporate Affairs (MCA) issued certain amendments in existing Accounting Standards during the year ended March 31, 2020, which are effective from July 24, 2020.

- Ind AS 103 (Business Combinations): Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.
- Ind AS 107 (Financial Instruments: Disclosures): Disclosures for uncertainty arising from interest rate benchmark reform.
- Ind AS 109 (Financial Instruments): Temporary exceptions from applying specific hedge accounting requirements.
- Ind AS 116 (Leases): Due to the pandemic COVID- 19 – Related Rent concession, a clarification has been provided on accounting of Rent concessions, whether to treat as a lease modification or not.
- Ind AS 1 and Ind AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors): Change/modification in the definition of "Material".
- Ind AS 10 (Events after the Reporting Period): Definition for non – adjusting events and its effective date of application.
- Ind AS 34 (Interim Financial Reporting): Consequential of the above amendments.
- Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

#### 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.

#### 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;

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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

Freehold land is not depreciated. 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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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.

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

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 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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

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.

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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

contingent consideration 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 interments

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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

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.

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.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

- **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 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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 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 and in Equity, in case there is an adjustment to the opening balance of retained earnings resulting from either a change in accounting policy that is applied retrospectively or the correction of error or amount arising on initial recognition of a compound financial instruments.

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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

A disclosure for a contingent liability is made when there is a possible obligation or 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 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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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.

### 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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

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 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. On-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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 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. 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.

#### 2.1.3. 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.

#### 2.1.4. 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.

#### 2.1.5. 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.

#### 2.1.6. 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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 2.1.7. 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.

### 2.1.8. Right-of-use assets and lease liability

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

### 2.2. New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Rounding Off:** For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

#### Additional Disclosure in Notes to Balance Sheet:

- Shareholding of Promoter: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promoters along with changes, if any, during the Financial Year.
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

- Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment
- Specific Disclosure Borrowing & Wilful Defaulter

### **Additional Disclosure in Notes to Profit & Loss Account:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 3. Property, plant and equipment

INR in Lakh  
(For the year ended 31<sup>st</sup> March, 2021)

Description	Gross block		Accumulated depreciation		Net block			
	As at 1 <sup>st</sup> April 2020	Additions / adjustments	Deductions	As at 31 <sup>st</sup> March 2021	Upto 1 <sup>st</sup> April 2020	For the Year Deductions	Upto 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2021
Freehold land	267.81	70.09	-	337.90	-	-	-	337.90
Land Improvement	38.24	-	-	38.24	5.93	0.42	6.35	31.89
Building	4,020.75	-	-	4,020.75	1,011.53	99.94	1,111.47	2,909.28
Plant and machinery	17,095.07	574.70	1,075.76	16,594.01	9,598.71	1,072.31	9,765.87	6,828.14
Furniture and fixtures	369.11	-	71.70	297.41	276.01	17.92	225.69	71.72
Vehicles	213.70	-	5.80	207.90	52.17	24.40	71.19	136.71
Office equipment's	70.55	-	40.22	30.33	61.96	2.38	25.73	4.60
<b>Total</b>	<b>22,075.23</b>	<b>644.79</b>	<b>1,193.48</b>	<b>21,526.54</b>	<b>11,006.31</b>	<b>1,217.37</b>	<b>11,206.30</b>	<b>10,320.24</b>

(For the year ended 31<sup>st</sup> March, 2020)

Description	Gross block		Accumulated depreciation		Net block			
	As at 1 <sup>st</sup> April 2019	Additions / adjustments	Deductions	As at 31 <sup>st</sup> March 2020	Upto 1 <sup>st</sup> April 2019	For the Year Deductions	Upto 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2020
Freehold land	267.81	-	-	267.81	-	-	-	267.81
Land Improvement	38.24	-	-	38.24	5.51	0.42	5.93	32.31
Building	4,080.96	10.90	71.11	4,020.75	938.20	100.87	1,011.53	3,009.21
Plant and machinery	16,867.83	479.72	252.48	17,095.07	8,353.07	1,454.34	9,598.71	7,496.36
Furniture and fixtures	367.81	2.58	1.28	369.11	258.22	17.79	276.01	93.11
Vehicles	153.58	124.18	64.06	213.70	92.41	15.99	52.17	161.53
Office equipment's	69.24	1.31	-	70.55	59.57	2.39	61.96	8.59
<b>Total</b>	<b>21,845.47</b>	<b>618.69</b>	<b>388.93</b>	<b>22,075.23</b>	<b>9,706.98</b>	<b>1,591.80</b>	<b>11,006.31</b>	<b>11,068.92</b>

\* Registration of 2 (two) buildings with gross value of INR 990.01 lakh (Prev Year 3 Building - INR 1321.80 Lakh). Net carrying amount INR. 938.14 Lakh (Prev. Year- INR 1274.43 Lakh) is pending for Registration

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 4. Right to Use of Assets

Description	Gross block		Accumulated depreciation			Net block	
	As at 1 <sup>st</sup> April 2020	Additions / Deductions	As at 31 <sup>st</sup> March 2021	Upto 1 <sup>st</sup> April 2020	For the Year Deductions	Upto 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2021
Land Lease Hold	1,141.56	-	1,141.56	13.24	13.24	26.48	1,115.08

INR in Lakh

Description	Gross block		Accumulated depreciation			Net block	
	As at 1 <sup>st</sup> April 2019	Additions / Deductions	As at 31 <sup>st</sup> March 2020	Upto 1 <sup>st</sup> April 2019	For the Year Deductions	Upto 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2020
Land Lease Hold	1,141.56	-	1,141.56	-	13.24	13.24	1,128.32

INR in Lakh

### 5. Capital work in Progress

Description	As at 1 <sup>st</sup> April 2019	Additions / adjustments	Capitalised during the year	As at 31 <sup>st</sup> March 2020	Additions / adjustments	Capitalised during the year	As at 31 <sup>st</sup> March 2021
	Capital Work in Progress	191.03	2,904.11	618.69	2,476.45	6,127.75	644.79
<b>Total</b>	<b>191.03</b>	<b>2,904.11</b>	<b>618.69</b>	<b>2,476.45</b>	<b>6,127.75</b>	<b>644.79</b>	<b>7,959.42</b>

INR in Lakh

a. Capital Work in Progress mainly comprises of Plant & Machineries, Furniture & Fixtures and Civil Structures.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 6. Intangible assets

INR in Lakh  
(For the year ended 31<sup>st</sup> March, 2021)

Description	Gross block		Accumulated depreciation		Net block		
	As at 1 <sup>st</sup> April 2020	Additions / deductions	As at 31 <sup>st</sup> March 2021	Upto 1 <sup>st</sup> April 2020	For the Year Deductions	Upto 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2021
Computer Software	13.02	2.53	15.55	6.91	2.58	9.49	6.06
<b>Total</b>	<b>13.02</b>	<b>2.53</b>	<b>15.55</b>	<b>6.91</b>	<b>2.58</b>	<b>9.49</b>	<b>6.06</b>

(For the year ended 31<sup>st</sup> March, 2020)

Description	Gross block		Accumulated depreciation		Net block		
	As at 1 <sup>st</sup> April 2019	Additions / deductions	As at 31 <sup>st</sup> March 2020	Upto 1 <sup>st</sup> April 2019	For the Year Deductions	Upto 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2020
Computer Software	9.76	3.26	13.02	5.01	1.90	6.91	6.11
<b>Total</b>	<b>9.76</b>	<b>3.26</b>	<b>13.02</b>	<b>5.01</b>	<b>1.90</b>	<b>6.91</b>	<b>6.11</b>

### 7. Intangible Assets under Development

INR in Lakh

Description	As at 1 <sup>st</sup> April 2019	As at 31 <sup>st</sup> March 2020	Capitalised during the year	As at 31 <sup>st</sup> March 2021
			Additions / adjustments	
Implementation of SAP	37.00	56.50	19.50	96.13
<b>Total</b>	<b>37.00</b>	<b>56.50</b>	<b>19.50</b>	<b>96.13</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 8. Non Current Investments

INR in Lakh

	Face Value per share (₹)	Quantity	Non Current	
			Amount	
			As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Equity investments designated at Fair Value through Other Comprehensive Income</b>				
<b>Investments in Quoted Equity Instruments</b>				
Equity shares of INR 10 each fully paid-up in Genesis Exports Ltd	10	75,330	16,140.07	8,146.28
			<b>16,140.07</b>	<b>8,146.28</b>
<b>Aggregate Quoted Investments- At cost</b>			<b>8.80</b>	<b>8.80</b>
<b>Aggregate Quoted Investments- At Fair Value</b>			<b>16,140.07</b>	<b>8,146.28</b>

### 8. Current Investments

INR in Lakh

	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
	Quantity	Amount	Quantity	Amount
<b>Investments designated at Fair Value through Profit and Loss</b>				
<b>Investments in Mutual funds (Unquoted)</b>				
Kotak Credit Risk Fund-Direct Plan Growth (Formerly Kotak Income Opp. Fund Direct Plan Growth)	-	-	2,72,41,313	6,390.87
HDFC Credit Risk Debt Fund - Direct Growth*	-	-	3,34,21,762	5,829.82
ICICI Prudential Credit Risk Fund-DP Growth (Formerly ICICI Prudential Regular Saving Fund Growth)	-	-	2,37,90,151	5,506.97
Franklin India Short term Income Plan - Direct	1,22,649	5,212.56	1,33,799	5,421.89
Franklin India Short term Income Plan - Retail Plan - Direct Segregated Portfolio 1 (8.25% Vodaphone Idea Ltd 10 JUL 20)	-	-	1,33,799	-
Franklin India Short term Income Plan - Retail Plan - Direct Segregated Portfolio 2 (10.9% Vodaphone Idea Ltd 02Sep23)	1,23,189	-	1,33,799	-
Franklin India Short term Income Plan - Retail Plan - Direct Segregated Portfolio 3 (9.5% Yes Bank Ltd. Co 23 DEC 21)	1,33,799	-	1,33,799	-
Aditya Birla Sunlife Corporate Bond Fund	58,47,380	5,071.58	-	-
ICICI Prudential Short Term Direct Plan Growth Option	1,36,71,280	6,646.85	36,51,509	1,620.03
SBI Credit Risk Fund Direct Growth (Formerly SBI Corporate Bond Fund Direct Plan Growth)	-	-	28,33,604	938.21
HDFC Equity Opportunities Fund -II Series	-	-	20,00,000	172.08
IDFC Banking & PSU Debt Fund - Direct Plan	2,12,30,100	4,148.47	-	-
Kotak Bond Fund (Short Term) Direct Plan Growth	1,20,44,547	5,236.74	-	-
HDFC Short Term Debt Fund	1,46,74,869	3,660.92	-	-
		<b>29,977.12</b>		<b>25,879.87</b>
* Refer Note No. 42				
Aggregate Un-Quoted Investments- At cost		28,873.54		22,894.04
Aggregate Un-Quoted Investments- At Market Value		29,977.12		25,879.87
Aggregate amount of Impairment in value of Unquoted Investments		-		-

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 9. Loans

INR in Lakh

	Non - Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>(Unsecured, considered good unless otherwise stated)</b>		
Security deposits	387.88	388.74
	<b>387.88</b>	<b>388.74</b>

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 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Advance payment of Tax (net of provisions)	58.05	58.05
Income Tax Refundable	9.58	9.58
Deposit with Income Tax Dept.	5.36	5.36
FBT Refundable	-	0.06
	<b>72.99</b>	<b>73.05</b>

### 11. Other non current assets

INR in Lakh

	Non - Current		Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Capital Advance</b>				
Unsecured, Considered Good	574.70	1,309.48	-	-
Unsecured, Considered Doubtful	1.42	1.42	-	-
Less: Provision for doubtful advances	(1.42)	(1.42)	-	-
	<b>574.70</b>	<b>1,309.48</b>	-	-
<b>Other Advances</b>				
Advance paid to suppliers (Unsecured Considered Goods)	-	-	199.01	145.10
Unsecured, Considered Doubtful	-	-	-	7.37
Less: Provision for doubtful advances	-	-	-	(7.37)
	-	-	<b>199.01</b>	<b>145.10</b>
Prepaid Expenses	1.20	9.71	50.01	60.12
Balance with Customs, Port Trusts, Excise etc.	-	-	1.77	4.87
Licence in Hand	-	-	-	26.66
<b>Other receivables</b>				
Unsecured, Considered Goods	-	-	-	-
Unsecured, Considered Doubtful	11.68	12.70	-	-
Less: Provision for doubtful advances	(11.68)	(12.70)	-	-
	<b>1.20</b>	<b>9.71</b>	<b>51.78</b>	<b>91.65</b>
	<b>575.90</b>	<b>1,319.19</b>	<b>250.79</b>	<b>236.75</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 12. Inventories

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>(As valued and certified by management)</b>		
Work in Progress	1,218.03	3,063.17
Finished Goods	438.91	1,162.10
Raw Materials	448.75	417.36
Packing Material	181.05	185.14
Stores & Spares(including Oil & Repair Stock)	617.62	643.27
Stock in Trade	69.50	33.80
	<b>2,973.86</b>	<b>5,504.84</b>
<b>The above includes goods-in-transit as under:</b>		
Raw Materials	7.49	0.35
Stores & Spares(including Oil & Repair Stock)	30.73	7.70

### 13. Trade receivable

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Trade Receivables	3,818.04	4,426.61
Receivables from Related Party	-	-
Less : loss Allowance	(38.18)	(44.27)
<b>Total Receivables</b>	<b>3,779.86</b>	<b>4,382.34</b>
Current Portion	<b>3,779.86</b>	<b>4,382.34</b>
Non Current Portion	-	-
<b>Break up of Security Details</b>		
Trade Receivables considered Goods - Secured	180.10	181.09
Trade Receivables considered Goods - Un Secured	3,637.94	4,245.52
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
<b>Total</b>	<b>3,818.04</b>	<b>4,426.61</b>
Loss Allowance	(38.18)	(44.27)
<b>Total Trade Receivables</b>	<b>3,779.86</b>	<b>4,382.34</b>

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.

INR in Lakh

Ageing (As on 31 <sup>st</sup> March 2021)	0-30 days old	30-60 days old	60-90 days old	>90 days old	Total
Gross carrying amount	2,724.49	129.49	36.02	928.05	3,818.04
Expected loss rate					1%
Expected credit loss provision					38.18
Carrying amount of trade receivables (Net of impairment)	<b>2,724.49</b>	<b>129.49</b>	<b>36.02</b>	<b>928.05</b>	<b>3,779.86</b>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

Ageing (As on 31 <sup>st</sup> 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					44.27
Carrying amount of trade receivables (Net of impairment)	<b>1,272.92</b>	<b>1,424.28</b>	<b>691.96</b>	<b>1,037.46</b>	<b>4,382.34</b>

### Reconciliation of Expected credit loss provision

Particulars	Unlisted equity securities
As at 31 <sup>st</sup> March 2020	44.27
Changes in provision	(6.09)
<b>As at 31<sup>st</sup> March 2021</b>	<b>38.18</b>

### 14. Cash and cash equivalents

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Cash in hand	2.82	2.28
Balances with banks		
Current Accounts	5.78	10.19
	<b>8.60</b>	<b>12.47</b>

There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.

### 15. Other bank balances

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
On Unpaid Dividend Account	43.63	39.04
Earmarked Balances with Banks	382.35	328.50
	<b>425.98</b>	<b>367.54</b>

### 16. Others Financial Assets

INR in Lakh

	Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Advances recoverable in cash or in kind (Unsecured)		
Unsecured, Considered Good	9.94	11.73
Interest accrued on deposits	10.96	10.54
Accrued Export and Other Incentives	62.63	44.97
	<b>83.53</b>	<b>67.24</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 17. Equity share capital

INR in Lakh

	Number of shares		INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Authorised capital</b>				
Equity shares of INR 2 each	111,000,000	111,000,000	2,220.00	2,220.00
			<b>2,220.00</b>	<b>2,220.00</b>
<b>Issued and subscribed capital &amp; fully paid-up</b>				
Equity shares of INR 2 each	111,000,000	111,000,000	2,220.00	2,220.00
			<b>2,220.00</b>	<b>2,220.00</b>

#### 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 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Equity Shares with voting rights				
Opening balance	11,10,00,000	11,10,00,000	2,220.00	2,220.00
<b>Closing balance</b>	<b>11,10,00,000</b>	<b>11,10,00,000</b>	<b>2,220.00</b>	<b>2,220.00</b>
<b>Total Equity shares outstanding</b>	<b>11,10,00,000</b>	<b>11,10,00,000</b>	<b>2,220.00</b>	<b>2,220.00</b>

#### b) Details of shareholders holding more than 5% in the company:

	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
	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%	5,13,99,000	46.31%
Ajit Jhunjhunwala	83,93,000	7.56%	83,93,000	7.56%
HDFC Small Cap Fund	67,52,667	6.08%	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.
- j) The Board of Directors of the Company has recommended final dividend of INR 1.50 per share aggregating to INR 1665.00 Lakh for the year ended 31<sup>st</sup> March 2021 which has not been recognised in the financial statement

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Opening balance	5,620.27	5,620.27
<b>Closing Balance</b>	<b>5,620.27</b>	<b>5,620.27</b>

#### 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 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Opening balance	7,040.00	6,040.00
Transfer from Retained Earning	-	1,000.00
<b>Closing Balance</b>	<b>7,040.00</b>	<b>7,040.00</b>

#### c) Retained earnings

Amount of retained earnings represents accumulated profit and losses of the Company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for realised gain/loss on derecognition of equity instruments measured at FVTOCI

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Opening balance	32,423.45	28,253.27
Add: Remeasurement of defined benefit obligation (net of tax)	29.39	(45.15)
Add: Profit for the year	4,957.40	8,426.93
	<b>37,410.24</b>	<b>36,635.05</b>
Less: Transfer to General Reserve	-	1,000.00
Less: Dividend on Equity Shares	-	2,664.00
Less: Dividend Distribution Tax	-	547.60
<b>Closing Balance</b>	<b>37,410.24</b>	<b>32,423.45</b>

#### 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.

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Equity instrument through Other Comprehensive Income</b>		
Balance at the beginning of the year	7,206.55	10,780.28
Add/(Less): Change in Fair Value (net of tax)	7,079.30	(3,573.73)
<b>Balance at the end of the year</b>	<b>14,285.85</b>	<b>7,206.55</b>
<b>TOTAL OTHER EQUITY</b>	<b>64,356.36</b>	<b>52,290.27</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 19. Lease Liabilities

INR in Lakh

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Lease Liabilities	49.80	49.63	4.77	4.72
	<b>49.80</b>	<b>49.63</b>	<b>4.77</b>	<b>4.72</b>

### 20. Other Financial Liability

INR in Lakh

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Liability under Litigation	-	-	466.78	429.73
Employee related Liability	-	-	560.37	559.12
Payable against purchase of capital assets	-	-	1,132.25	334.70
Trade and other deposits- unsecured	180.10	181.09	-	-
Unclaimed dividends	-	-	43.63	39.04
Other Payables*	-	-	201.56	229.64
	<b>180.10</b>	<b>181.09</b>	<b>2,404.59</b>	<b>1,592.23</b>

\*Includes payment due to related parties. Refer Note 44

### 21. Deferred tax

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Deferred Tax Liabilities</b>		
On PPE & ROU Depreciation & Intangible Assets amortisation	719.69	772.69
On Fair valuation of Mutual Funds	131.67	628.40
On Fair valuation of Equity Instruments	1,845.42	930.93
On Fair valuation of Land	42.56	42.56
	<b>2,739.34</b>	<b>2,374.58</b>
<b>Deferred Tax Assets</b>		
Allowance for credit loss	9.61	11.14
Others	16.82	36.22
	<b>26.43</b>	<b>47.36</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>2,712.91</b>	<b>2,327.22</b>

### Movement in deferred tax asset and deferred tax liabilities during the year ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2021

INR in Lakh

Particulars	As at 31 <sup>st</sup> March, 2020	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 <sup>st</sup> March, 2021
Deferred Tax Liabilities				
On PPE & ROU Depreciation & Intangible Assets amortisation	772.69	(53.00)	-	719.69
On Fair valuation of Mutual Funds	628.40	(496.73)	-	131.67
On Fair valuation of Equity Instruments	930.93	-	914.49	1,845.42
On Fair valuation of Land	42.56	-	-	42.56
	<b>2,374.58</b>	<b>(549.73)</b>	<b>914.49</b>	<b>2,739.34</b>
Deferred Tax Assets				
Allowance for credit loss	11.14	(1.53)	-	9.61
Others	36.22	(9.52)	(9.88)	16.82
	<b>47.36</b>	<b>(11.05)</b>	<b>(9.88)</b>	<b>26.43</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>2,327.22</b>	<b>(538.68)</b>	<b>924.37</b>	<b>2,712.91</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

INR in Lakh

Particulars	As at 31 <sup>st</sup> March, 2019	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 <sup>st</sup> March, 2020
<b>Deferred Tax Liabilities</b>				
On PPE & ROU Depreciation & Intangible Assets amortisation	1,142.20	(369.51)	-	772.69
On Fair valuation of Mutual Funds	734.71	(106.31)	-	628.40
On Fair valuation of Equity Instruments	1,421.23	-	(490.30)	930.93
On Fair valuation of Land	43.34	(0.78)	-	42.56
	<b>3,341.48</b>	<b>(476.60)</b>	<b>(490.30)</b>	<b>2,374.58</b>
<b>Deferred Tax Assets</b>				
Allowance for credit loss	17.04	(5.90)	-	11.14
Others	-	9.51	26.71	36.22
	<b>17.04</b>	<b>3.61</b>	<b>26.71</b>	<b>47.36</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>3,324.44</b>	<b>(480.21)</b>	<b>(517.01)</b>	<b>2,327.22</b>

## 22. Borrowings

INR in Lakh

	Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Secured</b>		
Repayable on demand :		
From banks	105.18	489.42
	<b>105.18</b>	<b>489.42</b>

**22.1.** Working capital borrowing from banks is secured by hypothecation of Current Assets excluding current investment of the Company. The rate of interest payable on Working Capital Borrowing is ~ 7.90% p.a.(P.Y.-8.90%)

## 23. Trade payables

INR in Lakh

	Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>(Trade payables for goods and services)</b>		
Total outstanding dues of creditors		
to micro enterprises and small enterprises	390.25	292.28
to other than micro enterprises and small enterprises	910.35	918.77
	<b>1,300.60</b>	<b>1,211.05</b>

**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 4<sup>th</sup> September, 2015.**

Sl. No.	Particulars	As at '31 <sup>st</sup> March 2021	As at '31 <sup>st</sup> March 2020
i	The principal amount remaining unpaid to any supplier as at the end of each accounting year;	386.88	292.28
ii	The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	3.37	Nil
iii	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

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 4<sup>th</sup> September, 2015. (Cont.)

Sl. No.	Particulars	As at '31 <sup>st</sup> March 2021	As at '31 <sup>st</sup> March 2020
iv	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	Nil	Nil
v	The amount of interest accrued and remaining unpaid at the end of accounting year; and	3.37	Nil
vi	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	3.37	Nil

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

INR in Lakh

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Statutory dues payable			261.63	243.78
			<b>261.63</b>	<b>243.78</b>

### 25. Provisions

INR in Lakh

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Provision for leave encashment	-	-	46.02	67.33
Provision for gratuity	127.65	98.01	85.11	80.23
	<b>127.65</b>	<b>98.01</b>	<b>131.13</b>	<b>147.56</b>

### 26. Current Tax Liability

INR in Lakh

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Provision for Taxation (Net of advances)			158.33	86.54
			<b>158.33</b>	<b>86.54</b>

### 27. Revenue from operations

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Sale of Products</b>		
Glass & Glassware	21,003.49	26,734.30
Electricity	19.44	24.70
	<b>21,022.93</b>	<b>26,759.00</b>
<b>Other Operating Revenues</b>		
Scrap Sales	23.56	83.60
Export Incentives	81.34	158.77
	<b>104.90</b>	<b>242.37</b>
	<b>21,127.82</b>	<b>27,001.37</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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.

	INR in Lakh	
	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>i) Primary Geographical Markets</b>		
Within India	18,115.64	23,198.24
Outside India	2,907.29	3,560.76
<b>Total</b>	<b>21,022.93</b>	<b>26,759.00</b>
<b>ii) Major Products</b>		
Glass & Glassware Product	21,003.49	26,734.30
Others	19.44	24.70
<b>Total</b>	<b>21,022.93</b>	<b>26,759.00</b>
<b>iii) Timing of Revenue</b>		
At a point in time	21,022.93	26,759.00
Over time	-	-
<b>Total</b>	<b>21,022.93</b>	<b>26,759.00</b>
<b>iv) Contract Duration</b>		
Long Term	-	-
Short Term	21,022.93	26,759.00
<b>Total</b>	<b>21,022.93</b>	<b>26,759.00</b>
<b>v) Sales Channel</b>		
Direct to Customers	21,022.93	26,759.00
Through Intermediaries	-	-
<b>Total</b>	<b>21,022.93</b>	<b>26,759.00</b>

### 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'

	INR in Lakh	
	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Trade Receivables	3,779.86	4,382.34
Contract assets	-	-
Contract liabilities	160.46	173.09

### 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	173.09	71.60
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	Nil	Nil
Volume Discount	Nil	NIL



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 28. Other income

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Interest Income	33.84	39.13
Dividend on Current Investments	-	66.49
<b>Other Non-Operating Income</b>		
Net Gain/ (Loss) on Investments measured at fair value through Profit & Loss	557.92	1,175.70
Gain on Redemption of Current Investments	112.18	118.52
Profit on sale of Property, Plant & Equipment	-	182.29
Reversal of Expected Credit Loss	6.11	-
Unspent Liability & unclaimed balances Written Back	24.92	25.28
Insurance & Other Claims	9.79	28.24
Gain on Exchange Fluctuation (Net)	12.00	12.49
Miscellaneous Receipts	51.19	20.91
	<b>807.93</b>	<b>1,669.05</b>

### 29. Cost of material consumed

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Raw Materials</b>		
Inventory at the beginning of the year	417.36	606.28
Add: Purchases	1,646.34	3,205.54
Less: Inventory at the end of the year	(448.75)	(417.36)
	<b>1,614.95</b>	<b>3,394.46</b>
<b>Packing Materials Consumed</b>		
Inventory at the beginning of the year	185.14	157.61
Add: Purchases	1,431.39	1,642.01
Less: Inventory at the end of the year	(181.05)	(185.14)
	<b>1,435.48</b>	<b>1,614.48</b>
	<b>3,050.42</b>	<b>5,008.94</b>

### 30. Purchase of Stock in Trade

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Glass & Glassware	116.14	46.06
	<b>116.14</b>	<b>46.06</b>

### 31. Changes in Inventories of Finished Goods and Work in Progress

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Opening stock</b>		
Stock in Trade	33.80	36.03
Work in Progress	3,063.17	2,772.26
Finished Goods	1,162.10	663.28
	<b>4,259.07</b>	<b>3,471.57</b>
<b>Closing stock</b>		
Stock in Trade	69.50	33.80
Work in Progress	1,218.03	3,063.17
Finished Goods	438.91	1,162.10
	<b>1,726.45</b>	<b>4,259.07</b>
	<b>2,532.62</b>	<b>(787.50)</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 32. Employee benefit expense \*

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Salaries, Wages, Bonus, Incentives & Leave pay	3,708.17	4,495.62
Contribution to Provident and other fund	258.96	293.15
Staff Welfare Expenses	46.39	68.01
	<b>4,013.52</b>	<b>4,856.78</b>

\* For descriptive notes on disclosure of defined benefit obligation refer note 43

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

### 33. Finance costs

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Interest Expenses on Financial Liabilities measured at amortised Cost	14.59	20.32
Interest Expenses on Lease Liabilities	4.78	4.72
Other Finance Charges	8.92	35.10
	<b>28.29</b>	<b>60.14</b>
Less : Capitalised during the year	2.92	2.69
	<b>25.37</b>	<b>57.45</b>

### 34. Depreciation and Amortisation expenses

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
On Property, Plant & Equipment	1,217.37	1,591.80
On Right to Use	13.24	13.24
On Intangible Assets	2.58	1.90
	<b>1,233.19</b>	<b>1,606.94</b>
Less : Capitalised during the year	10.17	10.17
	<b>1,223.02</b>	<b>1,596.77</b>

### 35. Other expenses

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Power & Fuel	2,324.38	4,179.60
Consumption of Stores, Spares and Consumables	407.97	647.13
Repair and Maintenance		
Plant & Machinery	71.82	128.59
Building	2.33	14.21
Others	9.98	18.52
	84.13	161.32
Freight and forwarding charges	677.56	931.64
Advertisement and Sales Promotion	102.56	352.70
Directors' Commission	205.00	231.00
Loss on Discarded Assets	19.83	-
Travelling and conveyance	107.19	233.33
Legal and professional fees	62.10	58.42
Expenses on Corporate Social Responsibility (Refer Note No. 47)	211.48	155.45
Rent and Hire Charges	45.33	54.33

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

	Year ended 31 <sup>st</sup> March 2021		Year ended 31 <sup>st</sup> March 2020	
<b>Provision for Doubtful Receivables &amp; Advances</b>				
Irrecoverable debts / advances written off	-		28.12	
Less : Adjusted against Provision	-	-	28.12	-
Rates & Taxes		15.22		13.91
Brokerage & Commission		13.67		12.90
Provision for Doubtful Receivables & Advances		-		26.25
Breakage		14.96		5.13
Insurance		43.64		17.91
Payment to Auditor				
Statutory Audit	9.00		9.00	
Limited Review	3.75		3.75	
Tax Audit	2.10		2.10	
Certification	1.25		1.25	
Reimbursement of expenses	0.30	16.40	0.48	16.58
Directors' sitting fees		12.15		11.40
Donation		2.53		1.21
Loss on Exchange Fluctuations (Net)		2.48		-
Miscellaneous Expenses		207.36		316.83
		<b>4,575.94</b>		<b>7,427.04</b>

### 36. Tax Expense

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Income Tax Recognised in the Statement of Profit and Loss</b>		
Current Tax for the year	1,980.00	2,518.16
<b>Current Tax</b>	<b>1,980.00</b>	<b>2,518.16</b>
<b>Deferred Tax</b>	<b>(538.68)</b>	<b>(480.21)</b>
	<b>1,441.32</b>	<b>2,037.95</b>
<b>Income Tax expenses recognised in OCI</b>		
Deferred Tax	(9.88)	26.71
Deferred Tax benefit on fair value gain on Investments in Equity instrument through OCI	(914.49)	490.30
	<b>(924.36)</b>	<b>517.01</b>

### Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Accounting profit before income tax	6,398.72	10,464.88
Indian Statutory income tax rate	25.168%	25.168%
<b>Estimated Income Tax Expense - A</b>	<b>1,610.43</b>	<b>2,633.80</b>
<b>Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense - B</b>		
Effect of Income that is exempted from Tax	-	16.73
Corporate Social Responsibility	(53.23)	(19.56)
Effect of Income which is taxed at Special rate	211.72	109.84
Due to Change in substantively enacted tax rates	-	493.62
Others	10.62	(4.78)
	<b>169.11</b>	<b>595.85</b>
<b>Income tax expense in Statement of Profit &amp; Loss (A-B)</b>	<b>1,441.32</b>	<b>2,037.95</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 37. Other Comprehensive Income

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement of the defined benefit plans	39.27	(71.86)
Less: Tax expense on the above	(9.88)	26.71
	<b>29.39</b>	<b>(45.15)</b>
Equity Instruments through Other Comprehensive Income	7,993.79	(4,064.03)
Less: Tax expense on the above	(914.49)	490.30
	<b>7,079.30</b>	<b>(3,573.73)</b>
<b>Total Other Comprehensive Income</b>	<b>7,108.69</b>	<b>(3,618.88)</b>

### 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 31<sup>st</sup> March 2021, 31<sup>st</sup> March, 2020.

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2021			As at 31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments	-	16,140.07	-	-	8,146.28	-
Mutual Funds	29,977.12	-	-	25,879.87	-	-
Trade receivables	-	-	3,779.86	-	-	4,382.34
Cash and cash equivalents	-	-	8.60	-	-	12.47
Other Bank Balances	-	-	425.98	-	-	367.54
Loans	-	-	387.88	-	-	388.74
Other Financial Assets	-	-	83.53	-	-	67.24
<b>Total</b>	<b>29,977.12</b>	<b>16,140.07</b>	<b>4,685.85</b>	<b>25,879.87</b>	<b>8,146.28</b>	<b>5,218.33</b>
Financial liabilities						
Borrowings	-	-	105.18	-	-	489.42
Trade payable	-	-	1,300.60	-	-	1,211.05
Lease Liability	-	-	54.58	-	-	54.35
Other Financial Liabilities	-	-	2,584.69	-	-	1,773.32
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,045.05</b>	<b>-</b>	<b>-</b>	<b>3,528.14</b>

#### 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 of investment in quoted equity shares and mutual fund investments.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

**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 31 <sup>st</sup> March 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial instruments at FVTPL</b>					
Mutual Funds		29,977.12	-	-	29,977.12
<b>Investments at FVOCI</b>					
Equity instruments					
Quoted	38(iii)	-	16,140.07	-	16,140.07
<b>Total financial assets</b>		<b>29,977.12</b>	<b>16,140.07</b>	<b>-</b>	<b>46,117.18</b>
<b>Financial liabilities</b>					
<b>Financial instruments at FVTPL</b>	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-	-

There have been no transfer in between Level 1 and Level 2 during the period

### Financial Instruments measured at fair value

As at 31 March 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial instruments at FVTPL</b>					
Mutual Funds		25,879.87	-	-	25,879.87
<b>Investments at FVOCI</b>					
Equity instruments					
Quoted	38(iii)	-	8,146.28	-	8,146.28
<b>Total financial assets</b>		<b>25,879.87</b>	<b>8,146.28</b>	<b>-</b>	<b>34,026.15</b>
<b>Financial liabilities</b>					
<b>Financial instruments at FVTPL</b>	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-	-

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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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
- 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.

Particulars	Notes	INR in Lakh	
		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Total Borrowings	22	105.18	489.42
Less: Cash & Cash Equivalents & Other bank balances	14 & 15	434.58	380.01
<b>Net Debts (A)</b>		<b>(329.40)</b>	<b>109.41</b>
Total equity	17 & 18	66,576.36	54,510.27
<b>Total equity &amp; Net Debt (B)</b>		<b>66,246.96</b>	<b>54,619.68</b>
<b>Net Debt to Equity Ratio (A/B)</b>		<b>-0.50%</b>	<b>0.20%</b>

No changes were made in objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020.

##### ii) Dividends

Particulars	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>(i) Equity shares</b>		
Final Dividend for the Financial Year 2018-19 of INR 1.10 & Interim Dividend for the financial year 2019-20 of INR 1.10 per equity share of INR 2 each fully paid	-	2,664.00
Dividend Distribution tax on final dividend	-	547.60

##### iii) Proposed Dividend

The Board of Directors of the Company has recommended final dividend of INR 1.50 per share (Prev. Year - Nil) aggregating to INR 1665.00 Lakh (Prev Year - Nil) for the year ended 31<sup>st</sup> March 2021 which has not been recognised in the financial statement.

#### 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 :-

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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.

#### 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 <sup>st</sup> March 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings	105.18	-	-	-	105.18
Trade payable	1,300.60	-	-	-	1,300.60
Lease Liability	4.77	4.77	4.77	374.76	389.08
Trade & Other deposits	-	-	-	180.10	180.10
Other payables	2,404.59	-	-	-	2,404.59
<b>Total</b>	<b>3,815.14</b>	<b>4.77</b>	<b>4.77</b>	<b>554.86</b>	<b>4,379.55</b>

Contractual maturities of financial liabilities as at 31 March 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Non-derivatives</b>					
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
<b>Total</b>	<b>3,297.42</b>	<b>4.72</b>	<b>4.72</b>	<b>560.62</b>	<b>3,867.48</b>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Pound	187.66	-	42.70	302.48
Euro	348.90	20.70	474.64	863.98
USD	135.80	139.39	505.28	348.54

#### Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Pound sensitivity</b>		
INR/Pound- increase by 10% *	(14.50)	30.25
INR/Pound- decrease by 10% *	14.50	(30.25)
<b>Euro sensitivity</b>		
INR/Euro- increase by 10% *	12.57	84.33
INR/Euro- decrease by 10% *	(12.57)	(84.33)
<b>USD sensitivity</b>		
INR/USD- increase by 10% *	36.95	20.92
INR/USD- decrease by 10% *	(36.95)	(20.92)

\* Holding all other variables constant

#### 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 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Variable rate borrowing	105.18	489.42
<b>Total borrowings</b>	<b>105.18</b>	<b>489.42</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Interest sensitivity		
Interest rates increases by 100 basis points	1.05	4.89
Interest rates decrease by 100 basis points	(1.05)	(4.89)

### 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

Particulars	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Fair Value of Quoted Equity Investments	16,140.07	8,146.28
<b>Total Equity Investments</b>	<b>16,140.07</b>	<b>8,146.28</b>

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Increase in market price by 5%	807.00	407.31
Decrease in market price by 5%	(807.00)	(407.31)

### D) Other Risk- Impact of COVID 19 Pandemic

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were also impacted due to COVID-19.

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 and does not anticipate any challenge in the Company's ability to continue as a going concern. The impact of the pandemic may be different from that estimated as at the date of approval of these results and the management continues to closely monitor any material changes to future economic conditions.

## 40. Contingent Liabilities and Contingent Assets

### A. Contingent Liabilities

	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
(i). Letter of Credit	175.51	1,111.28
(ii). Bank Guarantee	6.05	6.05
(iii). Demand under Income Tax Act, 1961 for Assessment Year 2012-13, 2013-14, 2014-15, 2017-18 & 2018-19 the matter is pending before Commissioner of Income Tax (Appeals).	253.03	198.46
(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

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### A. Contingent Liabilities

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
(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.

### B. Contingent Assets

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
(i) Insurance Claim Lodged but not settled	241.88	241.88
	<b>241.88</b>	<b>241.88</b>

## 41. Commitments

### Capital Commitments

INR in Lakh

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of advances)	3,170.12	4,539.63
	<b>3,170.12</b>	<b>4,539.63</b>

## 42. Assets pledged as security

The carrying amount of assets pledged as security for current borrowings are:

INR in Lakh

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Current</b>		
Inventories	2,973.86	5,504.84
Financial Assets		
Trade Receivables	3,779.86	4,382.34
Investments (HDFC Credit Risk Debt Fund- Direct Growth Fund) - Nil Units (18,90,000)	-	329.68
<b>Total assets pledged as security</b>	<b>6,753.72</b>	<b>10,216.86</b>

## 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

Sl. No.	Particulars	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
a)	Provident Fund & ESI	182.52	221.03

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 :

Particulars	INR in Lakh	
	Gratuity (Funded)	
	As on 31 <sup>st</sup> March 2021	As on 31 <sup>st</sup> March 2020
<b>Balance at the beginning of the year</b>	902.59	741.31
Current Service Cost	62.70	64.15
Past Service Cost	-	-
Interest Cost on Defined Benefit Obligation	63.18	57.09
Actuarial (gain)/losses arising from:		
Changes in demographic assumptions	-	-
Changes in financial assumptions	7.77	44.26
Experience adjustment	(47.93)	22.09
Benefits paid from the plan assets	(38.77)	(26.31)
<b>Balance at the end of the year</b>	<b>949.54</b>	<b>902.59</b>

#### 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:

Particulars	INR in Lakh	
	Gratuity (Funded)	
	As on 31 <sup>st</sup> March 2021	As on 31 <sup>st</sup> March 2020
<b>Balance at the beginning of the year</b>	724.35	594.61
Interest Income on Plan Assets	49.44	49.11
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(0.88)	(5.51)
Employer Contributions to the Plan	2.64	112.45
Benefits Paid from the Plan Assets	(38.77)	(26.31)
<b>Balance at the end of the year</b>	<b>736.78</b>	<b>724.35</b>

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 43.2.5 The amount recognised in the Balance Sheet

INR in Lakh

Particulars	Gratuity (Funded)	
	As on 31 <sup>st</sup> March 2021	As on 31 <sup>st</sup> March 2020
Present value of Defined Benefit Obligation	949.54	902.59
Fair Value of Plan Assets	736.78	724.35
Net (Asset)/Liability in the Balance Sheet	212.76	178.24

### 43.2.6 Expenses recognized in profit or loss

INR in Lakh

Particulars	Gratuity (Funded)	
	2020-21	2019-20
Current Service Cost	62.70	64.15
Past Service Cost	-	-
Interest Cost	63.18	57.09
Interest Income on Plan Assets	(49.44)	(49.11)
<b>Total Defined Benefit Cost recognized in Profit &amp; Loss</b>	<b>76.44</b>	<b>72.13</b>

### 43.2.7 Remeasurement recognized in other comprehensive income

INR in Lakh

Particulars	Gratuity (Funded)	
	2020-21	2019-20
<b>Actuarial (gain)/losses arising from:</b>		
Changes in demographic assumptions	-	-
Changes in financial assumptions	7.77	44.26
Experience adjustment	(47.93)	22.09
<b>Remeasurement of Defined Benefit Obligation:</b>		
Return on plan assets greater/ (lesser) than discount rate	0.88	5.51
<b>Total Defined Benefit Cost recognized in Other Comprehensive Income</b>	<b>(39.28)</b>	<b>71.86</b>

### 43.2.8 Major Categories of Plan Assets

INR in Lakh

Particulars	Gratuity (Funded)	
	2020-21	2019-20
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)	
	2020-21	2019-20
<b>Financial Assumptions</b>		
Discount Rate	6.90%	7.70%
Salary Escalation Rate	8.00%	8.00%
<b>Demographic Assumptions</b>		
Mortality Rate	IALM (2012-14) Table	IALM (2006-08) Table
Withdrawal Rate	1% to 8%	1% to 8%

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

**43.2.11** At 31<sup>st</sup> March 2020, the weighted average duration of the defined benefit obligation was 7.50 years (previous year 6 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	INR in Lakh
	Gratuity (Funded)
31 <sup>st</sup> March 2022	119.79
31 <sup>st</sup> March 2023	17.88
31 <sup>st</sup> March 2024	42.53
31 <sup>st</sup> March 2025	79.41
31 <sup>st</sup> March 2026	60.65
31 <sup>st</sup> March 2027 to 31 <sup>st</sup> March 2031	903.30

**43.2.12** The Company expects to contribute ₹ 85.11 Lakh (previous year ₹ 80.23 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	INR in Lakh	
	Gratuity (Funded)	
	2020-21	2019-20
Effect on DBO due to 1% increase in Discount Rate	885.87	840.80
Effect on DBO due to 1% decrease in Discount Rate	1,021.08	972.21
Effect on DBO due to 1% increase in Salary Escalation Rate	1,020.10	970.82
Effect on DBO due to 1% decrease in Salary Escalation Rate	885.85	841.11
Effect on DBO due to 1% increase in Withdrawal Rate	945.81	899.15
Effect on DBO due to 1% decrease in Withdrawal Rate	953.65	906.37

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 31<sup>st</sup> March, 2021.

### 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.**

Genesis Exports Limited  
SKJ Investments Pvt. Ltd.  
Ishita Housing (P) Ltd.  
SKJ Estate (P) Ltd.  
GDJ Housing Pvt. Ltd.

**b) Key Management Personnel**

Mr. A.C. Chakraborti *	Chairman and Non Executive Independent Director
Mr. Sushil Jhunjunwala	Executive 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

\* Resigned w.e.f. 14.08.2020

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 44.2 Transaction with related parties:

#### a) Genesis Export Limited:

INR in Lakh

Nature of Transaction during the year.	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Rent	39.67	39.67
Dividend Paid	-	1,229.38
Balance outstanding as at the year end- Amount Payable	-	0.97

#### b) Transaction with Key Management Personnel

Nature of Transaction during the year.	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Remuneration, Perquisites & Others		
Short Term Employee Benefits		
Mr. Sushil Jhunjunwala	262.27	289.67
Mr. Ajit Jhunjunwala	172.25	193.12
Mrs. Nidhi Jhunjunwala	70.01	68.16

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 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Dividend paid</b>		
Mr. Sushil Jhunjunwala	-	97.20
Mr. Ajit Jhunjunwala	-	201.43
Mr. A.C.Chakrabortti *	-	0.29

INR in Lakh

	Year ended 31 <sup>st</sup> March 2021		Year ended 31 <sup>st</sup> March 2020	
	Sitting Fee	Commission	Sitting Fee	Commission
<b>Sitting Fees &amp; Commission</b>				
Mr. Sushil Jhunjunwala	-	95.00	-	100.00
Mr. Ajit Jhunjunwala	-	55.00	-	60.00
Mrs. Nidhi Jhunjunwala	-	35.00	-	45.00
Mr. A.C.Chakrabortti *	1.50	-	2.70	6.00
Mr. Rajiv Gujral	2.40	4.00	2.70	4.00
Mr. Subir Bose	1.65	4.00	1.20	4.00
Mr. Arun Churiwal	2.85	4.00	2.40	4.00
Prof. Santanu Ray	2.25	4.00	1.50	4.00
Mrs. Mamta Binani	1.50	4.00	0.90	4.00

\* Resigned w.e.f. 14.08.2020



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Balance outstanding as at the year end- Amount Payable</b>		
Mr. Sushil Jhunjunwala	98.94	86.04
Mr. Ajit Jhunjunwala	58.14	43.32
Mrs. Nidhi Jhunjunwala	37.05	26.06
Mr. A.C.Chakrabortti	-	5.70
Mr. Arun Churiwal	3.70	3.80
Mr. Rajiv Gujral	3.70	3.80
Mr. Subir Bose	3.70	3.80
Prof. Santanu Ray	3.70	3.80
Mrs. Mamta Binani	3.70	3.80

### 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 31<sup>st</sup> March, 2021, 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 Segment information

45.1 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.

### Geographical Information

	INR in Lakh	
	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Revenue from external customers</b>		
India	18,115.64	23,198.24
Outside India	2,907.29	3,560.76
	<b>21,022.93</b>	26,759.00

	INR in Lakh	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>Non-Current Assets*</b>		
India	20,145.82	16,128.53
Outside India	-	-

\* excludes financial assets, deferred tax assets, post-employment benefit assets.

45.2 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.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 46 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 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Profit for the period (INR Lakh)</b>	4,957.40	8,426.93
<b>Weighted average number of shares used in the calculation of EPS:</b>		
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)	4.47	7.59
Diluted EPS (INR)	4.47	7.59

### 47 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.

Particulars	INR in Lakh	
	For the year ended 31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Gross amount required to be spent by the Company during the year	211.45	206.11
Amount spent during the year	211.48	155.45
Provision made in relation to CSR expenditure	NIL	NIL

**48** Figures for the previous year have been regrouped and reclassified to conform to the classification of the current period, where necessary.

**49** The Financial Statements have been approved by the Board of Directors in their meeting held on May 25, 2021.

#### 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 : 25.05.2021**

#### For and on behalf of the Board of Directors

**Sushil Jhunjunwala**

*Chairman*

DIN: 00082461

**Ajit Jhunjunwala**

*Managing Director*

DIN: 00111872

**Alok Pandey**

*Chief Financial Officer*

**Kanchan P Jaiswal**

*Company Secretary*







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