



Ajit Jhunjhunwala and Sushil Jhunjhunwala, Managing Director and Chairman of La Opala respectively.

Sowing the seeds for success

Specialist Indian producer of opal and 24% lead crystal tableware La Opala RG Ltd is expanding to meet demand by opening two new plants. Managing Director Ajit Jhunjhunwala exclusively discussed his company's next steps with *Glass Worldwide*, preferred international journal of the All India Glass Manufacturers' Federation.

Since 1988 La Opala has been producing opal glass – a translucent or opaque glass made by adding opacifiers to the melt – at its original glassworks in Madhupur, eastern India. In 2007 a second facility in Sitarganj in the state of Uttarakhand (formerly known as Uttaranchal) in the north of the country doubled the size of La Opala's operations and 95% of the company's current business now comes from opal.

Running two furnaces with a capacity of 75 metric tonnes and five lines, the Uttarakhand facility has become a victim of its own success...

"We are almost at saturation point with no possibilities to expand the plant any further," explains Managing Director Ajit Jhunjhunwala, son of Sushil Jhunjhunwala, the company's founder and now Chairman. "We have used almost all of the area and are at full capacity." A decision was taken to expand close to the existing site in Uttarakhand.

"We decided that we should go for a greenfield project and we thought that Sitarganj [approximately 200 miles from Delhi] is an ideal location because we already have an operation there," continues Mr Jhunjhunwala. "The place is conducive for business as there are no problems in terms

of availability of power or manpower."

The new site is 2km from the existing plant and only a 15-minute walk away. "The top management will remain the same across both plants and there will be a lot of synergies between the two locations," confirms Mr Jhunjhunwala.

Threatened by Covid

Despite incurring costs from not being able to sell during the start of the global Covid-19 pandemic, the existing plant at Sitarganj remained robust due to a healthy balance sheet and its dedicated team. However, the progress of the new plant was significantly affected during the first phase of lockdown from March–August 2020 with "practically no activities at all," recalls Mr Jhunjhunwala. "But then gradually things started settling down and people started returning ▶



La Opala was the recipient of the prestigious AIGMF Balkrishna Gupta Award for Exports in 2020 following Sushil Jhunjhunwala being the recipient of the C K Somany Glass Award in 2018.



The existing plant in Uttarakhand runs two furnaces with a capacity of 75 metric tonnes and five lines.

to work and fortunately now we are at the stage that we are almost ready [despite] the delays to construction and the market uncertainties. We didn't want a situation where we started the new project and a lockdown would then shut the plant, which would have been very bad for the morale of the organisation. We wanted reassurance of the market dynamics before we started. Right now we don't see any major disruption as we are working on almost 100% capacity utilisation at our existing plants.

"Fortunately, our business has been consistently generating surplus net cash and today we have almost zero borrowings so whatever we are doing, even the money we have invested in the new plant, is entirely from internal funding. We don't have to worry about the high interest rates in India."

Manufacturing capabilities

According to Ajit Jhunjhunwala, La Opala's new facility in Sitarganj will have a 45-metric-tonne furnace with three lines: two spinning lines and one press line. Running the same technology as the existing plant, the furnace, press

and spin machines and tempering and annealing lines have all been received and installed.

"In 2008/9, we were the first Indian glassmaker to switch to electric melting," notes Mr Jhunjhunwala. "The credit goes entirely to my father Sushil who had the vision to know it would be very hard to continue to melt with fossil fuel. We were the first in the country to adopt electric melting and also the first to come out with automated process in opal technology.

"We had good experience of our existing suppliers who had all been very supportive in the past in terms of technology provision and service and that is the reason why we decided to go with the same partners. It makes life easier for all parties because we understand each other. It also

helps massively in the spare parts management. With the synergy at our existing plant, there are a lot of advantages to the new plant.

"It goes without saying that we will share expertise from the nearby plant so that the top management can look after both plants. But being a specialised industry and being a very highly technical orientated industry we do need the right people at the right place and as there are not many opal producers in the area, we have to get people from other industries and then train them. We have already started to recruit people from our new plant so they can be trained at our existing plant and once the commissioning at the new plant starts it makes it easier for them to switch.

"The machines are important but the men behind the machines are even more important," he underlines.

Expanding the opal market

The product line at the new plant will be similar to that of the existing plant, to assist with increasing demand, driven in part by a shift in consumer attitude towards glass. All of La Opala's product designs are eco-friendly and food-safe, eschewing decoration that contains any lead or cadmium.

"There is a limitation in terms of usage for opal; basically it is only used for tableware [but] we feel the market is expanding," observes Mr Jhunjhunwala. "We have seen consumers switching from plastic to glass because of obvious health reasons, and consumers are ▶



The new greenfield plant in Sitarganj, 2km from the existing plant in Uttarakhand.



switching from steel to glass because of lifestyle changes. Consumers have aspirations to use better products, especially the younger generation who don't want to use stainless steel, so there is a shift to glass in tableware-related products. People are getting more aware of the side effects of using melamine plastic.

"Within the segment, we are coming up with lots of new ranges, different designs, different shapes and different products. We feel the demand is strong and as long as we continue innovating then meeting demand should not be a challenge.

"In opal we have 55–60% market share and still we feel the market has got a lot of potential to grow further; with the new plant in Sitarganj opening we will perhaps become one of the top three producers of opalware in the world so that really excites us. And most importantly we feel that we are able to offer consumers excellent products at a very affordable price."

New borosilicate plant

On 4 November 2021 La Opala announced plans to build a new borosilicate plant that will be situated alongside the new opal glass plant in Sitarganj.

"There is no producer of borosilicate product in India," says Mr Jhunjhunwala. "It's a natural extension to our opal products and will go through the same distribution channels. We have such a strong brand already that we will be able to leverage our branding to market borosilicate products.

"At the new plant in Sitarganj we have enough space so this plant will fit well," he continues. "We feel it is a great category of product that is growing – each and every house has these kind of products. This new borosilicate business will complement our opalware range and will be a totally new category for us.

"We have a lead crystal business in Madhupur which is hand blown and hand cut so we are not able to scale up that business because of the nature of the manufacturing process. So we decided we must venture into new areas.

"It's always fun to enter new sectors; there are challenges to developing a product from scratch but we feel we are fortunate to be part of the process," he enthuses. "We are looking forward to the next 18–24 months when we should have set up the site."

Family-run business

Glass Worldwide spoke to Sushil Jhunjhunwala for the November/December 2018 issue, the same year that Ajit took over as Managing Director. "My father is still very involved in the business, and although not in a hands on capacity, we take advantage of his great experience when making any major decisions," he reports. "We recently purchased a new building for our headquarters, still located in Kolkata [Calcutta], but slightly away from the main city. With the way the company is expanding, a new area was definitely very much needed and we moved from our previous 4,000ft² building into this 16,000ft² office. It's a brand new building with a very positive energy that is fun to work in. We can now provide a comfortable atmosphere for staff who have a good and comfortable place to work... We can already see that the efficiency has improved.

"My son Aphyubay (24) recently finished his education at Kelley School of Business in Muncie, Indiana in America and has started work in the company," continues Mr Jhunjhunwala. "We hope he will have a role in the business moving forward as the third generation. Right now I've



As the third generation, Aphyubay Jhunjhunwala recently started work at La Opala.

asked him to learn about each and every area of the business, as I did when my father brought me into the company. We are giving him an overview of the business and I want him to work through every department so he can really get the feel of the business and prove his worth."

Global achievement

In 2018 Sushil Jhunjhunwala won the All India Glass Manufacturers' Federation (AIGMF)'s inaugural C K Somany Glass Award for Innovation and Technology, and in 2020 La Opala followed this up with the Balkrishna Gupta Award for Exports. "It's a great achievement for us to be awarded prestigious awards from the AIGMF, one in my father's personal capacity and the other in a La Opala capacity," acknowledges Mr Jhunjhunwala. "We feel honoured and it is a real matter of pride.

"Although I have not been able to be involved too much due to my other commitments, my father [a former President of the AIGMF] has always been very actively involved with the AIGMF as well as the zonal Eastern India Glass Manufacturers' Association (EIGMA) in Kolkata which is under the AIGMF.

"The kind of support we have received from the AIGMF can never be understated – any concern relating to the industry or regulations and the AIGMF are just a phone call away. As with his predecessor Manohar Lal, Vinit Kapur [General Secretary] has been extremely supportive to us. The AIGMF is a great solid platform for any sort of concern to its members and is a very friendly association."

Happily, Mr Jhunjhunwala also sees a positive benefit to *Glass*



Sushil Jhunjhunwala is credited with La Opala's vision to pioneer electric melting technology in India.

Worldwide being the preferred international journal of the AIGMF (in association with Kanch).

"*Glass Worldwide* does a wonderful job," he opines. "The content is fantastic and I make sure I go through each edition which is always a pleasure. The quality of *Glass Worldwide* enriches the AIGMF and it is an excellent partnership."

Mr Jhunjhunwala also appreciates the "fantastic effort" that event organisers such as those of glasspex INDIA make to unite industry peers from across the world on one platform. "It's a great opportunity for us and anybody in the glass business to meet suppliers," he explains. "As we have also missed out on being able to go to glasstec in Germany since 2018, glasspex INDIA 2022 will be a great platform. Although we have certain suppliers we partner with, things are changing so fast and you never know when new suppliers can provide additional ideas."

At the time of this interview in November 2021, La Opala's first new Sitarganj plant is almost ready; "90% percent complete," reveals Mr Jhunjhunwala. "I am very pleased to see the progress. We have learnt from our other plants and maximised the layout and structure, keeping in mind further expansion in the future. We are currently waiting for foreign travellers to be able to visit so that the plant can open in January or February 2022." ●

Further information:

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