



# **OLYMPIC CARDS LTD**

**A HOME FOR WEDDING CARDS**

(Reg. Off. : 195, N.S.C. Bose Road, Chennai - 600 001)



## **ANNUAL REPORT**

### **2012 - 2013**

**M/s.OLYMPIC CARDS LIMITED****Registered Office No.195, N.S.C. Bose Road, Chennai - 600 001.****FINANCIAL HIGHLIGHTS**

					₹
<b>PARTICULARS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Share Capital	63,250,000	63,450,000	85,189,000	163,087,000	163,087,000
Reserves & Surplus	9,891,877	19,132,707	25,212,843	199,127,494	213,243,050
Net Worth	72,998,210	82,582,707	110,401,843	362,214,494	376,330,050
Return on Capital Employed	11.68	16.56	20.40	10.73	12.18
Fixed Assets (Net)	86,908,392	164,860,968	130,277,106	132,118,990	190,866,679
Sales/ Other Income	265,913,100	315,240,414	391,010,765	437,873,145	496,889,520
Gross Profit / (Loss)	43,207,482	79,252,471	100,916,614	100,492,117	109,125,455
Interest / Finance Charges	13,215,191	18,266,464	28,670,214	20,804,245	25,434,941
Depreciation	4,947,680	5,953,853	6,418,482	5,905,338	6,404,957
Current Tax	2,056,526	10,801,618	10,529,265	11,764,752	12,990,855
Deffered Tax	117,716	8,090,202	3,586,322	85,459	800,674
Net Profit / Loss	9,958,943	31,821,673	35,981,117	35,654,075	40,097,746
Dividend (Including Tax)	3,539,018	3,689,024	4,446,393	5,685,213	11,372,627
Dividend (%)	5%	5%	5%	3%	6%
Earnings Per Share	1.29	2.04	2.57	1.46	1.61

## BOARD OF DIRECTORS

### H. Noor Mohamed

Chairman and Managing Director

### Lakshmanan Ramanathan

(alias) **Lena Tamilvanan**

Director

### N. Mohamed Faizal

Whole Time Director

### Captain N.A. Ameer Ali

Director

### Dr. S. Amuthakumar

Director

### N. Mohamed Iqbal

Whole Time Director

### Audit Committee :

Captain **N.A. Ameer Ali**

- Chairman

**Lakshmanan Ramanathan (a)**

- Member

**Lena Tamilvanan**

- Member

**Dr. S. Amuthakumar**

### Auditors :

**M/s C.S. Hariharan & Co.,**

Chartered Accountants

'Bagirathi' Ground Floor

112/249, Royapettah High Road

Chennai – 600 014.

### Company Secretary :

**N. Gopalswamy**

### Bankers :

**City Union Bank Ltd.,** Chennai – 600001.

**HDFC Bank Ltd.,** Chennai - 600004.

**ICICI Bank Ltd.,** Chennai - 600001.

**Lakshmi Vilas Bank Ltd.,** Chennai - 600004.

### Registered Office :

195, N.S.C. Bose Road, Chennai – 600 001.

Telephone : 2538 0652 / 4292 1000

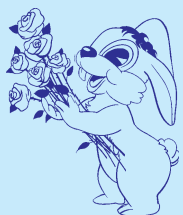
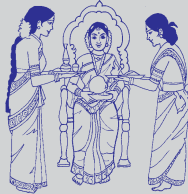
Fax : 2539 0300

E-mail : office@oclwed.com

Website : www.oclwed.com

### Works :

Plot No. 4&5, Vyasarpadi Co-operative  
Industrial Estate, Chennai – 600 039.



## CONTENTS

Contents	Page No.
Notice to the shareholders	: 1
Directors' Report and Management Discussion & Analysis Report	: 4
Report on Corporate Governance	: 12
Auditors' Report	: 21
Balance Sheet	: 25
Statement of Profit & Loss	: 26
Cash Flow Statement	: 27
Notes to Financial Statements	: 28



## NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 21st Annual General Meeting of the Shareholders of **OLYMPIC CARDS LIMITED** will be held at “**NARADA GANA SABHA TRUST(MINI Hall)**”, New No. 314 (Old No.254), T.T.K.Road, Chennai – 600 018 at 3.00 p.m. on Tuesday, the 24th September, 2013 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in the place of Capt. N.A. Ameer Ali who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. N. Mohamed Iqbal who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass, with or without modification the following as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to section 224 of the companies Act, 1956, M/s. C.S. Hariharan & Co, Chartered Accountants, Chennai, the retiring Auditors with ICAI Registration Number 001086S, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company”

### Registered Office:

No.195, N.S.C. Bose Road,  
Chennai – 600 001.

By Order of the Board

for **OLYMPIC CARDS LIMITED**

12th August, 2013

**N. GOPALSWAMY**  
COMPANY SECRETARY

**Notes:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The proxies in order to be valid must be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. Members / Proxies should bring the attendance slip duly filled in and signed and hand over the same at the entrance of the hall for attending the meeting. Members are requested to indicate their Folio No./DP ID and Client ID numbers in the attendance slip.
4. Members are requested to bring their copies of the Annual Report.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from September 18, 2013 to September 24, 2013 (both days inclusive)
6. Members are requested to furnish the details of their nomination (if not already sent) in the prescribed form to M/s. Cameo Corporate Services Limited, Chennai, the Registrars and Share Transfer Agent (RTA) of the Company.
7. To avoid postal delays, misplacement and fraudulent encashment of the dividend warrants, Members are requested to avail ECS facility for receipt of dividend. The form for this purpose is available on the Company's website [www.oclwed.com](http://www.oclwed.com) and Members desirous of using the facility may send the same duly completed to the RTA. Members holding shares in demat form are requested to update their bank mandates with their respective Depository Participants.
8. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 and a brief resume of the Directors seeking re-election at the AGM are annexed to this notice.
9. In terms of the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, communicated vide General Circular No.17/2011 dated 21-04-2011 read with General Circular No.18/2011 dated 29-04-2011, the Annual Reports, notice of meetings and other statutory documents required to be furnished by the Company to the Members can be sent in electronic mode. For this purpose, the Members are requested to register their e-mail addresses with the RTA, for receiving the aforesaid information in electronic mode.

**Brief resume of the director being re-appointed:**

Captain N.A. Ameer Ali, M.A. 78 years, is a retired Principal of Dr.Zakir Hussain College, Ilayangudi, Tamilnadu and a retired Special Officer in B.S.A. Rahman University in Chennai. He was appointed as director of the company by the Board on August 11, 2005 and he has been providing valuable guidance to the company. With his independent status he was appointed as the Chairman of Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievances Committee of the company. He is holding 1300 equity shares in the company. He is not holding any other directorship.

The Board recommends the resolution for the consideration of the members. Except the appointee, none of the other Directors is interested or concerned in the resolution.

**Mr. N. Mohamed Iqbal**, 29 Years, B.E (Mech.) has vast experience in Printing and Paper Industry. He has got vast business experience in the fields of Wedding cards, Invitation Cards, Envelopes and other related areas of business. He was appointed as an Additional Director of the company on 12.05.2012 and Whole-Time Director on 21.09.2012.

The Board recommends the resolution for the consideration of the members. None of the other Directors of the Company is interested or concerned in the resolution except Mr.N. Mohamed Iqbal, Mr.N. Mohamed Faizal, Whole-Time Directors & Mr.H. Noor Mohamed, Chairman & Managing Director.

**Registered Office:**

No.195, N.S.C. Bose Road,  
Chennai – 600 001.

By Order of the Board

for **OLYMPIC CARDS LIMITED**

12th August, 2013

**N. GOPALSWAMY**  
COMPANY SECRETARY

## DIRECTORS' REPORT

To  
**The Shareholders**

Your Directors have great pleasure in presenting 21st Annual Report of the Company together with the Audited Annual Accounts for the year ended 31st March, 2013.

### FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDED (₹ in Lakhs)

Description	31st March 2013	31st March 2012
Income from Operations	4747.87	4316.76
Other Income	221.02	61.97
Profit Before Interest & Depreciation	769.96	674.22
Interest including finance charges	254.35	208.04
Depreciation	64.05	59.05
Profit Before Extraordinary item	451.57	407.13
Extraordinary item	50.59	50.59
Provision for Taxation	137.92	118.50
Profit After Tax	263.06	238.04

### APPROPRIATIONS

Income Tax TDS Interest paid	8.18	-
Transfer to General Reserve	10.02	8.91
Final Dividend(Proposed)	97.85	48.93
Tax on Dividend	15.87	7.93
Profit carried to Balance Sheet	131.14	172.27



## PERFORMANCE REVIEW

During the year under review your Company recorded a total revenue of ₹ 4968.89 Lakhs as compared to ₹ 4378.73 Lakhs in the previous financial year, up by 13.48%. The Net Profit After Tax for the same period stands at ₹ 263.06 Lakhs as against Net Profit After Tax of ₹ 238.04 Lakhs in the previous year, up by 10.51%.

## MARKET SCENARIO

In the challenging market scenario your Company has managed to maintain improvement in the turnover as well as profit after tax. The company owned stores have significantly contributed towards turnover and the profits. We are mainly involved in manufacturing and trading of Wedding Invitation Cards, Greeting Cards, Visiting Cards, Office Envelopes, Clothlined Covers, Student Notebooks, Account Books, Files, etc. and we are also involved in the trading of the items like Screen-Offset Inks. Our Brand name "OLYMPIC" is popular and well known to the general public for its quality, affordability, variety and reliability for many decades.

## STATUS OF EXPANSION PROJECT, RETAIL OUTLETS & INITIAL PUBLIC OFFER

Your Company has successfully completed an Initial Public Offer of 77,89,800 Equity Shares of ₹ 10/- each with a premium of ₹ 20/- each fully paid and got a total sum of ₹ 2336.94 Lakhs for setting up of a new manufacturing Unit near Chennai at an approximate cost of ₹ 1982.50 Lakhs and for establishing 4 Own Retail Outlets at Chennai at an approximate cost of ₹ 316 Lakhs. The shares of your Company were listed at the Bombay Stock Exchange Ltd.(BSE Ltd) on 28.03.2012 and the shares are now traded at the above Exchange.

Setting up of new manufacturing unit near Chennai: The average time for implementation of the project as disclosed in the offer document was January, 2013. But due to delays in getting the required approvals from various authorities for construction of the new manufacturing unit it could not be implemented within the time limit. Presently the construction of factory building is in progress and expected its completion before November, 2013. Purchase Orders were placed for certain machineries and expected their delivery and erection before December, 2013. Similarly purchase of furniture and fixtures, computers & Accessories is expected before December, 2013.

Capital Expenditure for establishing 4 own retail outlets of the company: Initially the company has planned to identify and establish 4 retail outlets at (1) Ambattur, Chennai, (2) Anna Nagar, Chennai, (3) Tondiarpet, Chennai and (4) Valasarawakkam, Chennai. The company has opened one Retail outlet at Valasarawakkam, Chennai. Due to non availability of suitable places at the other three locations mentioned above, Land for second retail outlet was purchased at Velachery, Chennai by utilizing part amount earmarked for purpose of Interior Designing and interior designing work is under process which is expected to be completed before December, 2013. The company has entered into a lease agreement for a Third Retail Outlet at Agaram, Chennai and searching for a suitable place in Chennai for the fourth retail outlet which is expected to be over before December, 2013. The average time for implementation of the project as disclosed in the offer document was December, 2012. But due to delays in identifying and locating suitable places the company expects completion before December, 2013. Your Company is also in the process of identifying franchisees at commercially viable places.

## **DIVIDEND**

Board of Directors recommend a Dividend of 6% i.e. sixty paise on each fully paid-up equity share of ₹ 10/- for the year ended 31st March, 2013 (Previous year - 3%). The dividend will entail an outflow of ₹ 97.85 Lakhs excluding taxes. The Dividend, in the opinion of the Board represents a prudent balance between the need for the Company to reward its shareholders as well as the need to plough back the profits for the Company's own requirements.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars required to be disclosed under the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988 are annexed hereto and the same forms part of this Report. (Annexure – A)

## **PARTICULARS OF EMPLOYEES**

None of the Employees drew salary more than ₹ 5,00,000/- per month or ₹ 60,00,000/- in a year as required under the provisions of Section 217(2A) of the Companies, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **DIRECTORS**

**Capt.N.A. Ameer Ali and Mr.N. Mohamed Iqbal**, Directors are retiring by rotation at this Annual General Meeting and being eligible offer themselves for re-appointment. The Board met 5 times on 12.05.2012; 09.08.2012; 21.09.2012; 12.11.2012, 11.02.2013.

## **AUDITORS**

M/s.C.S. Hariharan & Co., Chartered Accountants, Chennai-600 014, the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting of the Company and have confirmed their eligibility and willingness to accept the office of the auditors, if re-appointed.

## **COST AUDITORS**

The Company has appointed Cost Auditors in compliance with Companies (Cost Accounting Records) Rules, 2011 and Companies (Cost Audit Report) Rules, 2011. The Cost Audit Report shall be filed by the Cost Auditors in due course for the FY 2012-13.

## **AUDIT COMMITTEE**

The Company has constituted Audit Committee and the following are the members:

Capt. M.A. Ameer Ali - Chairman, Mr. Lakshmanan Ramanathan (a) Lena Tamilvanan and Dr. S. Amuthakumar, Independent Directors and Mr. H. Noor Mohamed, Chairman & Managing Director as Members. The Committee met 4 times on 12.05.2012; 09.08.2012; 12.11.2012, 11.02.2013.