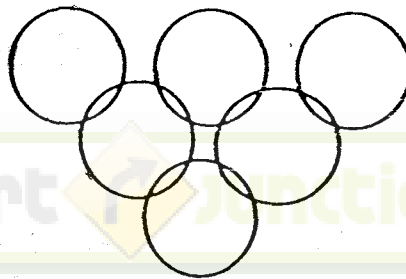


Seventeen Annual Report

March, 2006



Olympia Industries Limited

CORPORATE DIRECTORY
BOARD OF DIRECTORS

Shri Navin Pansari	-	Director
Shri Vijay Patel	-	Director
Shri Thevar Muthusamy	-	Director

AUDIT COMMITTEE

Shri Navin Pansari	-	Member
Shri Vijay Patel	-	Member
Shri Thevar Muthusamy	-	Member

REGISTERED OFFICE

112-New Sonal Industrial Estate,
Bldg. No. 2, Link Road,
Malad (West), Mumbai-400 064.

MANUFACTURING FACILITIES

Block No.284, Plot No. 4 & 5
Mota Borasara, Kim – 394 110
Dist-Surat, Gujarat.

S. No. 441 / 2, 4, 6
Village – Mahim, Palghar-401 404
Dist. Thane, Maharashtra.

AUDITORS

CPM & Associates
Chartered Accountants,
32, Nityanand Nagar III
Andheri (East), Mumbai-400 069.

N O T I C E

**To
The Members,
Olympia Industries limited**

Notice is hereby given that the 17th Annual General Meeting of the Members of Olympia Industries Limited will be held on Saturday, the 30th September, 2006 at 10.00 A.M. at the Registered Office of the Company at 112, New Sonal Industrial Estate, Bldg. No. 2, Link Road, Malad (West), Mumbai-400 064 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2006 and Profit and Loss Account for the period ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Navin Pansari who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To Consider and if thought fit to pass with or without modifications, the following Resolution as an Ordinary Resolution :-

“RESOLVED THAT Shri Balkrishna S. Uklikar, in respect of whom the Company has received a Notice in writing from a Member, pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director be and is hereby appointed a Director of the Company liable for retirement by rotation.”

**By Order of the Board
For Olympia Industries Limited**

**Place : Mumbai
Date : 31.08.2006**

**Navin Pansari
Director**

N O T E S:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE SUBMITTED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME OF THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 28th September, 2006 to 30th September 2006(both days inclusive).
3. Members are requested to bring their copy of Annual Report in the Meeting.
4. Members are requested to intimate any change in their address at the Registered Office of the Company.
5. Members intending to require information about accounts and operations of the company are requested to inform the company in writing at least 7 days before the date of the Meeting to keep the information readily available at the Meeting.
6. The relevant details in respect of Item no. 2 and Item no. 4, as required by Clause 49 of the Listing Agreement entered with Stock Exchanges are also annexed.

**Details of Directors seeking appointment / reappointment at the Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement) :-**

Name of Director	Shri Navin Pansari	Shri Balkrishna Uklikar
Date of Birth	29.01.1961	02.09.1980
Date of Appointment	23.10.1992	--
Expertise in specific functional areas	Industrialist	Administration
Qualifications	C.A.	B. Com
List of Public Companies in which outside Directorship held as on 31st March, 2006	Nil	Nil
Chairman / Member of the Committees of the Board of the Companies on which he is Directors as on 31.03.2006	Nil.	Nil

7. An Explanatory Statement as required under Section 173 of the Companies Act, 1956 for Item no. 4 is annexed hereto.

**By Order of the Board
For Olympia Industries Limited**

**Place : Mumbai
Date : 31.08.2006**

**Navin Pansari
Director**

Registered Office:

112-New Sonal Industrial Estate,
Bldg. No. 2, Link Road,
Malad (West), Mumbai-400 064.

ANNEXURE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Pursuant to the provisions of Section 257 of the Companies Act, 1956, Shri Balkrishna S. Uklikar is proposed to be appointed as a Director of the Company. The Resolution at Item No. 4 of the Notice is meant for obtaining your approval for his appointment. As required under Section 257 of the Companies Act, 1956, a Notice has been received from a member proposing the name of Shri Balkrishna S. Uklikar for the office of a Director. The Directors commend this Resolution for your approval.

None of the Directors of the Company is concerned or interested in the Resolution.

By Order of the Board

Navin Pansari
Director

Registered Office:

112-New Sonal Industrial Estate,
Bldg. No. 2, Link Road,
Malad (West), Mumbai-400 064.

Dated : 31st Aug, 2006

OLYMPIA INDUSTRIES LIMITED**DIRECTOR'S REPORT**

To the Members,

Your Directors have pleasure in presenting the 17th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2006.

FINANCIAL RESULTS

	Period ended 31-03-2006	(Rs. In Lacs) Year ended 31-12-2004
Turnover-Sales & Job work	114.10	86.89
Profit/(Loss) before Interest & Finance Charges and Depreciation	431.81	(3.11)
Interest & Finance Charges	15.84	0.02
Depreciation	54.88	51.06
Net Profit/(Loss)	361.09	(54.19)
Add/(Less) : Loss brought forward from previous year	(2518.50)	(2464.31)
Loss carried to Balance Sheet	(2157.41)	(2518.50)

MANAGEMENT DISCUSSION AND ANALYSIS:**OPERATIONS :**

The Turn over for the current period was Rs.114.10 lac as against Rs.86.89 lac in the previous year. The company has already made the one time Settlement (OTS) with IDBI and UBI and pursuant to such OTS during the year: the interest waived of Rs.920.32 had been credited to Profit & Loss Account and the principal waiver Rs.1107.54 lac has been credited to Capital Reserve Account. The company has earned a net Profit of Rs.361.09 lac as against loss of Rs.54.19 lac in the previous year. In the absence of working capital funds, the own manufacturing activities are under suspension. However, the company continuing its production on job work basis.

REFERENCE TO BIFR:

BIFR declared the company as Sick Industrial Company under provision of Sick Industrial Companies (Special Provisions) Act, 1985 and as per the direction of BIFR the revised draft rehabilitation scheme (DRS) is being submitted incorporating the terms of OTS.

COMPROMISE OF DUES PAYABLE TO UNION BANK OF INDIA, IDBI & OTHERS:

Your Director are please to inform you that Union Bank of India, IDBI and other NBFCs have accepted the proposal submitted for Full & Final settlement of the Dues. The Company is making the payment of settled dues as per the respective agreed terms.

a) Review of Operations

The Company's performance during the year continued to suffer on account of the prevailing problems like cut throat competition, high power cost and inadequate working capital etc.

Due to the shortage of working capital funds the company could not resume own production and had concentrated on job work production. It helped the Company to minimize its losses. The Company's Sales including job charges receipts during the year under review was Rs.114.09 lac as against Rs.86.89 lac of previous year. The production including the job work has decreased to 932 M.T. from 1544 M.T. in the previous year.

Your Company, in view of debtors being bad & time barred, was not able to recover the same. Therefore, the Directors had decided to write off such debtors amounting to Rs.495.29.

b) Industry structure and Developments

The Company falls in the Textile Sector, which is the largest Industrial Sector in India generating a Turnover of Rs.1,50,000 Crores, which is approx. 7% of GDP of the Country. It is largest employer in the Manufacturing Sector in India. Exports of Textiles products at around US\$ 13.5 Billion accounting over 25% of total exports of the Country. However the Textile Sector is dominated by the unorganized Sector. One has to compete with this Sector by cutting cost of production as well as focusing on the quality. The Textile Industry after implementation of various remedial measures as the part of economical growth is showing sign of improvement. On the Exports front our Country's position is improving however we have to pay more attention on modernization and quality improvement to make progress in Exports. The overall market situation seems to be stable and improved and in future it should further improve.

c) Opportunities and Threats

In USA and EEC Markets there is a rapid consolidation of Manufacturing and retailing activity. Due to which there will be few buyers with muscle power to dictate price and deliver term and therefore supplying Countries and units have to work at optimum costs and provide excellent service. There is also Threat from China and other Countries who are producing large quantities with low overheads, low labor cost and with various concession available to them.

However the production at competitive cost and with good quality will certainly have an edge in Global Market. The concessions offered to the Textile Industry by our Government by cutting custom and excises duties on Textile Machineries and favorable EXIM Policy will help to face challenge in the Global Market.

d) Future Outlook

The long-term outlook for the Yarn Industry is encouraging considering high GDP growth of our Country. However as mentioned above due to shortage of working capital funds the Company could not resume its own production and therefore presently doing Job work only. Company does not have much scope to improve its performance and reap the benefits of improvement in the Yarn Industry. However Company will be certainly benefited by increasing its job work production and by realizing better margin for Job work.

e) Risk and Concerns

Presently the Company is doing job work only, therefore, it does not have much risk and concern for the fluctuation in the Yarn price, which now fluctuates with the change in International prices. There is no risk on the Marketing front. However Company may have to face risk in case it is unable to renew the Job work order or pre-mature-termination of the same.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits from the Public during the year under report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The Company has used electricity supplied by the Maharashtra State Electricity Board, Gujarat Electricity Board; the details as required by the Companies (Disclosure of particulars in the Board of Directors) Rules, 1988 are as under:

	Period ended 31-03-2006	Year ended 31-12-2004
1. POWER & FUEL CONSUMPTION		
a) Electricity Purchased (Units in '000)	60.28	940
Total Amount (Rs. In '000)	300.00	4471
Average Rate (Rs./Unit)	4.98	4.76
2. CONSUMPTION PER UNIT PRODUCTION		
Yarn Processing (tones)	932.191	1543
Electricity (Unit per kg)	0.064	0.61
Fuel (Liters per kg)	-	-
3. FOREIGN EXCHANGE		
a) Earning (Rs. In'000)	-	-
b) Outgo (Rs. In'000)	-	-

RESEARCH & DEVELOPMENT:

In house Research & Development department of the Company has been working to develop various new color shades and new products in various dyed yarn varieties as per the requirement of job work customers.

PARTICULAR OF EMPLOYEES:

The Company has no employee of the category specified in Section 217 (2A) of the Companies Act, 1956 during the year under report.

AUDITORS:

M/s. CPM & Associates, Chartered Accountants of the Company hold office till the conclusion of ensuing Annual General Meeting and being eligible for appointment they are being recommended for reappointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956.