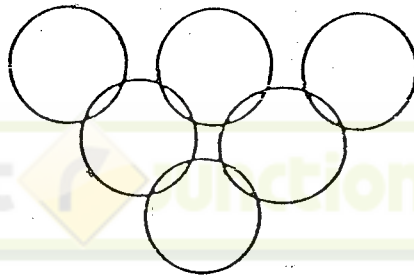


18th Annual Report

March, 2007



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Olympia Industries Limited

CORPORATE DIRECTORY
BOARD OF DIRECTORS

Shri Navin Pansari	-	Director
Shri Vijay Patel	-	Director
Shri Balkrishna Uklikar	-	Director

AUDIT COMMITTEE

Shri Navin Pansari	-	Member
Shri Vijay Patel	-	Member
Shri Balkrishna Uklikar	-	Member

REGISTERED OFFICE

135-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 18th Annual General Meeting of the Members of Olympia Industries Limited will be held on Saturday, the 29th September, 2007 at 10.30 A.M. at the Registered Office of the Company at 135, 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, 2007 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 Vijay Patel who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.

By Order of the Board
For Olympia Industries Limited

Place : Mumbai

Date : 04.09.2007

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 27th September, 2007 to 29th September 2007 (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, as required by Clause 49 of the Listing Agreement entered with Stock Exchanges are also annexed.

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

Name of Director	Shri Vijay Patel
Date of Birth	22.07.1968
Date of Appointment	22.06.2002
Expertise in specific functional areas	Secretarial Works
Qualifications	B. Com
List of Public Companies in which outside Directorship held as on 31st March, 2007	Nil
Chairman / Member of the Committees of the Board of the Companies on which he is Directors as on 31.03.2007	Nil.

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

Place : Mumbai
Date : 04.09.2007

**Navin Pansari
Director**

Registered Office:
135-New Sonal Industrial Estate,
Bldg. No. 2, Link Road,
Malad (West), Mumbai-400 064.

OLYMPIA INDUSTRIES LIMITED

DIRECTOR' S REPORT

To the Members,

Your Directors have pleasure in presenting the 18^h Annual Report and Audited Accounts of the Company for the year ended 31st March, 2007.

FINANCIAL RESULTS

	Year ended 31-03-2007	(Rs. In Lacs) Period ended 31-03-2006
Turnover-Sales & Job work	756.45	114.10
Profit before Interest & Finance Charges and Depreciation	289.12	431.81
Interest & Finance Charges	12.78	15.84
Depreciation	37.98	54.88
Net Profit	238.35	361.09
Less : Loss brought forward from previous year	(2157.41)	(2518.50)
Loss carried to Balance Sheet	(1919.06)	(2157.41)

MANAGEMENT DISCUSSION AND ANALYSIS:

OPERATIONS:

The Turn over for the current period was Rs.756.45 lac as against Rs.114.10 lac in the previous year. The company has earned a net Profit of Rs.238.35 lac as against Profit of Rs.361.09 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 Company has prepared a DRS and the same is submitted to Operating Agency and BIFR.

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 had paid all dues of the IDBI during the financial year and Company is making payment of settled dues as per the respective agreed terms to the Union Bank of India and other NBFCs.

a) Review of Operations

The Company's performance during the year has been better than previous year.

The Company's Sales including job charges receipts during the year under review was Rs.756.45 lac as against Rs.114.09 lac of previous year. The production including the job work has decreased to 78.384 M.T. from 932 M.T. in the previous year. However, the trading activities have shown the good performance.

b) Industry structure and Developments

The Company falls in the Textile Sector, which is the largest Industrial Sector in India. 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 due to strengthening of Indian currency the export realisation is under pressure.

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:

During the year under report Company carryout a small manufacturing operations which did not involve any significant power consumption and therefore figures for Power Consumption has not been given.

	Year ended 31-03-2007	Period ended 31-03-2006
1. POWER & FUEL CONSUMPTION		
a) Electricity Purchased (Units in '000)	-	60.28
Total Amount (Rs. In '000)	-	300.00
Average Rate (Rs./Unit)	-	4.98
2. CONSUMPTION PER UNIT PRODUCTION		
Yarn Processing (tones)	-	932.191
Electricity (Unit per kg)	-	0.064
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.

AUDITORS REPORT:

The remarks and observation made by the Auditors in their Report have been explained in the Notes to the Account and there is no qualification in the Auditors Report requiring further explanation in Directors Report.

DIRECTORS:

Shri Vijay Patel, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

CORPORATE GOVERNANCE:

The Company is finding difficulty in appointing more independent Directors due to the status of the Company as a sick industrial Company and therefore presently the Company is working with the minimum required 3 Directors. Looking into the present scale of operations of the Company, increase in the number of Directors is also not necessary.

However the Company is in search of more independent Directors. A Corporate Governance report regarding the compliance of condition of Corporate Governance is made as part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

A Directors' Responsibility Statement as required under Section 217(2AA) of the Companies Act, 1956 is given below:-

- i) We have followed the applicable accounting standards in the preparation of the Annual Accounts and proper explanation relating to material departures have been given in Schedule 'Q' of Notes on account forming part of the accompanying Accounts.
- ii) We have selected the Accounting Policies as given in Schedule 'Q' of Notes on Accounts 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 31st March, 2007 and of the Profit of the Company for the year ended on that date.
- iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.

- iv) We have prepared the Annual Accounts for the year ended 31st March, 2007 on a going concern basis.

ACKNOWLEDEMENTS :

Your Directors wish to place on record their appreciation and gratitude to its esteem Shareholders, Financial Institution, Bank and various other Government Departments for their continued support. Your Directors also place on record, their deep sense of appreciation for the dedicated services rendered by all the executives and staff at all level of the Company throughout the year.

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For and on behalf of the Board

Place : Mumbai

Date : 04.09.2007

Director

Director