

Twenty Third Annual Report

March, 2012

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	-	Chairman
Shri Balkrishna Uklikar	-	Member

REGISTERED OFFICE

C-205, Synthofine Industrial Estate,
Behind Virwani Industrial Estate,
Goregaon (East), Mumbai-400 063.

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,
A-102, Rassaz Castle, Malpa Dongri No.01,
Off. Service Road, Andheri (East), Mumbai-400 093.

N O T I C E

To
The Members,
Olympia Industries limited

Notice is hereby given that the 23rd Annual General Meeting of the Members of M/s. Olympia Industries Limited will be held on Saturday the 29th September, 2012 at 10.00 A.M. at the Registered Office of the Company at C-205, Synthofine Industrial Estate, behind Virwani Industrial Estate, Goregaon (East), Mumbai-400063 for transacting the following business;

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year 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:-

Reduction of Paid up Equity Share Capital :-

4. To consider and if thought fit, to pass, with or without modification/(s), the following Resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the Rehabilitation Scheme sanctioned by the Board For Industrial And Financial Reconstruction (BIFR) and other applicable provisions of the Companies Act, 1956, consent of the Members of the Company be and is hereby given for the reduction of the existing paid up Equity Share Capital of the company by 65% viz. from Rs.5,31,02,000/-, divided into 53,10,200 Equity Shares of Rs.10/- each fully paid up, to Rs.1,85,85,700/-, divided into 18,58,570 Equity Shares of Rs.10/-each fully paid up.”

“RESOLVED FURTHER THAT no fractional Shares be issued in respect of fractional entitlements, if any, on reduction and cancellation of the Equity Shares and all fractional entitlements be consolidated and allotted to a Director or an officer of the Company/ other agency, who shall hold the Shares in trust on behalf of such Shareholder/s of the Company and these Shares be sold in the market at the best available price and pay the net sale proceeds, subject to deduction of tax, if any and after deduction of

expenses incurred in this regard to the Shares holder/s entitled to the same in proportion to their respective fractional entitlements.”

“RESOLVED FURTHER THAT after such reduction becoming effective fresh share certificates be and are hereby issued to the shareholders without asking for surrender of their old share certificate/s to the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any duly appointed Committee of the Board be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and expedient in their absolute discretion for implementation of the reduction of capital as per the Rehabilitation Scheme sanctioned by the Board For Industrial And Financial Reconstruction (BIFR) and as per the aforesaid Resolution.”

5. Issue of Equity Shares on preferential basis :-

To consider and if thought fit, to pass, with or without modification/ (s), the following Resolution as a special Resolution:-

“RESOVLED THAT pursuant to the Rehabilitation Scheme sanctioned by the Board For Industrial And Financial Reconstruction (BIFR) and pursuant to the other provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including the rules and regulation there under and any Statutory modification, amendments or re-enactment of the Principal Act or such rules and regulations for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and such rules, guidelines and regulations, if any, as may be prescribed by the Securities and Exchange Board of India, from time to time and subject to such approvals, consents, permissions and sanctions of SEBI and other appropriate authorities as may be required and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consent of the Company be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any committee, which the Board of Directors of the Company may constitute to exercise its power including the powers conferred by this Resolution) to issue 5,65,000 Equity Shares of Rs.10/- each at par aggregating Rs.56,50,000/-to the following Promoter entities by conversion of their unsecured loan granted to the Company :-

<u>Sr. No.</u>	<u>Name</u>	<u>No. of Shares to be allotted</u>	<u>Amount(Rs.)</u>
1	Chitrakar Textiles Pvt. Ltd.	1,75,000	17,50,000/-
2	Jamjir Polyster Pvt. Ltd.	2,10,000	21,00.000/-
3	Ekamat Synthetics Pvt.Ltd.	1,80,000	18,00.000/-

and 6,00,000 Equity Shares of Rs.10/- for cash at par aggregating Rs.60,00,000/- to any individual or company whether of Promoters or their Associates to meet the cost of revival scheme through a preferential offer on a private placement basis.”

“RESOLVED FURTHER THAT the Equity Shares shall rank pari passu with the existing Equity Shares of the Company in all respects including as to dividend”

“ RESOLVED FURTHER THAT The Equity Shares issued under the above preferential issue to the Promoters/Promoter Group shall be locked- in for a period of 3 Years and to others for a period of one year from the date of their allotment.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution the Board of Directors of the Company be and is hereby authorized to execute such deeds, documents, and agreements and do all such acts, deeds, matters, or things as it is in its sole discretion may deem necessary or desirable for such purpose without being required to seek any further consent or approval of the Company and with power on behalf of the Company to settle any question, difficulty or doubt that may arise in this regard as it may in its absolute discretion deem fit and proper.”

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

Place : Mumbai
Date : 01.09.2012

**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 COMMENCEMENT OF THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed on Saturday, the 29th September, 2012 .
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 as required under Clause 49 of the Listing Agreement entered with Stock Exchanges are also annexed.

Name of Director	Shri Navin Pansari
Date of Birth	29.01.1961
Date of Appointment	23.10.1992
Expertise in specific functional areas	Marketing
Qualifications	Chartered Accountant.
List of Public Companies in which outside Directorship held as on 31st March, 2012	Nil
Chairman / Member of the Committees of the Board of the Companies on which he is Directors as on 31.03.2012	Nil.
Shares held in the Company as on 31-03-2012	234100

7. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for Item No. 4 & 5 is annexed hereto.

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

Place : Mumbai
Date : 01.09.2012

**Navin Pansari
Director**

Registered Office:
C-205, Synthofine Industrial Estate,
Behind Virwani Industrial Estate,
Goregaon (East), Mumbai-400 0630

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

Item No. 4

The net worth of the company was eroded due to losses suffered by the Company and therefore as per the requirement of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) the Company made a reference to the Board of Industrial & Financial Restructuring (BIFR) and the Company was declared as sick company by the Hon'ble BIFR and IDBI Bank was appointed as operating Agency. As per the directives, the company along with the Operating Agency submitted a Rehabilitation Scheme to the BIFR. The BIFR in its hearing sanctioned a Rehabilitation Scheme directing the Company to derate/ reduce its paid up Equity Share Capital by 65%.

The company's net worth turned negative and presently the intrinsic value of each equity share of Rs.10/- each is negative and therefore as a Rehabilitation Strategy stated in the rehabilitation Scheme sanctioned by BIFR , the company needs to de-rate/ reduce the existing paid up Equity Share Capital. Therefore, it is proposed that the existing paid up equity share capital of the company be reduce by 65%.

Thus, the strategy of derating/ reducing 65% paid up share capital of the Company aims for expeditious revival of the company as per the objectives of SICA and is in the interest of all concerned.

In the Rehabilitation Scheme sanctioned by BIFR, in one of the relief it has been mentioned that the existing Shareholders to agree for reduction of paid up Equity Share Capital by 65% and accordingly the Resolution at item No.4 of the Agenda of the Meeting is appended to obtain consent of the Members of the Company for the purpose.

The Directors commend the Resolution for your approval.

Non of the Directors is concerned or interested in the Resolution.

Item No. 5

As per the provisions of Section 81(1-A) of the Companies Act, 1956, if new Shares are issued to any person or persons other than the existing Members of the Company, the Company is required to obtain consent of the Members of the Company by a Special Resolution in a General Meeting. The Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall in the first instance offer all Securities to the existing Members of the Company unless the Members decide otherwise in a General Meeting. In the Rehabilitation Scheme sanctioned by BIFR in one of the relief it has been mentioned that the existing Shareholders to agree for issuing new Equity Shares to the Promoters of the Company and to others details of which have been given in Resolution No.5 of the Agenda of the Meeting. As the proposed Equity Shares are not offered to all the existing Members of the Company and to comply with the direction of BIFR in its sanctioned Scheme, the Resolution at item No.5 of the Agenda of the Meeting is appended to obtain consent of the Members of the Company for the purpose.

The disclosure in term of Chapter VII of SEBI (issue of capital and disclosure requirements) Regulations,2009 of the SEBI is not applicable to the Company because the new Shares are being issued in terms of Rehabilitation Scheme of the Company sanctioned by BIFR.

The Directors commend the Resolution for your approval.

Mr. Navin Pansari, Promoter Director may deemed to be interested in the Resolution to the extend Shares allotted to the Promoter Group.

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

Place : Mumbai

Date : 01.09.2012

**Navin Pansari
Director**

Registered Office:

C-205, Synthofine Industrial Estate,
Behind Virwani Industrial Estate,
Goregaon (East), Mumbai-400 063O

OLYMPIA INDUSTRIES LIMITED

DIRECTOS' REPORT

To the Members,

Your Directors have pleasure in presenting the 23rd Annual Report and Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS :

<i>Particulars</i>	<i>Year ended 31.03.2012 Rs.</i>	<i>Year ended 31.03.2011 Rs.</i>
Turnover-Sales & Job work	35,77,311	1,03,67,679
Profit before Interest & Finance Charges and Depreciation	(19,98,608)	24,71,701
Interest & Finance.Charges	0	0
Depreciation	22,46,339	24,31,246
Net Loss / (Profit)	42,44,947	40,455
Add/Less : Loss brought forward from previous year	(18,90,19,298)	(18,90,59,752)
Loss carried to Balance Sheet	(19,32,64,245)	(18,90,19,298)

MANAGEMENT DISCUSSION AND ANALYSIS:

OPERATIONS:

The Turnover for the current year was Rs.35.77 Lacs as against Rs.103.68 Lacs in the previous year. The company has earned a net Loss of Rs.42.45 Lac as against net Profit of Rs.0.40 Lacs 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:

Your Board is pleased to report that the Hon'ble Bench of the BIFR passed an Order on 7th March, 2012 approving a scheme of rehabilitation of the Company, referred to therein as the Sanctioned Scheme (SS-12). The principal provisions in the SS and the action so far by the Board are as under:

Restructuring & Reduction of Share Capital

Paid-up share capital of Rs 531.02 lac to be reduced by 65%

Settlement of Dues of the Secured Creditors

All the secured creditors of Company viz. UBI and IDBI Bank stand paid-off as on March 31, 2010 under a one-time settlement

Infusion of Fresh Funds

Promoters to bring in Rs. 60 lac as envisaged in SS-12 and to undertake to finance the short fall, if any, in case the projections of profitability and cash flow do not materialize to the extent envisaged by the SS-12.

Settlement of Unpaid Bills

The company to settle the contingent liability of Rs. 24.47 lakh to Union Bank of India on account of acceptance of bills drawn by Orbit Polyesters Limited. at Rs. 2.00 lac

Union Bank to release the all securities including personal/corporate guarantees / undertaking and indemnity given by the existing promoters / directors issued to the banks.

Settlement of Dues towards CRB Capitals Ltd.- Leased Assets

CRB Capitals Ltd. To accept an amount of Rs 2 lac as full and final settlement against the entire dues

Dues to Unsecured Creditors

Unsecured Creditors to accept Rs. 27.13 lakh towards its dues of Rs. 271.35 lakh i.e. 10% of principal amount.

Other Reliefs & Concessions

From Income Tax Authorities, SEBI, BSE and Stock Exchanges of Calcutta, Delhi, Chennai & Cochin Stock Exchanges, State Government of Gujarat, Gujarat State Electricity Board as detailed in the SS-12.