

ANNUAL REPORT 2014



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PROXY FORM

LETTER OF TRANSMITTAL

December 6, 2014

Esteemed Shareholders
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies and Firms

Dear Sir or Madam,

Subject: Annual Report for the year ended June 30, 2014

It is our pleasure to inform you that the 35th Annual General Meeting of Olympic Industries Limited will be held on Wednesday, December 24, 2014 at 10:00 AM at our 2nd biscuit factory premises at Lolati, P.S. Sonargaon, District Narayanganj.

As such, it our pleasure to forward you our Annual Report together with our audited financial statements comprising of the Auditor's Report to the Shareholders, Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Shareholders Equity, Statement Cash Flows, Unit-wise Working Result, Schedule of Non-current Assets, and Accounting Policies and Explanatory Notes to the Financial Statements for the year ended June 30, 2014.

Your attendance slip is enclosed at the end of this Annual Report. Please fill it up, tear off and hand it over to one of our executives for admission to the venue. In the event you would like to appoint a proxy, please completed and sign the enclosed proxy form and submit it to our registered office at least 48 hours before the scheduled time of meeting.

Thanking You,

Yours Sincerely
For Olympic Industries Ltd.



Md. Nazimuddin
Executive Director &
Company Secretary

CORPORATE INFORMATION

NAME OF THE COMPANY	Olympic Industries Limited (Formerly Bengal Carbide Limited)	
INCORPORATION NO. & DATE	C-7096/826 of 1978-1979 dated 26-6-1979	
LEGAL STATUS	Public Limited Company	
NATURE OF BUSINESS	Manufacture, marketing, distribution and sale of quality Biscuits, Confectionery & Bakery items, Ball Point Pen and Drycell Battery.	
REGISTERED OFFICE	Amin Court, 6 th Floor 62-63, Motijheel C/A Dhaka-1000, Bangladesh	Tel : +880-2-9565228 Fax : +880-2-9567485 Email : secretariat2@olympicbd.com info@olympicbd.com Website : www.olympicbd.com
FACTORIES	Biscuit, Confectionery & Bakery	: Madanpur, Keodhala, Bondar, Narayanganj : Lolati, Kanchpur, Sonargaon, Narayanganj
	Battery, Ball Point Pen, Cereal Bar	: Kutubpur, Kanchpur, Bondar, Narayanganj
LISTINGS	Dhaka Stock Exchange Limited, June 9, 1984 Chittagong Stock Exchange Limited, September 19, 1996	
MEMBERSHIPS	Chambers of Commerce and Industry: Metropolitan Chamber of Commerce and Industry Bangladesh-Malaysia Chamber of Commerce and Industry India-Bangladesh Chamber of Commerce and Industry Associations: Bangladesh Association of Publicly Listed Companies Bangladesh Auto Biscuits and Bread Manufacturers Association Bangladesh Agro Processors Association Intellectual Property Association of Bangladesh	
SHARE STRUCTURE	Number of shareholders – 12,608 Authorized Capital – Tk. 2,000,000,000.00 Paid-up Capital – Tk. 1,175,419,680.00 Face Value – Tk.10.00 (Effective from December 04, 2011) Market Lot – 500 Shares Start of Demat Trading – June 15, 2004	
STATUTORY AUDITORS	M/s. Howladar Yunus & Co., Chartered Accountants House-14 (4th Floor), Road-16A, Gulshan-1, Dhaka-1212	
MAIN BANKERS	Agrani Bank Limited, Amin Court Corporate Branch, Dhaka United Commercial Bank Limited, Principal Branch, Dhaka The City Bank Limited, Principal Office, Dhaka Habib Bank Limited, Motijheel Branch, Dhaka	

MILESTONES

June 1979	: Incorporation as Bengal Carbide Limited
April 1982	: Commencement of UM-1 Battery production
June 1984	: Listing on Dhaka Stock Exchange Limited
September 1987	: Commencement of Soyabean Oil and Vegetable Ghee production (Currently not in Operation)
September 1991	: Commencement of Palm Oil and Olein production (Currently not in Operation)
August 1995	: Commencement of UM-3 Battery production
June 1996	: Change of name to Olympic Industries Limited
September 1996	: Listing on Chittagong Stock Exchange Limited
December 1996	: Commencement of Biscuit and Confectionery production
January 1998	: Commencement of Ball Point Pen production
November 1998	: Commencement of Electric Bulb production (Currently not in Operation)
July 1999	: Joined BAPLC
July 2003	: Commencement of second biscuit line production
July 2008	: Commencement of third biscuit line production
August 2008	: Amalgamation of Tripti Industries Limited with Olympic Industries Limited
November 2009	: Commencement of production of UM-4 Battery
March 2010	: Received HACCP Certification
September 2010	: Commencement of fourth biscuit line production
January 2011	: Commencement of cereal bar production
July 2012	: Received NBR Award for Payment of Highest VAT in Production Sector at National Level for 2010-2011 Financial Year
August 2012	: Commencement of fifth biscuit line production
November 2012	: Execution of Supply Agreement with GlaxoSmithKline for production of Horlicks brand biscuits and cookies
July 2013	: Board decision to implement two additional biscuit production lines
December 2013	: Execution of Agreement with RB Group to manufacture Walton UM-3 and UM-4 batteries
October 2014	: Commencement of sixth and seventh biscuit line production

BOARD OF DIRECTORS AND MANAGEMENT



Mr. Mohammad Bhai, Chairman

A renowned industrialist and reputed businessman, Mohammad Bhai was born in Kanpur, India and migrated to Dhaka after independence. He has been doing business in Bangladesh since 1948; he was a pioneer of the Bangladesh steel industry, establishing the country's first steel mill in 1959. In addition to his vast industrial experience, Mohammad Bhai is a former president of the Dhaka Chamber of Commerce & Industry and served as president of the Aga Khan Supreme Council for Bangladesh for more than two decades.



Mr. Mubarak Ali, Managing Director

Mubarak Ali is a truly dedicated business personality and has been an industrial entrepreneur for over 40 years. He has been the managing director of Olympic Industries Limited since its inception and is solely credited with its success to date. In addition to his business accomplishments, he is a former vice president and treasurer of the Lions Club, an executive committee member of the Bangladesh Association of Publicly Listed Companies as well as the Bangladesh Auto Biscuits and Bread Manufacturers Association. Mubarak Ali is also a former chairman of Aga Khan Foundation National Committee, Bangladesh



Mrs. Khatija Mohammad Bhai, Director

Khatija Mohammad Bhai, wife of Mohammad Bhai and mother of Aziz Mohammad Bhai, is a sponsor of the Olympic Industries Limited. She has been included as a member of the board of directors as the nominee director of M/s Ambee Limited, an associate company. She is also a sponsor of Ambee Pharmaceuticals Limited, where she acted, until recently, as a director since its inception.



Mr. Aziz Mohammad Bhai, Director

Aziz Mohammad Bhai is a charismatic personality and a successful industrial entrepreneur in Bangladesh. He was actively engaged in the management of a steel producer for more than three decades and has been an innovator in the local pharmaceutical manufacturing industry Ambee Pharmaceuticals Limited where he acts as Chairman. In addition to his long list of business accomplishments, Aziz Mohammad Bhai is a life member of the SAARC Chamber of Commerce.



Mrs. Safinaz Bhai, Director

Safinaz Bhai, a British citizen, has completed her education in the UK and has been involved in various business and social institutions since moving to Bangladesh in 1980. She is also a director of RMB Fisheries Limited. An avid bridge player, she has represented Bangladesh at various tournaments, both locally and internationally.



Mr. Munir Ali, Director

Munir Ali, educated in the US at Indiana University, has been involved in the development of the company's biscuit and confectionery businesses. Mr. Ali is the founder and managing director of Asia Commodity Ltd and a director of Interglobe Aviation (BD) Ltd.



Mr. Sharif M. Afzal Hossain, Independent Director

Sharif M. Afzal Hossain has been appointed as an independent director of Olympic on October 23, 2010. He has a long involvement with business and industry associations; he is the incumbent president of the Bangladesh Specialized Textile Mills & Powerloom Industries Association as well as the Spain-Bangladesh Chamber of Commerce and Industry. He is also a former president of the Bangladesh Chamber of Industries as well as a former member of FBCCI and has led many trade and business delegations of Bangladesh to various countries around the world.



Ms. Noorbanu Virji, Independent Director

Ms. Noorbanu Virji has been appointed as an independent director of Olympic Industries Limited with effect from September 25, 2014. She has long career in voluntary activities and she held many important positions in various organizations of His Highness The Aga Khan. She was the Vice President of Aga Khan National Council for Bangladesh; Director of Aga Khan Education Service, Bangladesh; Chairman of Grants and Review Board of His Highness The Aga Khan and the current Honorary Secretary of Ismailia Cooperative Society. A well-educated lady, Ms. Noorbanu Virji comes from a respectable Muslim family of the Shia Imami Ismaili Community.

BOARD OF DIRECTORS AND MANAGEMENT

Board of Directors

Mr. Mohammad Bhai, Chairman
Mr. Mubarak Ali, Managing Director
Mrs. Khatija Mohammad Bhai, Director
Mr. Aziz Mohammad Bhai, Director
Mrs. Safinaz Bhai, Director
Mr. Munir Ali, Director
Mr. Sharif M. Afzal Hossain, Independent Director
Ms. Noorbanu Virji, Independent Director

Company Secretary

Mr. Md. Nazimuddin, Executive Director

Audit Committee

Mr. Mubarak Ali
Mr. Aziz Mohammad Bhai
Mr. Sharif M. Afzal Hossain, Chairman

Management Team

Head Office

Mr. Mubarak Ali, Managing Director
Mr. Tanveer Ali, Executive Director
Mr. Omar Mohammad Bhai, Executive Director
Mr. Samad Miraly, Executive Director
Mr. Md. Nazimuddin, Executive Director, Corporate Affairs
Mr. Harun Al-Rashid, Chief Financial Officer
Mr. Touhiduz Zaman, General Manager, Marketing & Sales
Mr. S. R. Mondal, Additional GM, Accounts & Taxation
Mr. Mazharul Hasan Khan, Additional GM, Legal Affairs
Mr. A.B.M. Abdul Hakim, Additional GM, Import & Procurement
Mr. Altaf Hamid, Deputy GM, Admin & HR
Mr. Kamrul Islam, Assistant GM, Accounts
Mr. Md. Islamuddin, Assistant GM, Procurement

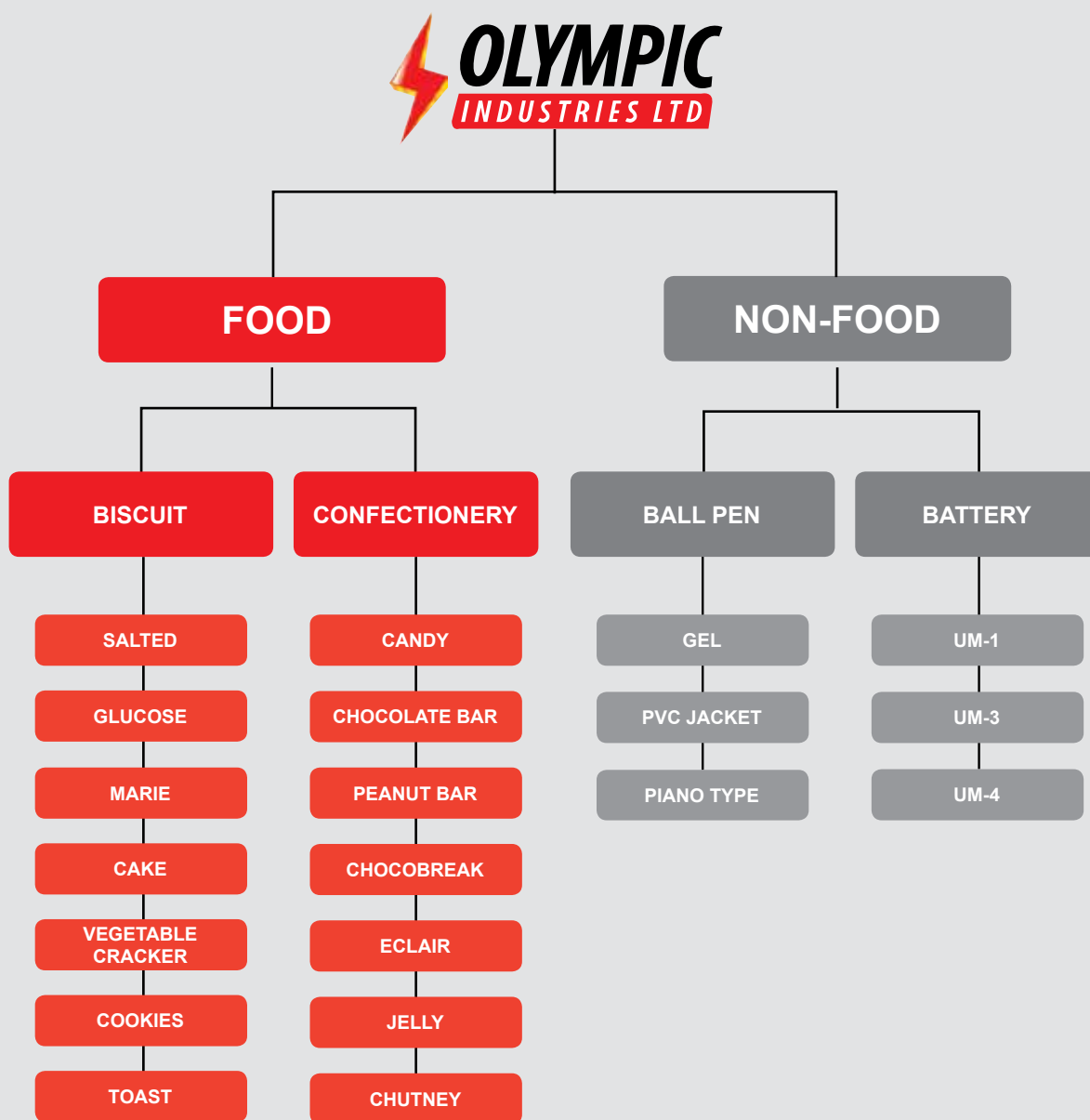
Operations

Mr. El Hudda, Executive Director
Mr. Madad Ali Virani, Executive Director, Operations
Mr. Nazrul Islam, Additional GM
Mr. Feroze Huda, Additional GM
Mr. Abdur Rob Khan, Additional GM, Technical

BRAND VALUES



PRODUCTS



SUMMARY OF KEY OPERATING AND FINANCIAL DATA

Condition 1.5 (xviii) of BSEC's Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 on Corporate Governance Guidelines

Year Year ended on	2013-2014 30.6.2014	2012-2013 30.6.2013	2011-2012 30.6.2012	2010-2011 30.6.2011	2009-2010 30.6.2010	2008-2009 30.6.2009
FINANCIAL POSITION						
Total Assets	5,048,637,186	3,693,672,553	2,591,236,306	1,850,322,260	1,361,913,744	996,283,282
Total Liabilities	2,526,239,640	1,961,949,908	1,422,629,846	681,715,800	835,720,366	641,911,612
Shareholders Equity	2,522,397,546	1,731,722,645	1,168,606,460	1,168,606,460	526,193,378	354,371,670
Total Current Assets	3,179,172,694	2,260,856,080	1,389,386,956	1,076,067,327	797,331,808	541,403,007
Total Current Liabilities	1,977,232,044	1,517,602,918	1,037,540,875	862,244,637	651,071,767	490,101,413
Current Ratio	1.61 : 1	1.49 : 1	1.34 : 1	1.25 : 1	1.22 : 1	1.10 : 1
OPERATING RESULTS						
Net Turnover	7,922,353,876	7,093,179,369	6,003,342,018	3,885,101,824	2,457,753,100	2,099,562,491
Gross Profit	2,282,579,239	1,821,721,247	1,460,632,233	971,639,077	698,105,020	519,134,198
Net Profit Before Tax	1,206,850,426	904,375,134	650,863,676	353,397,230	263,683,019	176,822,437
Net Profit After Tax	869,036,213	615,357,060	465,219,732	256,212,992	191,170,188	128,805,888
Earning Per Share (on value Tk.10.00)	7.39	7.85	5.87	4.90	5.49	5.55
No. of shares used in computing EPS	117,541,968	78,361,312	78,361,312	3,482,725	3,482,725	2,321,817
DISTRIBUTION OF PROFIT						
Cash Dividend Paid/	20%	10%	10%	10%	10%	10%
Stock Dividend issued	35%	50%	50%	50%	50%	20%

Year Year ended on	2013-2014 30.6.2014	2012-2013 30.6.2013	2011-2012 30.6.2012	2010-2011 30.6.2011	2009-2010 30.6.2010	2008-2009 30.6.2009
CAPITALIZATION						
Authorized Capital	2,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	250,000,000	250,000,000
Paid-up Capital	1,175,419,680	783,613,120	522,408,750	348,272,500	232,181,700	193,484,800
SHARE INFORMATION						
Face value per share	10.00	10.00	10.00	100.00	100.00	100.00
No. of Authorized Shares	200,000,000	100,000,000	100,000,000	100,000,000	2,500,000.00	2,500,000.00
No. of Shares Subscribed and Paid-up	117,541,968	78,361,312	52,240,875	3,482,725	2,321,817	1,934,848
Shareholders Equity Per Share	21.46	22.10	22.37	213.46	226.63	183.15
Closing Price per Share (Tk.10.00 par value)						
Dhaka Stock Exchange	222.58	167.60	127.14	181.80	181.60	63.16
Chittagong Stock Exchange	224.00	168.20	126.31	181.00	181.00	63.43
No. of Shareholders	12,608	12,548	11,240	10,237	8,840	9,092
Date of AGM	24.12.2014	26.12.2013	27.12.2012	29.12.2011	30.12.2010	17.12.2009
No. of Board Members	6+2 Indep Dir	6+1 Indep Dir	5+1 Indep Dir	5+1 Indep Dir	5	5

NOTICE OF 35TH ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting of the shareholders of Olympic Industries Limited will be held on Wednesday, December 24, 2014 at 10-00 A.M. at the 2nd Biscuit Factory premises of the company at Lolati, P.S. Sonargaon, Dist. Narayanganj to transact the following business:

AGENDA

1. To receive, consider and adopt the audited financial statements for the year ended June 30, 2014 and the Reports of Directors and Auditors thereon.
2. To consider and approve the issue of 35% Stock Dividend i.e. 35 (thirty five) fully paid Ordinary Shares as Bonus Share for every 100 (one hundred) Ordinary Shares held and payment of 20% Cash Dividend i.e. Tk.2.00 (Taka two) for every Ordinary Share of Tk.10.00 to the shareholders for the year ended June 30, 2014 as recommended by the Board of Directors.
3. To consider reappointment of Mrs. Khatija Mohammad Bhai and Mr. Munir Ali, Directors who retire by rotation in this meeting.
4. To approve the appointment of Ms. Noorbanu Virji, Independent Director who has been appointed by the Board of Directors on 25.9.2014 for 3 (three) years term commencing from 25.9.2014 to 24.9.2017.
5. To consider appointment of new Statutory Auditors for the year ending on June 30, 2015 and to fix up their remuneration.
6. To transact any other business of the company with the permission of the Chairman.

By Order of the Board



Md. Nazimuddin
Company Secretary &
Executive Director

Dated : December 02, 2014

Notes:

1. The Record Date to attend the 35th Annual General Meeting and for entitlement of approved Stock Dividend and Cash Dividend is November 27, 2014 as notified on November 9, 2014.
2. The Proxy Form, if used, is to be deposited bearing Revenue Stamp of Tk.10.00 at the Registered Office of the company at least 48 hours before the meeting. Proxy must be a shareholder of the company. The signature of Proxy is to be verified by the shareholder appointing the proxy.
3. Admission to the meeting venue will be on production of Attendance Slip, duly signed. Children and non-members are not allowed to attend the meeting. The Attendance Slip and Proxy Form will be sent with the Annual Report.
4. Change of address, if any, may be informed in writing to the company.
5. If any shareholder has any question on the accounts and on the directors' and auditors' reports thereon, the same must be submitted at the Registered Office of the company at least 72 hours before the meeting to facilitate providing proper response.
6. The Attendance Register for the esteemed shareholders shall remain open upto 10:00 A.M. on the date of AGM on December 24, 2014 and it is requested to record the attendance by that time.
7. **To comply the instruction of Bangladesh Securities and Exchange Commission (BSEC) as contained in Notification No.SEC/SRMI/2000-953/1950 dated October 24, 2000 published in Bangladesh Gazette on November 7, 2000 and also as contained in their Circular No.SEC/CMRRCD/2009-193/154 dated October 24, 2013, no gift / benefit or food / food items, etc. will be provided to the esteemed shareholders attending the 35th Annual General Meeting of the company.**

Esteemed shareholders are requested to submit their 12 digits Taxpayers Identification Number (TIN) to the company latest by December 28, 2014 failing which, Income Tax at Source will be deducted from payable Dividend @ 15% instead of 10%

CHAIRMAN'S MESSAGE TO SHAREHOLDERS

It is indeed a privilege and honour for me for being able to welcome you all again in the 35th Annual General Meeting of your company Olympic Industries Limited. I also take privilege in placing to you herewith the Annual Report of the company for the year ended June 30, 2014. Although we achieved prosperity in last year also, our journey was not as smooth as silk and we had to cross many challenges. As we all had firm determination, we were able to cross the hurdles.

During the year 2013-2014, we achieved growth in turnover as well as in profit margins and have been able to maintain satisfactory earning per share. It is my pleasure to inform you that our net turnover during the year was Tk.7922.354 million as against Tk.7093.179 million in last year. Our gross profit and net profit after tax during 2013-2014 were Tk.2282.579 million and Tk.869.036 million respectively which were 28.81% and 10.97% of net turnover. In 2012-2013 the gross profit was 25.68% and net profit after tax was 8.68% of the net turnover. Our contribution to the national exchequer was Tk.1540.004 million i.e. 19.44% of our net turnover. This was in the form of VAT and customs duty only and excludes contribution in other forms like fees, income tax, development tax and charges.



You know, in the backdrop of our successful run of the company, we were able to pay you 50% stock dividend and 10% cash dividend consecutively for last four years. This year also, our recommendation is for paying 35% stock dividend and 20% cash dividend to you. You have seen significant rise in the trading price of shares of our company during 2013-2014 in both the Stock Exchanges of the country compared to last year. As a reminiscent of our post balance sheet performance in the first quarter of current year 2014-2015, we know that our turnover was Tk.2035.064 million that earned for us net profit of Tk.235.729 million after tax which is very encouraging. These are matters of satisfaction for all who are related to the company.

This is for your information here that we have taken Ms. Noorbanu Virji as the second Independent Director of the company effective from September 25, 2014. She has quite long experience which will benefit the company in its corporate governance. The management of our company is run by a dedicated team of professionals under the leadership of Mr. Mubarak Ali, Managing Director who has vast treasure of experience. My sincere appreciation is for all individual members of the management team who always try their best to keep our going smooth. I wish for continued success of the company.

May the Almighty Allah bless us all.



MOHAMMAD BHAI

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

It gives us great pleasure in presenting to you the report of the board of directors for the year ended June 30, 2014, together with the audited financial statements and the report of the auditors.

During the last fiscal year ended June 30, 2014, Olympic experienced significant positive growth and we are pleased to offer the following figures to illustrate this year-over-year growth.

NET TURNOVER ➤ **+12%**

GROSS PROFIT ➤ **+25%**

**NET PROFIT
BEFORE TAX** ➤ **+33%**

FIGURE 1 - ANNUAL NET TURNOVER

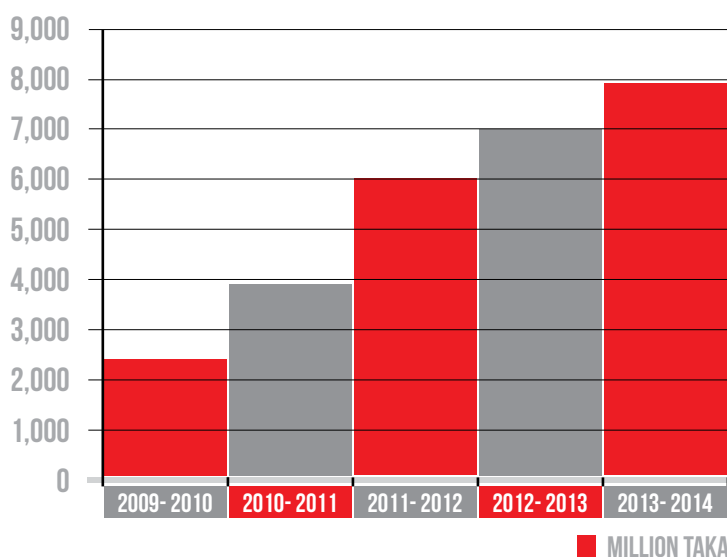
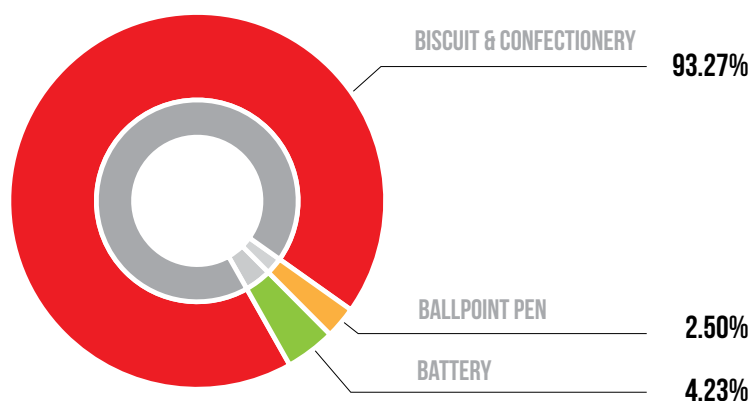


FIGURE 2 — BREAKDOWN OF 2013-2014 NET TURNOVER (PERCENTAGE)



We are pleased to inform shareholders that we have been included as a component of both the DSE 30 Index as well as the CSE 30 Index, the two leading indices in Bangladesh. We are pleased to further advise that both national stock exchanges have approved the reclassification of our industry sector from 'engineering' to 'food and allied' to more accurately reflect the core business of the company.

As per Bangladesh Securities and Exchange Commission corporate governance compliance guidelines, we would like to advise that we have appointed a chief financial officer in March 2014. In addition to our HACCP and ISO 22000:2005 certifications, as we have advised earlier, we are pleased to reconfirm that our production facilities have now been fully Halal certified by Halal Bangladesh Services Limited. This certification will allow us to pursue export opportunities, particularly to geographic regions mandating Halal certification. While this certification allows us to consider and weigh our options, we remain fully committed to meeting local demand and building our consumer base in Bangladesh.

Given the company's excellent track record, rich experience of promoters, sound financial profile, significant growth in turnover and profitability as well adequate liquidity indicators, it is worth noting that, in January 2014 National Credit Rating Limited, issued AA long term and ST-1 short term rating for the company.

The Bangladesh Energy Regulatory Commission (BERC) has granted the company, in August 2014, an amended license for the generation of 4.78 MW electricity by way of captive power plant for our factories in Madanpur, Kutubpur and Lolati.

Biscuit and Confectionery

We have recently decided to terminate our third-party manufacturing agreement with our processor in Chittagong. This agreement was intended to be a temporary measure to address capacity limitations typically associated with new line implementations. Now that we have successfully brought lines 6 and 7 into commercial operation, we believe this that the best decision for the company is to bring this production back in-house and we have done that to reduce fixed costs typically associated with low volumes of production at that facility as well as higher per ton production and transportation costs. Our additional capacity will, of course, not only serve to fulfill this production but also allow us to produce new varieties that we have been developing and planning to launch. We will continue to focus on products that add value to our portfolio and contribute positively to our top and bottom lines.

In addition to our premier flagships brands Energy Plus and Tip, we have dedicated considerable resources to expand our range of 'household name' products. Our Plus range of products, including Chocolate Plus, Coconut Plus, Milk Plus among others, has gained considerable traction and continues to grow very positively. We have launched several new and innovative product ideas that we believe will excite our consumers, such as Festi, a Coffee flavoured biscuits, cream sandwiches and our line of sugar-free biscuits.

To this end, we have expended a considerable time and financial resources to educate consumers of products previously only available regionally or internationally. We continually strive to bring our consumers the newest and most innovative products, produced to the most exacting of standards, at price points that are equally attractive, offering significant value to them.

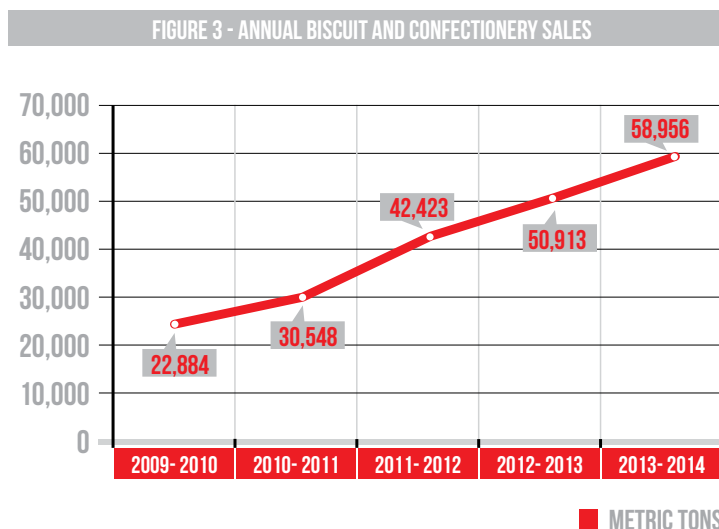
As advised in last year's report, the primary purpose for procuring two additional lines from the same suppliers as our fifth line was a reduced learning curve that is often associated with new line implementations. We are proud to confirm that we have undoubtedly benefited from this decision as well as the decision to accelerate capex and implement the two lines concurrently. Having several interchangeable components across the three biscuit lines in the Lolati production facility has really allowed us to be flexible and more dynamic in terms of production planning, line management and output optimization. The two new lines, our sixth and seventh, have added approximately 30,000 MT per year in terms of production capacity.

As advised earlier, our Lolati production facility has been outfitted with the most advanced, modern ancillary technologies; the entire facility is equipped with a fire and hazard detection addressable system and all of our production facilities are monitored by over four hundred IPTV cameras. We are now taking steps to bring our older production facility to the same standards as our newer one.

As our business grows and the quantity of transactions increases, our underlying support services must increase to support this growth; to that end, we have now fully transitioned our data and network operations centres to our Lolati factory administration building to provide 24x7x365 support services to all our production facilities. Our corporate headquarters and all of our production facilities are connected through a secure and reliable fibre optic network. Our SAP, ERP software and Avaya IP Office systems are available throughout our network to facilitate smooth communications and efficient transaction processing.

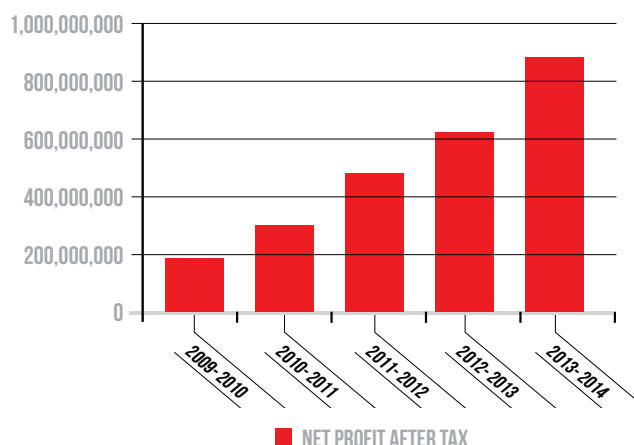
A continued area of strength for us has been and continues to be our aggressive procurement and supply chain policies. Forward contracts, for items such as certain commodities and flexible laminates, have allowed us to maintain price consistency with contracts of up to 120 days in duration. Of course, focusing on price and inventory optimization of high volume commodities has helped us considerably as has our ability to negotiate favourable commercial terms such as credit of up to 45 days interest-free. Our ISO 22000:2005 certification mandates supplier audits and the provision of pre-approved suppliers; creating strong relationships with these trusted suppliers has allowed us to work together for them to better understand our exact needs and requirements and this, in turn, has also led to an overall reduction in rejected raw materials and this of course reduces the chances of raw material shortages.

In fiscal year 2013-2014, biscuit and confectionery sales were 58,956 MT as compared to 50,913 MT in the fiscal year 2012-2013, representing a 16% year-over-year increase. This unit's turnover was Tk. 7.39 billion in fiscal year 2013-2014, representing a 14% increase from Tk. 6.50 billion a year ago.



Our year-over-year turnover growth of 12% was constrained primarily due to capacity limitations in biscuit and confectionery. There is significant conviction in our thesis that the biscuit industry will continue to grow at a rate of 12-15% and that we will continue to experience growth that will surpass these industry growth rates. Our overall 12% turnover growth resulted in 25% year-over-year gross profit growth as well as 33% year-over-year profit before tax growth, primarily contributed by the biscuit and confectionery unit. In terms of operational efficiencies, we are now starting to see our efforts bear fruit and strongly believe that our investments in automation, bulk handling and supply chain management will reward us significantly with substantial enhancements to our bottom line.

FIGURE 4 - NET PROFIT AFTER TAX



Biscuit and confectionery sales, in fiscal year 2013-2014, were 93.27% of total sales, representing an increase from 91.66% a year ago.

Our first, real modern investment in confectionery was our transition from hard-boiled to depositor candy in 2010. From there, we have made significant investments in this space by implementing additional lines for producing depositor candy, jelly candy, centre-filled gum, éclair, and cereal bars. We continue to explore this space and consider options that would allow us to bring exciting unique products to our consumers.

Dry-cell Battery

In fiscal year 2013-2014, dry-cell battery sales were 46.85 million pieces, as compared to 46.54 million in fiscal year 2012-2013, representing a slightly less than 1% year-over-year increase. This unit's turnover this year was Tk. 335.11 million as compared to Tk. 327.90 million a year ago, representing a 2.2% year-over-year increase. As stated within the previous few years, given the outlook and declining trends we have seen within the industry, we are very satisfied with these results. Dry-cell battery sales, in fiscal year 2013-2014, were 4.23% of total sales, representing a slight decrease from 4.61% a year ago, primarily resulting from the robust growth of our biscuit and confectionery sales.

Ballpoint Pen

Olympic acquired the ballpoint pen unit during its amalgamation with Tripti Industries Limited. In fiscal year 2013-2014, Olympic sold 61.92 million pieces as compared to 82.49 million a year ago, representing a decline of 24.93%. This unit's turnover was BDT 197.74 million in fiscal year 2013-2014 as compared to BDT 263.09 a year ago. Ballpoint pen sales, in fiscal year 2012-2013, were 2.50% of total sales, representing a decrease from 3.72% a year ago.

The oil refining and hydrogenation unit is still dormant and is expected to remain that way due to the considerable risks and many unknown factors within the edible oil market. While we are still continuing our consideration of various options, it is important to understand that, in order to attain market viability, a very substantial investment must be made toward fractionation, storage and bottling. As per discussions held during the 29th Annual General Meeting of the shareholders, we are seeking out interested parties who may desire to purchase the production unit, with or without the accompanying land. A decision would then be taken, considering the offered price from the prospective buyer and the best interests of the company; no decision has yet been made and prospective buyers are still being sought out. We will continue to update our shareholders on the status of this unit however, in the meanwhile, we would like to reassure our shareholders that much caution and prudence would be exercised to preserve and retain shareholder value.

Dividend

The Board of Directors of your company is pleased to recommend 20% Cash Dividend i.e. Tk.2.00 (Taka two) for every Ordinary Share of Tk.10.00 and 35% Stock Dividend i.e. 35 (thirty five) fully paid Ordinary Shares as Bonus Share for every 100 (one hundred) Ordinary Shares for the year ended June 30, 2014. The issue of Bonus Share and payment of Cash Dividend as recommended above shall be subject to the approval of the shareholders at the 35th Annual General Meeting of the company.

Shareholders whose names shall appear on either the list of shareholders or the CDBL Register on the Record Date of November 27, 2014 shall be entitled to the Dividend and Bonus Share.

Contribution to the National Exchequer

During the financial year ended June 30, 2014, Olympic Industries Limited contributed Tk. 1,540,004,216.00 to the National Exchequer in the form of Value Added Tax, Advance Income Tax, Local Purchase VAT, Service VAT and Customs Duty, which equate to 19.44% of the Annual Net Turnover of the company. Contributions in the form of Port Charges, Land Registration Charges, Land Development Tax, License and Permit Renewal Fees, etc. have not been taken into consideration here and, as such, have not been included in the aforementioned amount.

Re-appointment of Mrs. Khatija Mohammad Bhai and Mr. Munir Ali, Directors

As per Clause 119 of the Articles of Association of the company, Mrs. Khatija Mohammad Bhai, Director and Mr. Munir Ali, Director retire by rotation and being eligible under Clause 121, they offer themselves for re-appointment in this Annual General Meeting.

Approval on appointment of Independent Director

Ms. Noorbanu Virji who has long career in voluntary activities and who held many important positions in various organizations of His Highness The Aga Khan, has been appointed by the Board of Directors on September 25, 2014 as Independent Director of the company for 3 (three) years term from September 25, 2014 to September 24, 2017. Her appointment needs to be approved by the shareholders in this 35th Annual General Meeting.

Appointment of Auditors and fixation of their remuneration

M/s. Howladar Yunus & Co., Chartered Accountants who was appointed as Statutory Auditors of Olympic Industries Limited at the 34th annual general meeting of the company held on December 26, 2014 have completed the audit of financial statements of the company for the year ended June 30, 2014 and have submitted their reports accordingly to the esteemed shareholders. They retire at this meeting. Although they are eligible for re-appointment for an additional two years, they have expressed their inability to continue and have submitted their resignation on November 10, 2014 from providing professional service.

M/s. M. J. Abedin & Co., Chartered Accountants, who were the statutory auditors of the company earlier have, however, expressed their interest on November 12, 2014 to be appointed as auditors of the company for the year ending June 30, 2015. In this regard, letter was sent on November 13, 2014 to Bangladesh Securities and Exchange Commission requesting their confirmation as to whether a new appointment could be made to M/s. M. J. Abedin & Co., as statutory auditors of the company for the audit of financial statements for the year 2014-2015. Verbal confirmation and consent was received on November 16, 2014 from Mr. Md. Abul Kalam, Director (CFD) of BSEC. Mr. Bani Yamin, Assistant Director of BSEC also confirmed over telephone on November 17, 2014 that M/s. M. J. Abedin & Co. could be appointed as statutory auditors at the 35th annual general meeting of the company. The appointment of M/s. M. J. Abedin & Co., Chartered Accountants as new statutory auditors and fixation of their remuneration need to be considered by the esteemed shareholders at the 35th annual general meeting of the company. It may be noted that the retiring auditors received remuneration of Tk.600,000.00 as approved by the shareholders at the 34th annual general meeting of the company.

CORPORATE

GOVERNANCE COMPLIANCE REPORT

A) Compliance in respect of Board's size – Condition 1.1:

As per Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 of Bangladesh Securities and Exchange Commission, the number of the Board Members of the company shall not be less than 5 and more than 20. Olympic Industries Limited has total 8 (eight) Directors in the Board including 2 (two) Independent Director.

B) Compliance in respect of appointment of Independent Director–Conditions 1.2(i) to (iv)

Out of total 8 (eight) Directors in the Board, 2 (two) Directors are Independent Directors. One Independent Director who has been appointed by the Board of Directors on September 25, 2014 has 0.0416% of the total paid up shares of the company in her own name as well as in the name of her sister which is much less than 1% share as is allowed under Condition No. 1.2(ii)(a). Another Independent Director does not hold any share in the company. Both of them also fulfill other conditions as have been prescribed in the Corporate Governance Guidelines of BSEC. The appointment of Independent Director made by the Board on September 25, 2014 will be placed in this 35th Annual General Meeting for approval by the shareholders.

C) Compliance in respect of the Code of Conduct of Board Members – Condition 1.2(v)

The Code of Conduct for the members of the Board of Directors of Olympic Industries Ltd. includes, among others, the followings:

- 1 They must be loyal to the company and should take care of interest of the company above any other interests while discharging their duties.
- 2 Shall take due care and diligence while performing any assignment.
- 3 Shall avoid making any undue favour.
- 4 Shall avoid exercising over power.
- 5 Shall put his / her best attention and quality time for the company.
- 6 Shall ensure that all actions are compliant to applicable laws, rules, regulations and guidelines.
- 7 All members should try to fulfill their fiduciary obligations properly to ensure interest of all stakeholders.
- 8 Member should exercise reasonable efforts to attend the meetings, participate in discussions and provide suggestions, wherever required.
- 9 Shall ensure their obligations to maintain required confidentiality of information and should not divulge any information that may cause harm to the company or any of its members.
- 10 Shall avoid doing competing business and using property, information and influence for personal interest.
- 11 Shall avoid receive undue benefit from the company or from outside using the influence of the company.
- 12 Member should always take care that their personal interest does not interfere with company's interest.
- 13 All members should try to discharge their obligations with all stakeholders in such a way that they always have the feelings of getting fair dealings from them.
- 14 Members should always be ready to contribute their best for the betterment of the company and they will try to ensure that the company discharges its obligations to the various organs of the government, to its employees, to the corporate arena and to the society at large.

All members of the Board of Directors of Olympic Industries Limited have complied the code of conduct laid down for the Board Members.

D) Chairman of the Board and Managing Director – Condition 1.4

The post of Chief Executive Officer (CEO) is called Managing Director in Olympic Industries Ltd. The Chairman and Managing Director are different persons in the company as set in the Corporate Governance Guidelines. Mr. Mohammad Bhai is the Chairman and Mr. Mubarak Ali is the Managing Director. The Chairman is a member of the Board of Directors and he is elected from amongst the directors of the company.

In line with the guidelines of the notification, the Board of Directors of Olympic Industries Ltd. has defined the following roles and responsibilities for the Chairman and Managing Director:

Chairman:

Roles: Chairman leads the Board and he ensures that the functions of the Board are run properly and smoothly so that the objectives of the company are fulfilled. As he provides the leadership, his role is to formulate broad policy guidelines for the company, oversee the functions performed by the Directors and he extends supports to the Managing Director in implementing the guidelines.

His Responsibilities: The responsibilities of Chairman include, among others, the following:

- 1) To attend and preside over the meetings of the Board of Directors.
- 2) To ensure that the Board performs well in achieving the objectives of the company as well as in discharging the responsibilities of the company to the Government and to the society at large.
- 3) To ensure that the members of the Board take participation in the discussions and place their judicious views in taking effective decisions.
- 4) To extend required support and guidance to the Managing Director in discharging his responsibilities properly and smoothly.
- 5) To ensure that various Committees of the Board are properly formed, represented and discharges their functions properly.
- 6) To ensure that the agenda of the meeting are properly discussed and harmonious decisions are taken by the Board. In case of any discord or disagreement among the Board Members on any issues, to help remove the discord and disagreement and to maintain congenial atmosphere in the company.

Managing Director:

Roles: Managing Director acts as liaison between the owners and management. He is responsible to lead the company properly, create enthusiasm among the performers and help achieve the strategy of the company. His role is to represent the company and to act as chief communicator of Board to the management and vice versa. He acts as spokesman of the company to the various stakeholders, regulators, government authorities, employees and finally to the shareholders. He is a visionary, guide and decision maker to bear results for the company.

Responsibilities: The broad responsibilities of Managing Director are as follows:

- 1) To set the goals for the company, formulate policies and guidelines and to lead the key organs in the company achieve those goals.
- 2) To represent to the Board various plans, programs, strategies and to arrange required finance for the company from proper sources for implementation of various plans.
- 3) To ensure that proper recruitment takes place through effective human resource planning to represent the company and to lead them achieve result.

- 4) To maintain congenial working environment, disciplined behaviour and team spirit in the organization.
- 5) To maintain effective two ways communication skill from and to the company.
- 6) To effectively control the costs, reduce wastage and improve efficiency at all levels to fulfill the objectives of the company.
- 7) To promote and maintain management succession and management development plans.
- 8) To identify various risk factors for the company and develop strategy to overcome those risks.
- 9) To ensure that performance is consistent and is recognized.

E) Disclosure of related party transactions – Condition 1.5(vi)

Olympic Industries Limited carried out a number of transactions with related parties in its normal course of business which have been properly disclosed showing the names of parties, nature of transactions, value and balance under BAS 24 in serial number 34.00 of the Accounting Policies and Explanatory Notes attached to this report.

F) Remuneration to Directors including Independent Director – Condition 1.5(x)

During the year, both the Chairman and the Managing Director of the company drew remuneration at Tk.10,00,000.00 per month under approval from the shareholders in annual general meetings. The payment of aforesaid remuneration of Managing Director was approved in 31st AGM of the company held on December 30, 2010 and the remuneration of the Chairman was approved in 32nd AGM of the company held on December 29, 2011 respectively.

The Chairman and Managing Director together drew Tk.51,50,000.00 as bonus during the year ended June 30, 2014. During the year, total Tk.1,20,00,000.00 was spent as house rent for both Chairman and Managing Director.

The Independent Director who has been continuing since October 23, 2010 draws remuneration of Tk.1,50,000.00 per month plus two festival bonus per year. For attending every meeting of the Board of Directors of the company each Director is paid Tk.750.00 as fees. The payment of remuneration, bonus, accommodation allowance and board meeting fees to the Directors are shown in Note 35.00 of the Explanatory Notes to the Financial Statements.

G) Financial Statements, Books of Accounts, Accounting Policies and Standards, Internal Control System, etc. - Conditions 1.5(xi) to (xviii)

The Financial Statements of the company have been prepared in compliance with the requirements of Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Rules 1987, Income Tax Ordinance 1984, Income Tax Rules 1984, Securities and Exchange Ordinance 1969, Securities and Exchange Commission Act 1993, Value Added Tax Act 1991, Value Added Tax Rules 1991, the Listing Regulations of Stock Exchanges and other relevant local laws as are applicable. Also:

- a) The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- b) Proper books of accounts of the company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

- d) International Accounting Standards (IAS), Bangladesh Accounting Standards (BAS), International Financial Reporting Standard (IFRS), Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- e) The system of internal control followed by the company is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon the company's ability to continue as a going concern.
- g) Significant deviations from the last year's operating results, if any, have been highlighted and the reasons thereof have been explained.
- h) Key operating and financial data of preceding six years have been summarized and furnished.

H) Number of Board Meetings held during the year and attendance by each Director Condition 1.5(xx):

A total of 42 meetings of the Board of Directors of Olympic Industries Limited were held during the year ended June 30, 2014. For attending every meeting of the Board, each Director was given Tk.750.00 as fee. Total Tk.1,03,500.00 was paid as Board Meeting Attendance Fee during the year, the break-down of which is shown below

Names and positions of the Directors	Meetings attended	Fees paid (Tk.)
1) Mr. Mohammad Bhai, Chairman	42	31,500.00
2) Mr. Mubarak Ali, Managing Director	42	31,500.00
3) Mrs. Khatija Mohammad Bhai, Director	11	8,250.00
4) Mr. Aziz Mohammad Bhai, Director	-	-
5) Mrs. Safinaz Bhai, Director	7	5,250.00
6) Mr. Munir Ali, Director	-	-
7) Mr. Sharif M. Afzal Hossain, Independent Director	36	27,000.00
	Total :	1,03,500.00

The Directors who did not attend the meeting were granted leave of absence by the Board of Directors.

I) Pattern of Shareholding as at June 30, 2014: Condition 1.5(xxi)

During the year ended June 30, 2014, the paid up capital of Olympic Industries Limited was Tk.1,175,419,680.00 comprising 117,541,968 shares of Tk.10.00 each.

The structure of shareholding during the year was as under:

Structure	Shares held	Percentage
Directors and Associate Company	37,014,567	31.49%
Institutions	32,023,378	27.24%
Foreign Investors	26,438,126	22.49%
Public Shareholders	22,065,897	18.78%
Total:	117,541,968	100%

The details of shareholding of Associate Company, Directors, Company Secretary, Head of Internal Audit, Top five salaried Executives and of person holding 10% or more voting interest are shown below:

(i) Associated company	
M/s. Ambee Limited	4,834,585 shares
(ii) Directors, Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:	
Mr. Mohammad Bhai, Chairman	2,716,515 shares
Mr. Mubarak Ali, Managing Director	6,489,090 shares
Mr. Aziz Mohammad Bhai, Director	18,252,033 shares
Mrs. Safinaz Bhai, Director	2,351,587 shares
Mr. Munir Ali, Director	2,351,925 shares
Mrs. Khatija Mohammad Bhai (Nominated Director of Ambee Limited)	18,832 shares
Mr. Md. Nazimuddin, Executive Director & Company Secretary	44,503 shares
Mr. Harun Al-Rashid, Chief Financial Officer	30 shares
Mr. Md. Enamul Kabir, Head of Internal Audit	0 share
(iii) Top Five Salaried Executives	
Mr. Madad Ali Virani	0 share
Mr. Touhiduz Zaman	0 share
Mr. S. R. Mondal	100 shares
Mr. Mazharul Hasan Khan	0 shares
Mr. Abdul Hakim	0 shares
(iv) Shareholder holding 10% or more voting interest	
Mr. Aziz Mohammad Bhai, Director	18,252,033 shares

J) Audit Committee and its Report - Condition 3

The Audit Committee of the company is a sub-committee of its Board of Directors. The Audit Committee is composed of two Directors and one Independent Director who acts as Chairman of the Committee. The Company Secretary acts as the Secretary of Audit Committee. The Committee is responsible to the Board and they assist the Board of Directors in ensuring that the financial statements of the company reflect true and fair view of the state of affairs of the company and that a good monitoring system is maintained within the business.

In compliance to the BSEC's Notification dated August 07, 2012, the Role of Audit Committee has been determined comprising, among others, the following functions:

- i. To oversee the financial reporting process.
- ii. To monitor choice of accounting policies and principles.
- iii. To monitor Internal Control Risk management process.
- iv. To oversee hiring and performance of external auditors.
- v. To review along with the management, the annual financial statements before submission to the board for approval
- vi. To review along with the management, the quarterly and half-yearly financial statements before submission to the board for approval.
- vii. To review the adequacy of internal audit functions
- viii. To review statement of significant related party transactions submitted by the management.
- ix. To review Management Letters / Letters of Internal Control weakness issued by statutory auditors, and
- x. To monitor company's quarterly disclosure to the committee about the category-wise uses and applications of funds if and when raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) / Right Issue, etc. as well as preparation of statement by the company on annual basis about the utilization of funds for the purposes other than those stated in the offer documents / prospectus, if there be any

The Audit Committee has submitted its report to the Board of Directors of the company in compliance to the notification. The report of Audit Committee is enclosed in this report.

K) External / Statutory Auditors - Condition 4

Olympic Industries Limited did not engage its Statutory Auditors to perform the following services:

- i. Appraisal or valuation services or fairness opinions
- ii. Financial information systems design and implementation
- iii. Book-keeping or other services related to the accounting records or financial statements
- iv. Broker-dealer services
- v. Actuarial services
- vi. Internal audit services
- vii. Any other service that its audit committee determines

The Statutory Auditors of the company M/s. Howladar Yunus & Co., Chartered Accountants has informed that none of their partners or employees possess any share of Olympic Industries Limited.

L) Subsidiary company - Condition 5

Olympic Industries Limited has no subsidiary company.

M) Duties of Managing Director and CFO - Condition 6

As per Corporate Governance Guidelines, necessary certificate has been obtained from the Managing Director and CFO which is enclosed in the Annual Report.

N) Reporting and Compliance of Corporate Governance - Condition 7

M/s. Huda & Co., Chartered Accountants has provided Certificate regarding compliance of conditions of Corporate Governance Guidelines of BSEC by Olympic Industries Limited. The Certificate and the Report on status of compliance under Condition No.7.00 are provided in the Annual Report.

Report of Audit committee



অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড Olympic Industries Limited

Corporate Office : Amin Court, (6th Floor), 62-63, Motijheel C/A, Dhaka-1000, Bangladesh.
Tel : 880-2- 9565228, Fax: 880-2-9567485, 9565555
E-mail : secretariat1@olympicbd.com/secretariat2@olympicbd.com

The Chairman
Board of Directors
Olympic Industries Ltd.
Amin Court (6th floor)
62-63, Motijheel C/A
Dhaka-1000

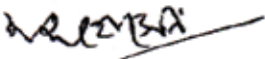
Sub : Report of the Audit committee under Condition 3.4.1(i) of Notification No.SEC/CMRRCD
2003-158/134/Admin/44 dated August 07, 2012 of SEC (now BSEC)

Dear Sir,

We hereby submit to you the following report on our activities:

- 1) We have discharged the audit activities of Olympic Industries Limited through the Financial year 2013-2014 and we found that the financial reporting process, accounting policies and principles, internal control risk management process, the hiring and performance of external auditors, etc are in line with the requirements of the company.
- 2) We reviewed the quarterly, half-yearly as well as annual financial statements of Olympic Industries Limited for the year ended June 30, 2014 before submission to the Board of Directors for approval and we found those in order.
- 3) We also reviewed the internal audit functions, monitoring system prevailing within the business as well as the statement of related party transactions of the company and found those adequate, good and proper.
- 4) Olympic Industries Limited did not raise any money during the year through IPO, RPO and Rights issue.
- 5) During the discharge of our responsibilities we did not find any irregularity or any other matter which should be reported to the Board of Directors.
- 6) We always assisted the Board of Directors of Olympic Industries Limited in ensuring that the financial statements of the company reflect true and fair view of its state of affairs.

Thanking you,
Yours sincerely



(Sharif M. Afzal Hossain)
Independent Director &
Chairman Audit Committee.

Auditor's Certificate on Corporate Governance Compliance

HUDA & CO.

Chartered Accountants

House No.51, Road No.13,
Sector – 13, Uttara Model Town
Dhaka.

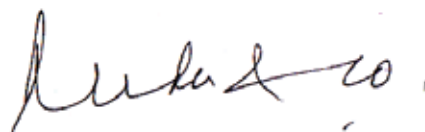
Tel: 7911445
Mobile: 017 15 030 823

CERTIFICATE OF COMPLIANCE TO THE SHAREHOLDERS OF Olympic Industries Limited (As required under the BSEC Guidelines)

We have examined compliance to the BSEC guidelines on Corporate Governance by **Olympic Industries Limited** for the year ended June 30 2014. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance. This is a scrutiny and verification only and not an expression of opinion or audit on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by BSEC. We also state that such compliance is neither an assurance as to the future viability of the Company nor a certification on the efficiency or effectiveness with which the Management has conducted the affairs of the company.



Dated : 10 November 2014
Place : Dhaka

HUDA & CO.
Chartered Accountants

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under Section 2CC of the Securities and Exchange Ordinance, 1969 (Report under Condition No.7.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.1	Board's size (minimum 5 Directors and maximum 20 Directors)	✓		We have 8 directors including 2 (two) Independent Directors. The tenure of office of one Independent Director has been extended for one term of 3 years from 23.10.2013 to 22.10.2016.
1.2 (i)	Independent Directors: At least 1/5 th of total number of Directors	✓		Out of our total 8 directors, 2 directors are Independent Directors.
(ii)(a)	Either holds no share or holds less than 1% share of the total paid up shares of the company	✓		Our one Independent Director holds no share in the company and another Independent Director and her sister together hold 0.0416% of the total paid up shares of the company.
(ii)(b)	Has no connection with any sponsor or director or shareholder who holds 1% or more shares of the company on the basis of family relationship. His / her family members (spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law) also should not hold above mentioned shares	✓		
(ii)(c)	Has no pecuniary or other relationship with the company or its subsidiary / associated companies.	✓		One Independent Director draws salary under approval of shareholders.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(ii)(d)	Is not a member, director or officer of any stock exchange.	✓		
(ii)(e)	Is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	✓		
(ii)(f)	Is not or was not during the preceding 3 years, a partner or an executive of company's statutory audit firm.	✓		
(ii)(g)	Is not an Independent Director in more than 3 listed companies	✓		
(ii)(h)	Has not been convicted by a court of competent jurisdiction as a loan defaulter of any bank or NBFIs.	✓		
(ii)(i)	Has not been convicted for a criminal offence involving moral turpitude.	✓		
1.2 (iii)	Is appointed by the Board of Directors and is approved by the shareholders in AGM	✓		Appointment of one Independent Director has been approved by the shareholders in 34th AGM held on 26.12.2013. Appointment of another Independent Director who has been inducted in the Board on 25.9.2014 will be placed for approval of shareholders in 35th AGM to be held on 24.12.2014.
1.2 (iv)	Post can not remain vacant for more than 90 days	✓		
1.2 (v)	Code of conduct of all Board members and recording of annual compliance of the code	✓		
1.2 (vi)	Tenure of office for 3 years which may be extended for 1 (one) term only	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.3	Qualification of Independent Director (ID):			
(i)	Shall be knowledgeable individual with integrity; able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1.3 (ii)	Should be a Business Leader / Corporate Leader / Bureaucrat / University Teacher with Economics or Business Studies or Law background / Professionally Qualified Accountant or Secretary with at least 12 years of corporate management / professional experiences.	✓		
1.3 (iii)	Relaxation of above qualifications in special cases with prior approval of Commission	✓		
1.4	Chairman of the Board and Chief Executive Officer (Different Individuals)	✓		The Chairman of the Board and the Managing Director who acts as CEO are different individuals.
1.5	Inclusion of following additional statements in the Directors' Report to shareholders:			Compliance will continue
(i)	Industry outlook and possible future developments in the industry	✓		
(ii)	Segment-wise or product-wise performance	✓		-do-
(iii)	Risks and concerns	✓		-do-
(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		-do-
(v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		-do-
(vi)	Disclosure of all related party transactions and basis thereof	✓		-do-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(vii)	Utilization of proceeds from public issues, right issues and/ or through any other instruments	✓		No such proceeds were received during the year
(viii)	An explanation for deterioration of financial results after the company goes for IPO, RPO, Right Offer, Direct Listing, etc.	✓		No such event occurred during the year
(ix)	Explanation about the significant variance that occurred between Quarterly Financial performance and Annual Financial Statements	✓		No such significant variance occurred during the year
(x)	Remuneration to Directors including Independent Directors	✓		Compliance will continue
(xi)	Inclusion of Statement that the Financial Statements prepared by the management of the company fairly present state of its affairs, result of its operation, cash flows and changes in equity.	✓		-do-
(xii)	Maintenance of proper books of accounts of the company.	✓		-do-
(xiii)	Declaration that appropriate accounting policies have been consistently applied in preparation of financial statements and the accounting estimates are based on reasonable and prudent judgement	✓		-do-
1.5(xiv)	Declaration that in preparation of financial statements IAS / BAS / IFRS / BFRS, as applicable in Bangladesh, have been followed and any departure therefrom has been adequately disclosed	✓		Compliance will continue
(xv)	Declaration that the system of internal control is sound in design and has been effectively implemented and monitored	✓		-do-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(xvi)	Declaration that there are no significant doubts upon the company's ability to continue as a going concern. If the company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	✓		-do-
(xvii)	The significant deviations, if any, from last year's operating results shall be highlighted and reasons thereof should be explained	✓		No significant deviation occurred.
(xviii)	Providing summarized form of key operating and financial data of at least preceding 5 years	✓		Compliance will continue
(xix)	If cash or stock dividend is not declared for the year, the reasons thereof shall be given	✓		Both cash and stock dividend proposed during the year by the Board.
(xx)	Disclosure about the number of Board Meetings held during the year and attendance therein by each Director	✓		Compliance will continue.
(xxi)(a)	Name-wise disclosure of detailed shareholding of the company held by parent / subsidiary / associated companies and other related parties	✓		-do-
(xxi)(b)	Name-wise disclosure of detailed shareholding of the company held by Directors / CEO / Company Secretary / CFO / Head of Internal Audit (HIA) and their spouses and minor children	✓		-do-
(xxi)(c)	Name-wise disclosure of detailed shareholding of the company held by the executives (Top 5 salaried employees of the company other than holders of posts stated in (xxi)(b) above	✓		-do-
(xxi)(d)	Name-wise disclosure of detailed shareholding of the company by shareholders holding 10% or more voting interest in the company	✓		-do-
(xxii)(a)	Disclosure of brief resume of the directors of the company	✓		-do-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
(xxii)(b)	Disclosure of nature of expertise of the directors in specific functional areas	✓		-do-
(xxii)(c)	Disclosure of names of companies in which the directors of the company also holds directorship and disclosure of their membership of committees of the Board	✓		-do-
2.1	Appointment of CFO, HIA (Internal Control and Compliance), CS and to define clearly their respective roles, responsibilities and duties	✓		Their roles, responsibilities and duties are defined.
2.2	Requirement of CFO and CS to attend the Board Meetings except in that part of the meeting which involves their personal matters	✓		Compliance will continue
3(i)	Appointment of Audit Committee as a sub-committee of the Board of Directors	✓		Committee is composed of 3 Directors and Independent Director is the Chairman of the Committee
3(ii)	Disclosure that Audit Committee assists the Board of Directors in ensuring reflection of true and fair view of the state of affairs of the company in financial statements and ensures a good monitoring system within the business	✓		Compliance will continue
3(iii)	Disclosure that Audit Committee is responsible to the Board of Directors and the duties of Audit Committee are clearly set forth in writing	✓		-do-
3.1(i)	Constitution of Audit Committee comprising at least 3 (three) members	✓		
3.1(ii)	Appointment of Audit Committee by the Board of Directors comprising the directors of the company and at least 1 (one) Independent Director	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.1(iii)	Disclosure that all members of the Audit Committee are financially literate (i.e. able to read and understand the financial statements) and at least 1 (one) member has accounting or related financial management experience (i.e. possesses professional qualification or is a graduate in accounting / finance with at least 12 years of corporate management / professional experience)	✓		
3.1(iv)	Appointment of new member of Audit Committee by the Board of Directors on expiry of service term or for fall of number of members below 3 (three) immediately or within one month of expiry / fall in minimum number	✓		No such incident occurred.
3.1(v)	Company Secretary is to act as Secretary of Audit Committee	✓		Compliance will continue.
3.1(vi)	To form quorum of Audit Committee meeting, at least one Independent Director should remain present.	✓		-do-
3.2(i)	Selection of Independent Director by the Board of Directors as the Chairman of Audit Committee	✓		
3.2(ii)	Presence of Chairman of Audit Committee (Independent Director) in AGM	✓		Compliance will continue.
3.3(i)	Functions (Roles) of Audit Committee: To oversee the financial reporting process	✓		Compliance will continue
3.3(ii)	To monitor choice of accounting policies and principles	✓		-do-
3.3(iii)	To monitor internal control risk management process	✓		-do-
3.3(iv)	To oversee hiring and performance of external auditors	✓		-do-
3.3(v)	To review along with the management, the annual financial statements before submission to the Board for approval	✓		-do-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.3(vi)	To review along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval	✓		-do-
3.3(vii)	To review the adequacy of international audit function	✓		-do-
3.3(viii)	To review statement of significant related party transactions submitted by the management	✓		-do-
3.3(ix)	To review management letters / letter of internal control weakness issued by statutory auditors	✓		-do-
3.3(x)	Disclosure by company to the Audit Committee about the uses / applications of major category funds (capital expenditure, sales and marketing expenses, working capital, etc.) raised through IPO / RPO / Right Issue, on a quarterly basis, as a part of their quarterly declaration of financial results. The company shall also prepare on an annual basis, a statement of funds utilized for the purposes other than those stated in the offer document / prospectus	✓		No money has been raised during the year 2013-2014 through IPO / RPO / Right Issue.
3.4.1(i)	Reporting on its activities by the Audit Committee to the Board of Directors	✓		Compliance will continue
3.4.1(ii)(a)	Immediate reporting on conflicts of interests, if any, by the Audit Committee to the Board of Directors	✓		No such conflict arose
3.4.1(ii)(b)	Immediate reporting on suspected or presumed fraud or irregularity or material defect in the international control system by the Audit Committee to the Board of Directors	✓		No such incident occurred
3.4.1(ii)(c)	Immediate reporting on suspected infringement of laws, including securities related laws, rules and regulations by the Audit Committee to the Board of Directors	✓		No such infringement occurred
3.4.1(ii)(d)	Immediate reporting on any other matter which the Audit Committee feels to be disclosed to the Board of Directors	✓		No such incident occurred

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.4.2	Reporting to the Authorities: If the Audit Committee finds anything which has material impact on financial condition and results of operation of the company, it should report it and discuss with the Board of Directors and the Management about rectification. If such rectification has been unreasonably ignored, the Audit Committee shall either report such matter to the Board of Directors for 3 (three) times or shall wait for 6 (six) months from first reporting for rectification and, thereafter, shall report such findings to the Commission (SEC)	✓		No such matter has yet been found
3.5	The report on activities carried out by Audit Committee including any report made to the Board of Directors under condition 3.4.1(ii) above during the year shall be signed by the Chairman of Audit Committee and disclosed in the annual report of the company	✓		Compliance will continue
4.	Not to engage external / statutory auditors of the company to perform the following services of the company:	✓		
(i)	Appraisal or valuation services or fairness opinions	✓		
(ii)	Financial information systems design and implementation	✓		
(iii)	Book-keeping or other services related to the accounting records or financial statements	✓		
(iv)	Broker-dealer services	✓		
(v)	Actuarial services	✓		
(vi)	Internal audit services	✓		
(vii)	Any other service that the Audit Committee determines	✓		
(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of the company	✓		The Audit Firm has informed that none of their partners and employees hold any share in the company.
5	Subsidiary company:			
(i)	Same provisions to apply in composition of the Board of Directors of subsidiary company	✓		No subsidiary company

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(ii)	At least one Independent Director of holding company shall be a director of the subsidiary company	✓		No subsidiary company
(iii)	Placement of minutes of Board Meeting of subsidiary company in the following Board Meeting of holding company for review	✓		-do-
(iv)	To state in minutes of Board Meeting of holding company that the affairs of subsidiary company have been reviewed	✓		-do-
(v)	Review of financial statements of and in particular the investment made by subsidiary company be also reviewed by Audit Committee of holding company	✓		-do-
6. (i)(a)	Certificate from CEO and CFO to the Board stating that they have reviewed financial statements of the company for the year and that to the best of their knowledge and belief: These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		Certificate obtained. Compliance will continue.
(i)(b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		-do-
6(ii)	That to the best of their knowledge and belief, there were no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	✓		-do-
7. (i)	Reporting and compliance of Corporate Governance: Obtaining a Certificate from a practicing professional Accountant / Secretary (CA / C&MA / CS) regarding compliance of conditions of Corporate Governance Guidelines of the Commission (BSEC) and sending the same along with Annual Report to the shareholders.	✓		Certificate obtained from Huda & Co., Chartered Accountants
(ii)	Attachment of Annexure in the Directors' Report regarding compliance of Corporate Governance Guidelines	✓		Compliance will continue

AUDITORS' REPORT

TO THE SHAREHOLDERS OF OLYMPIC INDUSTRIES LIMITED

Howladar Yunus & Co.

Gulshan Office

Howladar Yunus & Co.

House – 14 (4th Floor)
Road – 16A, Gulshan – 1
Dhaka – 1212
Bangladesh

T +88 (0)2 9883863

F +88 (0)2 9552989

www.howladaryunus.com

**Auditors' Report
To the Shareholders of
Olympic Industries Limited**

Introduction

We have audited the accompanying Financial Statement of Olympic Industries Limited (the Company), which comprise the Statement of Financial Position as at June 30, 2014, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act, 1994 and Securities and Exchange Rules, 1987 and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the Financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinion.

Chartered Accountants

Correspondent firm of Grant Thornton International Ltd.

Howladar Yunus & Co.

Opinion

In our opinion, the Financial Statements give a true and fair view of the Financial Position of Olympic Industries Limited as at June 30, 2014 and their Financial Performance and Cash Flows for the year then ended in accordance with Bangladesh Reporting Standards (BFRSs), the Companies Act 1994 and Securities and Exchange Rules 1987.

Other Matter

The Financial Statements of the Company for the year ended June 30, 2013 were audited by another firm of chartered accountants, who through their report dated October 28, 2013 expressed an unqualified opinion on those statements.

Subject to the above, we report that;

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of comprehensive income of the company dealt with by the report are in agreement with the books of accounts and returns.
- d) the expenditure incurred and payments made were for the purpose of the company's business for the year.



Chartered Accountants

Date: November 10, 2014
Dhaka

Chartered Accountants

Correspondent firm of Grant Thornton International Ltd.

STATEMENT OF FINANCIAL POSITION

As at June 30, 2014

	Notes	Amount in Taka	
		2014	2013
Non-current Assets		1,869,464,492	1,432,816,473
Property, Plant and Equipment	2.00	1,142,580,878	1,102,174,431
Capital Work in Progress	3.00	701,072,154	330,642,042
Intangible Assets	4.00	25,811,460	-
Current Assets		3,179,172,694	2,260,856,080
Inventories	5.00	661,070,355	517,702,890
Accounts Receivables	6.00	18,264,397	22,881,927
Investments	7.00	1,309,303,094	736,157,260
Advances, Deposits & Prepayments	8.00	703,599,909	505,029,905
Cash and Cash Equivalents	9.00	486,934,939	479,084,098
Current Liabilities and Provisions		(1,977,232,044)	(1,655,161,939)
Short Term Loan	10.00	125,387,611	104,653,747
Interest Payable	11.00	12,980,465	1,931,807
Creditors for Goods	12.00	582,490,585	520,002,269
Creditors for Services	13.00	10,504,344	5,921,431
Accrued Expenses	14.00	74,994,240	52,409,188
Advance Against Sales		158,848,686	134,080,507
Liabilities for Other Finance	15.00	97,958,208	74,830,714
Provision for Investment in Shares		-	504,800
Provision for Taxation	16.00	580,949,742	477,222,034
Unclaimed Dividend	17.00	30,344,333	24,014,175
Deferred Liabilities	18.00	183,801,150	137,559,021
Long Term Loan-Current Portion	20.00	104,587,517	108,825,419
Lease Finance - Current Portion	21.00	14,385,163	13,206,827
Net Current Assets		1,201,940,650	605,694,141
Net Assets		3,071,405,142	2,038,510,614

As at June 30, 2014

	Notes	Amount in Taka	
		2014	2013
FINANCED BY			
Shareholders' Equity		2,522,397,546	1,731,722,645
Share Capital	19.00	1,175,419,680	783,613,120
Retained Earnings		1,346,977,866	948,109,525
Non-Current Liabilities			
Long Term Loan	20.00	444,933,166	204,538,362
Lease Finance	21.00	34,586,904	45,258,267
Deferred Tax Liabilities	30.00	69,487,526	56,991,340
		3,071,405,142	2,038,510,614

The annexed notes form an integral part of these Financial Statements



Mohammad Bhai
Chairman



Mubarak Ali
Managing Director



Md. Nazimuddin
Company Secretary

Dated, Dhaka
November 10, 2014



Howladar Yunus & CO
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2014

	Notes	Amount in Taka	
		2013-2014	2012-2013
Turnover	22.00	7,922,353,876	7,093,179,369
Cost of Goods Sold	23.00	(5,639,774,637)	(5,271,458,122)
Gross Profit		2,282,579,239	1,821,721,247
Operating Expenses		(1,097,663,470)	(890,451,176)
Administrative Expenses	24.00	(216,195,627)	(176,002,008)
Selling Expenses	25.00	(881,467,843)	(714,449,168)
Profit from Operations		1,184,915,769	931,270,071
Finance Cost	26.00	(64,214,399)	(93,955,601)
		1,120,701,370	837,314,470
Other Income	27.00	146,934,458	112,784,221
Provision for Investment		-	(504,800)
		1,267,635,828	949,593,891
Other Expenses	28.00	(442,881)	-
Contribution to Workers' Profit Participation Fund		(60,342,521)	(45,218,757)
Profit Before Tax		1,206,850,426	904,375,134
Current Tax	29.00	(325,318,027)	(260,917,994)
Deferred Tax Income / (Expense)	30.00	(12,496,186)	(28,100,080)

For the year ended June 30, 2014

	Notes	Amount in Taka	
		2013-2014	2012-2013
Profit After Taxation		869,036,213	615,357,060
Other Comprehensive Income		-	-
Total Comprehensive Income		869,036,213	615,357,060
Basic Earnings Per Share (Par value Tk.10/-)	31.00	7.39	5.24
Number of Shares used to Compute EPS	31.00	117,541,968	117,541,968

The annexed notes form an integral part of these Financial Statements



Mohammad Bhai
Chairman



Mubarak Ali
Managing Director



Md. Nazimuddin
Company Secretary

Dated, Dhaka
November 10, 2014



Howlader Yunus & CO
Chartered Accountants

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended June 30, 2014

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as on 01 July 2013	783,613,120	948,109,525	1,731,722,645
Bonus Shares Issued -1 Bonus Share Against 2 Ordinary Shares of Tk.10/- each	391,806,560	(391,806,560)	-
Transferred to Dividend Payable Account	-	(78,361,312)	(78,361,312)
Net Profit for the year ended 30 June 2014	-	869,036,213	869,036,213
Balance as on 30 June 2014	1,175,419,680	1,346,977,866	2,522,397,546
Balance as on 01 July 2012	522,408,750	646,197,710	1,168,606,460
Bonus Shares Issued -1 Bonus Share Against 2 Ordinary Shares of Tk.10/- each	261,204,370	(261,204,370)	-
Transferred to Dividend Payable Account	-	(52,240,875)	(52,240,875)
Net Profit for the year ended 30 June 2013	-	615,357,060	615,357,060
Balance as on 30 June 2013	783,613,120	948,109,525	1,731,722,645

The annexed notes form an integral part of these Financial Statements



Mohammad Bhai
Chairman



Mubarak Ali
Managing Director



Md. Nazimuddin
Company Secretary

Dated, Dhaka
November 10, 2014



Howladar Yunus & CO
Chartered Accountants

STATEMENT OF CASH FLOWS

For the year ended June 30, 2014

	Amount in Taka	
	2013-2014	2012-2013 (Re-arranged)
A. Cash Flows from Operating Activities		
Cash Receipts from Customers & Others	7,952,630,137	7,146,181,459
Cash Paid to Suppliers and Employees	(6,735,680,646)	(5,996,727,013)
Cash Generated from Operations	1,216,949,491	1,149,454,446
Bank Charges	(1,407,888)	(94,319,386)
Income Taxes Paid	(335,437,032)	(223,548,591)
Net Cash generated from Operating Activities	880,104,571	831,586,469
B. Cash Flows from Investing Activities		
Acquisition of Capital Assets	(560,911,050)	(377,560,455)
Investments	(576,645,836)	(127,566,360)
Proceeds from Sale of Investments in Shares	4,173,638	-
Proceeds from Sale of Fixed Assets	-	2,700,000
Interest Received	144,119,964	110,591,921
Net Cash Used in Investing Activities	(989,263,284)	(391,834,894)
C. Cash Flows from Financing Activities		
Loans	256,890,766	(40,066,876)
Related Parties	1,033,572	4,946,022
Lease Finance	(9,493,026)	14,147,700
Liabilities for Other Finance	23,127,494	1,210,756
Interest Paid	(82,518,098)	(46,620,801)
Dividend Paid	(72,031,154)	
	117,009,554	(66,383,199)


For the year ended June 30, 2014

	Amount in Taka	
	2013-2014	2012-2013 (Re-arranged)
Net Cash from Financing Activities		
Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	7,850,841	373,368,376
Cash & Cash Equivalents at Opening	479,084,098	105,715,722
Cash & Cash Equivalents at Closing	486,934,939	479,084,098
Components of cash and cash equivalents in previous year are re-arranged.		(Re-arranged)
Components of Cash and Cash Equivalents		
Cash in Hand	1,965,224	3,206,156
Cash at Bank (Current Account, Short Term Deposit and FC Account)	143,164,980	131,962,593
Cash and Cash Equivalents Before Re-arranged	145,130,204	135,168,749
Investment in FDR (Three Months Maturity)	341,804,735	343,915,349
Total Cash and Cash Equivalents After Re-arranged	486,934,939	479,084,098

The annexed notes form an integral part of these Financial Statements



Mohammad Bhai
Chairman




Mubarak Ali
Managing Director



Md. Nazimuddin
Company Secretary

Dated, Dhaka
November 10, 2014



Howladar Yunus & CO
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended June 30, 2014

1. Significant Accounting Policies and Other Material Information

a. Company Information

Legal Form of the Enterprise

The Olympic Industries Ltd. (Formerly Bengal Carbide Limited) (the “Company”), is a company incorporated and domiciled in Bangladesh as a public limited company. The company was incorporated in Bangladesh on 26th June, 1979 bearing registration number C-7096/826 of 1978-1979. It commenced commercial operation in 1982 and went for public issue of shares in 1984. The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges of Bangladesh.

Nature of Business Activities

The Company is engaged in manufacturing and marketing dry cell battery, biscuit and candy, confectionery and ball point pen. The products are sold in local market as well as abroad.

Address of Registered Office and Factory:

The Registered Office of the Company is at 62-63, Motijheel Commercial Area, Dhaka 1000. The factories are located at Kanchpur and Lolati, P.S. Sonargoan and Modanpur., P.S. Bandar in Narayanganj District.

b. Reporting Period

The financial period of the Company covers one year from July 01 to June 30.

c. Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (Taka/Tk), which is both functional currency and presentation currency of the Company.

d. Level of Precision

The figures in the Financial Statements have been rounded off to the nearest Taka.

e. Components of Financial Statements

The Financial Statements include the following components as per BAS 1 “Presentation of Financial Statements”.

- i. Statement of Financial Position;
- ii. Statement of Comprehensive Income;
- iii. Statement of Cash Flows;
- iv. Statement of Changes in Equity;
- v. Accounting Policies and Explanatory Notes.

f. Comparative Information

Comparative information has been disclosed in respect of the year 2013 for all numerical information of the Financial Statements and also the narrative and descriptive information when it is relevant for understanding of the current period's Financial Statements.

Last year's figures have been rearranged where considered necessary to conform to current year's presentation.

g. Consistency of Presentation

The presentation and classification of all items in the Financial Statements have been retained from one period to another period unless where it is apparent that another presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies or changes is required by another BFRSs.

h. Statement of Compliance

The Financial Statements have been prepared and the disclosures of information are made in accordance with the requirements of the Companies Act, 1994 and Bangladesh Financial Reporting Standards (BFRSs) as long as applicable for the Company. BFRSs comprise of:

- Bangladesh Financial Reporting Standards (BFRSs)
- Bangladesh Accounting Standards (BASs)
- Interpretations

i. Other Regulatory Compliance

As required, Olympic Industries Limited also complies with the following major regulatory provisions in addition to the Companies Act, 1994, the Securities and Exchange rules 1987 and other applicable laws and regulations:

- The Income Tax Ordinance 1984
- The Income Tax Rules 1984
- The Securities and Exchange Commission Ordinance 1969
- The Securities and Exchange Commission Act 1993
- The value Added Tax Act 1991
- The value Added Tax rules 1991

j. Accounting Assumptions

Accrual Basis of Accounting

The Financial Statements have been prepared, except Statement of Cash Flows and Bank Deposits, under Accrual Basis of Accounting in accordance with applicable Bangladesh Accounting Standards which do not vary from the requirements of the Companies Act, 1994 and other laws and rules as applicable in Bangladesh.

Going Concern

The Financial Statements are prepared on a going concern basis. As per Management's assessment, there is no material uncertainty relating to events or condition which may cast doubt upon the Company's

ability to continue as a going concern.

k. Basis of Measurement

The Financial Statements have been prepared under the Historical Cost Basis except for the following material items in the Statement of Financial Position.

Non Derivative Financial Instruments, Available for sale, are measured at Fair Value.

l. Use of Estimates and Judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

m. Management of Capital

Capital consists of total equity attributable to the Shareholders. The Board of Directors monitors the level of capital. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. No changes were made in the objectives, policies or processes for managing capital during the year. The Company is not subject to any externally imposed capital requirement.

n. Application of Bangladesh Financial Reporting Standards (BFRS)

The following BFRSs are applicable for the Financial Statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Statements of Cash Flows
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS 10	Events after the Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 17	Leases
BAS 18	Revenues
BAS 19	Employee Benefits
BAS 20	Accounting for Government Grants and Disclosure for Government Assistance
BAS 21	The Effects of Changes in Foreign Exchange Rates

BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 26	Accounting and Reporting by Retirement Benefits Plans
BAS 32	Financial Instruments: Presentation
BAS 33	Earnings per Share
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BAS 38	Intangible Assets
BAS 39	Financial Instruments; Recognition and Measurement

o. Inventories

Inventories are valued at lower of cost and net realizable value. Cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

p. Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS 7: Statement of Cash Flows. The cash generating from Operating Activities has been reported using the Direct Method.

Cash & cash equivalents comprise Short Term Deposit, highly liquid investment and current deposit.

q. Accounting Policies, Changes in Accounting Estimates and Error

Accounting Policies

Accounting policies are the specific principles, bases, conventions, requirements and practices used by an entity in preparing and presenting its Financial Statements.

An existing accounting policy should only be changed where a new accounting will result in reliable and more relevant information being presented.

Any changes in accounting policy required to be accounted for retrospectively except where it is not practicable to determine the effect in prior periods.

Accounting Estimates

The preparation of Financial Statements requires many estimates to be made on the basis of latest available, reliable information.

The effect of a change in accounting estimates should therefore be recognized prospectively.

Prior Period Error

A prior period error is where an error has occurred even though reliable information was available when those Financial Statements were authorized for issue.

BAS 8 requires retrospective restatement of Financial Statements to adjust prior period errors as if the prior period error had never been occurred.

r. Events after the Reporting Period

Events after the reporting period that provide additional information about the Company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

s. Taxation

Current Tax:

Current Tax provision is maintained at the rate of 27.50% on Business income and at the rate of 27.50% on Non Operating Income.

Deferred Tax

Deferred tax is recognized in compliance with BAS 12 "Income Taxes", providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

t. Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at Cost Model. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

Subsequent Costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Comprehensive Income as incurred.

Depreciation

Current year the Company has changed its judgment in case of charging depreciation at Straight Line Method.

Depreciation is charged for the year on Straight Line Method on all fixed assets other than land. For additions during the year, depreciation is charged for the remaining days of the year and for disposal, depreciation is charged up to the date of disposal.

Previously depreciation was charged for the whole year even though the Property, Plant and Equipment

were purchased at the last date of accounting year.

The rate of depreciation varies according to the estimated useful lives of the items of property, plant and equipment. The depreciation rate for the current and comparative year is as follows:

The rates of depreciation and amortization of each class of assets are as follows:

Building & Other Construction	5-25 %
Plant and Machinery	10-15 %
Office Equipment	10-25 %
Furniture & Fixture	10 %
Transport	20 %
ERP (Definite Useful Life of 5 Years)	20 %

Major Maintenance Activities

The Company incurs maintenance costs for all of its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

Gain or Losses on Disposal

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized as Other Income / Other Expenses.

Capital Work In Progress

Capital Work in Progress consists of acquisition costs, capital components and related installation cost, until the date when the asset is ready to use for its intended purpose. In case of import of components, Capital Work in Progress is recognized when risks and rewards associated with such assets are transferred to the Company.

u. Leases

A Finance Lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not be transferred eventually. Financial leases are capitalized at the commencement of the lease term at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

Assets under Finance Leases are recognized in the Statement of Financial Position and the future lease payments are recognized as Lease Liability. Expenses for the period correspond to depreciation of the leased assets and interest costs for the lease finance are charged in the Statement of Comprehensive Income.

v. Revenues

Revenues are recognized when the risk and reward of the ownership are transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return can be estimated reliably, and there is no continuing management involvement with the goods delivered.

w. Employee Benefit

Provident Fund:

The Company operates a Contributory Provident Fund for its eligible employees. The fund is administrated by the Board of Trustees and funded by the equal contribution for the employees as well as the Company. The Fund is recognized by the National Board of Revenue, Government of Bangladesh.

x. Accounting for Government Grants and Disclosure for Government Assistance

A government grant (cash subsidy) that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related cost is recognized in profit and loss of the period on cash basis consistently.

y. Foreign Currency Transactions

Foreign currencies are converted in to Bangladesh Taka at rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Statement of Financial Position date in accordance with BAS 21 “The Effects changes in Foreign Exchange Rates”.

z. Borrowing Cost

This Standard of Borrowing Costs is the first time adoption for the Olympic Industries Limited.

Borrowing cost that can be directly attributable to a qualifying asset is capitalized during construction period. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing cost that would have been avoided if the expenditure or the qualifying asset had not been made. All other borrowing costs are recognized in Statement of Comprehensive Income in the period in which they are incurred.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest. It comprises interest expenses on borrowings.

aa. Transaction with Related Parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been recognized and disclosed according to BAS 24 “Related Party Disclosures”.

bb. Financial Instruments

i. Non-Derivatives Financial Assets

The Company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

Financial assets and liabilities are netted off and the net amount is presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

Financial assets include Accounts Receivable, Advance, Deposits and Prepayments, Loans and Advance, Cash and Cash Equivalents, and Available-for-Sale Financial Assets.

Accounts Receivables

Accounts Receivable represents the amounts due from institutional customers. Accounts receivables are stated at original invoice amount without making any provision for doubtful debts.

Loans and Advances

Loans and Advances are Financial Assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, Loans and Advances are measured at amortized cost using the effective interest method, less any impairment losses.

Advance, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or any other changes.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Comprehensive Income.

Cash and Cash Equivalents

Cash and Cash Equivalents comprises cash in hand, cash in transit and cash at bank including fixed deposits, having maturity of three months or less, which are available for use by the company without any restrictions. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalent. There is insignificant risk of change in value of the sale.

ii. Non-Derivative Financial Liabilities

The Company recognizes all financial liabilities on the transaction date which is the date the company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities include Accounts Payable and Other payables, Loans and Borrowings and Finance Lease Obligations.

Accounts and Other Payables

Trade and other payables are recognized when its contractual obligations arising from past events are certain and settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.

The Company recognizes a financial liability at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Accounts Payables represent the amounts due to suppliers of materials.

Loans and Borrowings

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings

repayable after twelve months from the date of the Statement of Financial Position are classified as non-current liabilities, whereas the portion of borrowings repayable within twelve months from the date of the Statement of Financial Position, unpaid interest and other charges are classified as current liabilities.

cc. Impairment of Assets

Non-Derivative Financial Assets

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Loans and Receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective levels. All individually significant receivables are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

Non-Derivative non-Financial Assets

In compliance with BAS 36 "Impairment of Assets", the carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets, that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognized if the carrying amount of an asset or its related cash generated unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

dd. Provisions and Contingencies

A provision is recognized in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of Statement of Financial Position. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly

within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized in the Statement of Financial Position of the Company.

ee. Intangible Assets

Recognition and Measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition are met as per BAS 38 “Intangible Assets”. The cost of the intangible assets comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other expenditures are recognized in the Statement of Comprehensive Income when incurred.

Amortization

Amortization is recognized in the Statement of Comprehensive Income on Straight Line Method over the estimated useful lives of intangible assets, from the date that they are available for use.

ff. Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments:

- **Credit risks**
- **Liquidity risks**
- **Market risk**

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk, and the Company’s management of capital.

The Company management has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Company’s risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations, and arises principally from the Company’s receivables from customers, institutional and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to whether they are an individual or legal entity, ageing profile, maturity and existence of previous financial difficulties. Accounts and other receivables are mainly related to the Company's customers. The exposure of the Company to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of the customers. Credit risk from this receivable is very minimal. Credit risk does not arise in respect any other receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

gg. Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements

Preparation of Financial Statements in conformity with the Bangladesh Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Financial Statements and revenues and expense during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization and taxes.

hh. Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Section 183 of the Companies Act, 1994 and other applicable laws and regulations.

Accounting policies and Explanatory Notes

As at and for the Year ended June 30, 2014

		Amount in Taka	
		June 30, 2014	June 30, 2013
2.00	Property, Plant & Equipment		
	Land and Land Development	149,964,495	140,530,307
	Factory Buildings & Other constructions	387,593,362	440,251,658
	Plant & Machinery	574,382,464	488,790,905
	Office Equipment	9,447,731	6,193,308
	Furniture & Fixtures	5,992,341	5,731,762
	Transport & Vehicles	15,200,486	20,676,491
		1,142,580,878	1,102,174,431

490 decimal land was mortgaged against Long Term Loan taken from United Commercial Bank Limited.

Detail of Mortgage Information

Land Located at Madanpur	213 Decimal
Land Located at Lalati	218 Decimal
Land Located at Lalati	59 Decimal
	490 Decimal

Additions to Plant & Machinery of Tk.168,520,791 as stated at Annex-A named Schedule of Property, Plant and Equipment include Tk.51,02,820 being directly attributed borrowing costs in relation to the items of Plant & Machinery capitalized.

3.00	Capital Work in Progress		
	Machinery	594,350,093	259,583,740
	Construction of Buildings	106,722,061	71,058,302
		701,072,154	330,642,042
	Opening Balance at 01 July 2013	330,642,042	522,344,746
	Additions During the Year-other than Borrowing Costs	523,802,148	331,148,080
	Borrowing costs Capitalized During the Year	25,657,425	-
		549,459,573	331,148,080
		880,101,615	853,492,826
	Less : Net Capitalization to Fixed Assets/Adjustment	(179,029,461)	(522,850,784)
		701,072,154	330,642,042

Additions to Capital Work in Progress of Tk.549,459,573 as stated above include Tk.25,657,425 being directly attributed borrowing costs in relation to the items of Capital Work in Progress.

		Amount in Taka	
		June 30, 2014	June 30, 2013
4.00	Intangible Assets	25,811,460	-
	Represent Software (ERP) and are arrived at as follows:		
	Opening Balance at 01 July 2013	-	-
	Additions	32,264,325	-
	Less : Amortization During the Year (Considering life to be 5 Years)	(6,452,865)	-
	Carrying Amount	25,811,460	-
	Amortization of Tk.64,52,865 as Above has been		-
	Allocated as Expense to		-
	Factory Overhead	2,150,955	-
	Administrative Expenses	2,150,955	-
	Selling & Distribution Expenses	2,150,955	-
		6,452,865	-
5.00	Inventories		
	Materials	484,325,256	381,417,658
	In-Transit	47,774,959	31,664,512
	Work-in-process	5,769,168	5,916,846
	Finished Goods	90,034,546	75,079,384
	Stores and Spares	33,166,426	23,624,490
		661,070,355	517,702,890
6.00	Accounts Receivables	18,264,397	22,881,927
	(a) Accounts Receivable of Tk. 182,64,397 (2013 : Tk.2,28,81,927) is considered good in respect of which the company holds no security other than the debtors' personal security.		
	(b) No amount was due to the Directors (including Managing Director) Managing Agents, Managers and other Officers of the Company and any of them severally or jointly with any other person.		
	(c) This includes Tk. 54,99,351 (2013 : Tk.78,06,503) due from associated undertakings.		
	(d) Debtors outstanding for a period		
	Exceeding six months	Tk. 13,27,696	
	Below six months	Tk. 169,36,701	
7.00	Investments		
	In Fixed Deposit with Banks & Other Financial Institutions	1,309,303,094	732,657,260
	In Shares with Generation Next Fashion Ltd.	-	3,500,000
		1,309,303,094	736,157,260

		Amount in Taka	
		June 30, 2014	June 30, 2013
8.00	Advances, Deposits and Prepayments		
	Advances	615,705,668	450,753,091
	Deposits	75,145,445	47,428,083
	Pre-payments	12,748,796	6,848,731
		703,599,909	505,029,905
	Advances :		
	Bengal Steel Works Ltd. (Associated Company)	12,456,437	13,490,009
	Panther Steel Mills Ltd. (Associated Company)	19,697,733	18,952,229
	Income Tax	464,666,428	350,819,715
	Employees	15,494,390	14,327,892
	Suppliers and Contractors	103,390,680	53,163,246
		615,705,668	450,753,091

- (a) Advances to associated undertakings are secured by personal guarantee given by the directors. During the Year under review, the Company has recovered partially against the amount due to them.
- (b) Maximum amount due during the Year under review from Associated undertaking was Tk.32,154,170 (2013 : Tk.324,42,238)
- (c) Maximum amount due during the Year under review from officers of the company was Tk.10,00,000 (2013 : Tk 1,36,000).
- (d) No amount was due to the Directors (including Managing Director) and Managing Agents of the company and any of them severally or jointly with any other persons.

Deposits:

Security and Other Deposit	22,106,209	17,291,683
VAT Deposit	48,073,939	23,890,427
Lease Deposit	4,098,683	4,829,359
Guarantee Margin Deposit	866,614	1,416,614
	75,145,445	47,428,083

Break up of Advance Deposit and Prepayment:

Advance

These have been Arrived at as follows :

Opening Balance	450,753,091	192,404,674
Add: Additions During the Year	772,298,971	745,981,473
	1,223,052,062	938,386,147
Less: Adjustment/Recovery Made During the Year	(607,346,394)	(487,633,056)
Closing Balance	615,705,668	450,753,091

		Amount in Taka	
		June 30, 2014	June 30, 2013
Deposits			
These have been Arrived at as follows :			
Opening balance		47,428,083	32,887,056
Add: Additions during the Year		831,613,094	723,618,647
		879,041,177	756,505,703
Less: Adjustment/Recovery made during the Year		(803,895,732)	(709,077,620)
Closing Balance		75,145,445	47,428,083
Prepayments			
These have been Arrived at as follows :			
Opening balance		6,848,731	7,614,404
Add: Additions during the Year		20,385,348	14,260,734
		27,234,079	21,875,138
Less: Adjustment/Recovery made during the Year		(14,485,283)	(15,026,407)
Closing Balance		12,748,796	6,848,731
9.00	Cash and Cash Equivalents		
(a)	Cash in hand	1,965,224	3,206,156
(b)	Cash at Banks		
	In current Accounts	76,203,092	72,214,115
	In STD Account	66,958,048	59,744,638
	In FC Account	3,840	3,840
	FDR's with bank and other financial institutions (for 03 months or less)	341,804,735	343,915,349
		486,934,939	479,084,098
10.00	Short Term Loan		
	Loan from Banking Companies	120,945,847	100,138,183
	Loan from Directors	1,967,088	1,979,928
	Loan from Others	2,474,676	2,535,636
		125,387,611	104,653,747
11.00	Interest Payable	12,980,465	1,931,807

This represents provision for outstanding interest for the quarter ended 30 June 2014 on Term Loan Balance s due to United Commercial Bank Ltd. which has subsequently been paid

		Amount in Taka	
		June 30, 2014	June 30, 2013
12.00	Creditors for Goods	582,490,585	520,002,269
This represents amounts due to various suppliers of raw and packing and stores materials, the ageing of which liability is as follows			
Period Exceeding Six Months	Tk.	Nil	-
Period Below Six Month	Tk.	582,490,585	-
13.00	Creditors for Service	10,504,344	5,921,431
This represents amounts due to various service providers (e.g. . Land lord for Head Office premises, Security Guard providers, Ad firms, Fuel suppliers etc.) the ageing of which liability is as follows			
Period Exceeding Six Months	Tk.	Nil	-
Period Below Six Month	Tk.	10,504,344	-
14.00	Accrued Expenses	74,994,240	52,409,188
This represents provision for various expenses (e.g. remuneration and allowances, salaries and wages, utilities bills etc) which have fallen due as on 30 June 2014, ageing of which liability is as follows			
Period Exceeding Six Months	Tk.	Nil	-
Period Below Six Month	Tk.	74,994,240	-
15.00	Liabilities for Other Finance		
Advance Income Tax Payable		69,339,207	50,257,104
VAT payable		481,777	376,526
Government Levy Payable		9,428,058	9,428,058
Company's IT Payable		-	1,598,341
Security Deposits		3,875,928	866,000
Other Payables on behalf of Employees		8,961,600	6,362,520
Sales Proceeds of Fraction Shares		5,535,005	5,504,823
Advance against Sale of vehicle		-	100,000
Unclaimed Warrants (TIL)		35,342	35,342
Others		301,291	302,000
		97,958,208	74,830,714
Below Six Months		75,037,362	-
Above Six Months		22,920,846	-

		Amount in Taka	
		June 30, 2014	June 30, 2013
16.00	Provision for Taxation		
	Provision Made for the Assessment Year 2006-2007.	-	19,324,355
	Provision Made for the Assessment Year 2008-2009.	-	17,446,897
	Provision Made for the Assessment Year 2012-2013.	-	194,492,170
	Provision Made for the Assessment Year 2013-2014.	245,958,612	245,958,612
	Provision Made for the Assessment Year 2014-2015.	334,991,130	-
		580,949,742	477,222,034

17.00	Unclaimed Dividend		
	Year wise break up of the above is as follows:		
	1995	116,888	116,888
	1997	903,410	903,910
	2002	1,030,103	1,032,473
	2003	932,187	935,007
	2004	863,025	868,255
	2005	808,915	813,360
	2006	1,356,362	1,362,539
	2007	604,312	609,721
	2008	3,425,808	3,433,268
	2009	1,544,319	1,549,026
	2010	2,332,919	2,341,577
	2011	2,956,716	2,991,559
	2012	5,424,297	5,726,136
	2013	6,714,616	-
		29,013,877	22,683,719
	In respect of erstwhile Tripti Industries Ltd (1988 to 2002)	1,330,456	1,330,456
		30,344,333	24,014,175

The above figures represent the dividends for which the warrants are either lying with the shareholders and have not been presented as yet by them to the bank for encashment or have been returned to the company undelivered due to change of address of those shareholders and their new address have not yet been communicated to the company. Under instruction from SEC, press advertisements were made to collect the past dividend warrants but many shareholders are yet to turn up to collect their respective warrants.

18.00	Deferred Liabilities		
	Workers Profit Participation and Welfare Funds	183,507,312	137,236,171
	Contributory Provident Fund	293,838	322,850
		183,801,150	137,559,021

		Amount in Taka	
		June 30, 2014	June 30, 2013
19.00	Share Capital		
	Authorized Capital		
	200,000,000 (2013:100,000,000) Ordinary Shares of Tk.10 each	2,000,000,000	1,000,000,000
	Issued Capital		
	12,96,35,288 (2013 :9,04,54,632) Ordinary Shares of Tk. 10 each.	1,296,352,880	904,546,320
	Subscribed and Paid Up Capital		
a.	79,48,070 Ordinary shares of Tk.10 each fully paid up in cash	79,480,700	79,480,700
b.	20,54,720 Ordinary shares of Tk.10 each issued on merger	20,547,200	20,547,200
c.	10,75,39,178 (2013:6,83,58,522) Ordinary Shares Tk. 10 each issued as Bonus Shares	1,075,391,780	683,585,220
		1,175,419,680	783,613,120
d.	Ordinary Share Capital paid up in cash		
	4,50,000 Ordinary Shares of Tk.10 Each Fully Paid up in Cash in 1979 & 1980	4,500,000	4,500,000
	4,50,000 Ordinary Shares of Tk.10 Each Fully Paid up in Cash in 1984	4,500,000	4,500,000
	13,50,000 Ordinary Shares of Tk.10 Each Right Issue at 1 : 1 in 1994	13,500,000	13,500,000
	5,40,000 Ordinary Shares of Tk.100/- each along with premium of Tk.1025/- per share were offered as right at 1:1 ratio to shareholders in 1995 but only 79,570 shares were subscribed there against, which of present face value of Tk.10.00- each totals to 7,95,700 Shares.	7,957,000	7,957,000

	Amount in Taka	
	June 30, 2014	June 30, 2013
12,39,139 Ordinary shares of Tk.100/- each along with premium of Tk.100/- per share were offered as right at 1:1 ratio to shareholders in 1998 but only 4,90,237 shares were subscribed there against, which of present face value of Tk.10.00- each totals to 49,02,370 Shares.	49,023,700	49,023,700
	79,480,700	79,480,700
e. 2,054,720 Ordinary Shares of Tk.10 each issued in 2008 to the shareholders of erstwhile Tripti Industries Ltd. upon amalgamation with the company.	20,547,200	20,547,200
	20,547,200	20,547,200
f. Bonus Share Capital		
450,000 Bonus Shares of Tk.10 Each Issued from Retained Earnings at 2 : 1 in 1988.	4,500,000	4,500,000
2,700,000 Bonus Shares of Tk.10 each Issued from Retained Earnings at 1 : 1 in 1994.	27,000,000	27,000,000
2,065,230 Bonus Shares of Tk.10 each Issued from Share Premium at 3 : 1 in 1996.	20,652,300	20,652,300
4,130,460 Bonus Shares of Tk.10 each Issued from Share Premium at 2 : 1 in 1997.	41,304,600	41,304,600
3,869,690 Bonus Shares of Tk.10 each Issued from Share Premium at 5 : 1 in 2009.	38,696,900	38,696,900
11,609,080 Bonus Shares of Tk.10 each Issued from Share Premium and Retained Earnings at 2:1 in 2010.	116,090,800	116,090,800
17,413,625 Bonus Shares of Tk.10/- each Issued from Retained Earning at 2:1 in 2011.	174,136,250	174,136,250
2,61,20,437 Bonus Shares of Tk.10/- each Issued from Retained Earning at 2:1 in 2012.	261,204,370	261,204,370
3,91,80,656 Bonus Shares of Tk.10/- each Issued from Retained Earning at 2:1 in 2013.	391,806,560	-
	1,075,391,780	683,585,220

	June 30, 2014		June 30, 2013	
	No. of Shares	%	No. of Shares	%
g. Composition of share holdings				
Directors and Sponsors	37,014,567	31.49	24,676,379	31.49
Institutions	32,023,378	27.24	23,749,899	30.31
Foreign Investors	26,438,126	22.49	8,424,472	10.75
General Public	22,065,897	18.78	21,510,562	27.45
	117,541,968	100.00	78,361,312	100.00

- h. The distribution schedule showing the number of shareholders and their share-holdings in percentage has been disclosed below as a requirement of Listing Regulation of Dhaka and Chittagong Stock Exchanges.

Range of Holdings	No. of Shareholders	No. of Shares	Holdings %
Less than 500 shares	7,915	1,494,211	1.27
501 to 5000 shares	3,858	6,563,019	5.58
5001 to 10000 shares	376	2,755,121	2.34
10001 to 20000 shares	197	2,782,311	2.37
20001 to 30000 shares	71	1,764,755	1.50
30001 to 40000 shares	42	1,489,703	1.27
40001 to 50000 shares	32	1,447,306	1.23
50001 to 100000 shares	39	2,685,563	2.28
100001 to 1000000 shares	58	17,767,440	15.12
Over 1000000 shares	20	78,792,539	67.04
	12,608	117,541,968	100.00

i. Option on Unissued Shares

There is no option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid up capital through the issuance of new shares.

j. Market Price

Shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk.222.58 per share (2013 : Tk.167.60) and Tk 224.00 per share (2013 : Tk. 168.20) in the Dhaka and Chittagong Stock Exchanges respectively on June 30, 2014.

k. Non-resident Share Holders

Particulars of non-resident share holders as on June 30, 2014 are as follows:

Particulars	Folio No.	No. of Shares
Regent Moghul Fund Limited	96	8,860
IS Himalayan Fund NV	1215	2,227
W.I Car (Far East Ltd.)	6263	6,210
UBS Securities (East Asia) Ltd.	6660	405
Midland Bank Int'l Finance Corp. Ltd	7001	4,917
Lloyds Bank PLC	7946	22
PICTET FR PCT LX A/C THS	1601670049513738	8,476,000
New Edge Financial HK Ltd.	1601670000542256	6,985

Particulars	Folio No.	No. of Shares
NTC A/C HNC OMF, SPC	1601670047304560	3,102,000
SSBT A/C WA FRN EM S C F	1601670044814247	4,496,250
NTC A/C HARDING LOEVNER FEMP	1601670033089787	4,549,750
PRSH LLC AC CHAMB STREET GL FN	1601620047537330	1,703,500
BNSANV AC MILLVILLE OPRNTS MSF	1601620049802140	167,500
NTC A/C PRINCE STREET OPFR LTD	1601670015931018	256,500
NTC F NTFS A/C THE HLFME	1601670045498911	50,500
DEUTSCHE BK AG LONDON-GL MI EQ	1601620015600831	229,000
BNYM EATON VANCE TR CO COM TR	1601620045001481	13,000
BNYM EATON VANCE TR CO CLTV IV	1601620045005635	113,000
BNSANVAC EGA FR DIVRSFIED CF	1601620047067516	10,500
SSBT A/C RIF PLC (F NO:JYFV)	1601670036865556	208,500
SSBT A/C Param Tax-Managed EMF	1601670016202702	206,500
SSBT A/C P EM Fund	1601670016201692	250,500
BBH A/C MEAF.	1601670048385557	156,500
DZ PRIVATBANK A/C SPI BF	1601670048594150	7,500
JPMCB NA F.JPMCC A/C ECFM FD.	1601670032553211	1,370,500
WASATCH FRONT EM SM COUNT CIT	1604300053523941	232,000
JPMCB NA FR JPMCC AC ECFMEF,LP	1601670043105402	809,000
		26,438,126

Dividend is paid to non resident shareholders through local agents in BDT.

As at and for the year ended June 30, 2014

		Amount in Taka	
		June 30, 2014	June 30, 2013
20.00	Long Term Loan		
	United Commercial Bank Ltd	532,578,095	283,417,548
	International Leasing & Financial Services Ltd	16,942,588	29,946,233
	Total Long Term Loan	549,520,683	313,363,781
	Current portion		
	United Commercial Bank Ltd	89,066,600	95,821,774
	International Leasing & Financial Services Ltd	15,520,917	13,003,645
	Total Current Portion of Long Term Loan	104,587,517	108,825,419
	Long Term Loan net of Current Portion	444,933,166	204,538,362
Loan from United Commercial Bank Ltd (UCBL) - Term Loan			
The loan balance has been arrived as at flows :			
	Opening balance	283,417,548	271,583,078
	Received during the year	344,812,399	42,624,240
		628,229,947	314,207,318
	Repayments made during the year	(95,651,852)	(30,789,770)
	Closing balance	532,578,095	283,417,548

Effective interest rate for the said loan was 15.5% per annum for the period from 1 July 2013 to 7 June 2014. Thereafter, the rate of interest has been reduced to 13.5% per annum effective from 8 June 2014.

The loans are repayable, along with interest thereon, in monthly equal installments.

Loan from International Leasing and Financial Services Ltd. (ILFSL) - Term Loan

The company received an aggregate sum of Tk. 42,616,000 during 2011 against total sanctioned limit of 17.83% rate of Tk.5 (five) crore from International Leasing & Financial Services Ltd. The loan is repayable in 48 equal installments from August 2011.

Nature of Security to UCBL and ILFSL

The loans taken from ILFSL are secured against hypothecation of related machinery/equipments of the company and personal guarantee of Directors.

490 decimal land was mortgaged against Long Term Loan taken from United Commercial Bank Limited.

21.00	Lease Finance	2014		2013	
		Principal(Tk.)	Interest(Tk.)	Principal(Tk.)	Interest(Tk.)
	Classified as Current Portion of Lease Finance				
	Due within one year	14,385,163	7,923,153	13,206,827	10,107,013
	Classified as Long Term Portion of Lease Finance				
	Due after one year but within five years	34,586,904	7,356,155	45,258,267	15,640,940
	Due after five years	-	-	-	-
		34,586,904	7,356,155	45,258,267	15,640,940
		48,972,067	15,279,308	58,465,094	25,747,953

The net carrying amounts of the related assets acquired under the lease finances are disclosed in Schedule of Property, Plant & Equipment in Annex-A.

22.00	Turnover (Net of VAT)	For the year			
		2014		2013	
		Qty.(Pcs/Mt)	Value (Tk.)	Qty.(Pcs/Mt)	Value (Tk.)
	Battery Unit (Pcs)	46,853,878	335,110,595	46,541,230	327,898,255
	Biscuit & Conf. Unit (MT)	58,955.85	7,389,506,333	50,912.51	6,502,189,293
	Ball pen Unit (Pcs)	61,915,824	197,736,948	82,489,213	263,091,821
			7,922,353,876		7,093,179,369
	Turnover comprises :				
	Domestic sales		7,915,499,750		7,091,475,907
	Export sales (35,556 Kg biscuit & confectionery items at CFR value US\$ 89,610.40)		6,854,126		1,703,462
	(2013:9,271.44 Kg at US\$22,822.88)		7,922,353,876		7,093,179,369

23.00	Cost of Goods Sold		
	Work-in-process (Opening)	5,916,846	5,558,983
	Material Consumed (Note - 23.01)	4,929,797,913	4,659,797,170
	Stores Consumed (Note - 23.02)	78,697,016	111,634,187
	Factory Overhead (Note - 23.03)	497,959,662	398,708,622
	Depreciation	148,127,530	144,913,332
	Work-in-process (Closing)	(5,769,168)	(5,916,846)
	Cost of Goods Manufactured	5,654,729,799	5,314,695,448
	Finished Goods (Opening)	75,079,384	31,842,058
	Finished Goods (Closing)	(90,034,546)	(75,079,384)
		5,639,774,637	5,271,458,122

Finished Goods	Qty	M.Unit	Value Taka
Opening Stock :			
Battery	832,824	Pcs	4,094,848
Biscuits	845.28	MT	58,449,243
Candy	47.13	MT	5,046,822
Ball Pen	2,577,048	Pcs	7,488,471
			75,079,384
Closing Stock:			
Battery	1,546,344	Pcs	7,566,707
Biscuits	743.97	MT	65,832,682
Candy	59.69	MT	7,497,427
Ball Pen	3,258,336	Pcs	9,137,730
			90,034,546

23.01 Materials Consumed		
Opening Stock	381,417,658	327,754,940
Purchases during the year	5,032,705,511	4,713,459,888
Closing Stock	(484,325,256)	(381,417,658)
	4,929,797,913	4,659,797,170

23.02 Stores Consumed		
Opening Stock	23,624,490	14,241,751
Purchases during the year	96,840,451	126,396,003
Transferred	(8,601,499)	(5,379,077)
Closing Stock	(33,166,426)	(23,624,490)
	78,697,016	111,634,187

	Amount in Taka	
	June 30, 2014	June 30, 2013
23.03 Factory Overhead		
Wages & Salaries	278,226,214	199,768,483
Repairs & Maintainance	32,077,200	36,070,475
Rent, Rates, Taxes & Fees	5,595,515	6,101,725
Insurance	10,936,162	12,635,391
Power & Fuel	65,170,930	56,516,322
Vehicles Repair & Maintainance	7,851,747	4,530,323
Printing & Stationery	5,670,386	3,873,803
Postage, Telephone & Telegram	482,217	450,826
Travelling & Conveyance	3,892,166	1,739,567
Subs. Newspaper & Periodicals	13,650	53,200
Entertainment	338,294	182,356

	Amount in Taka	
	June 30, 2014	June 30, 2013
Legal Fees	204,500	140,000
Factory Maintenance Expenses	7,963,583	6,584,276
Transport & Carriage	33,340,972	26,422,890
Medical Expenses	671,614	529,838
Staff Food	5,388,118	4,104,698
Donation	347,213	188,150
Technician expenses	2,994,323	979,506
Lease Rent	-	18,215
Labour Handling charge	4,549,560	4,370,442
Advertisement	210,200	62,000
Research, Training & Development	420,702	261,636
Processing Charges	29,463,441	33,124,500
Amortization of intangible asset - Software (ERP)	2,150,955	-
	497,959,662	398,708,622

24.00	Administrative Expenses		
	Salaries & Allowances	103,077,183	90,141,760
	Repairs & Maintenance	1,856,257	1,668,822
	Rent	9,781,016	4,942,525
	Rates & Taxes	917,165	293,849
	Electricity, Gas & Water	1,565,858	1,458,212
	Vehicles Repairs & Maintenance	7,066,754	5,104,341
	Petrol, Oil & Lubricant	5,522,562	4,814,478
	Printing & Stationery	2,419,533	1,493,742
	Postages, Telephone & Telegram	4,634,135	3,961,331
	Travelling & Conveyance	13,892,542	7,311,560
	Subs. Newspaper & Periodicals	3,909,190	2,056,290
	Entertainment	251,354	163,650
	Audit Fees	500,000	500,000
	Legal & Consultancy Fees	4,211,060	2,926,714
	Directors' Remuneration & Allowances (including house accommodation)	42,650,000	38,100,000
	Tk.1,20,00000 (2013 : Tk.78,00,000)		
	Director's Board meeting Fees	103,500	106,500
	Office Maintenances Expenses	5,312,613	7,075,381
	Donation	2,274,900	41,800
	Medical Expenses	449,768	87,802
	Advertisement	1,711,190	2,202,280
	A.G.M Expenses	1,938,092	1,550,971

	Amount in Taka	
	June 30, 2014	June 30, 2013
Amortization of intangible asset - Software (ERP)	2,150,955	
	216,195,627	176,002,008

Break up of Directors' Board meeting fees are as follows:

Name of Directors	Position	Meeting held	Attended	An Amount in Taka
Mr.Mohammad Bhai	Chairman	42	42	31,500
Mr. Mubarak Ali	Managing Director	42	42	31,500
Mrs. Khatija Mohammad Bhai	Director	42	11	8,250
Mr. Aziz Mohammad Bhai	Director	42	0	-
Mrs. Safinaz Bhai	Director	42	7	5,250
Mr.Munir Ali	Director	42	0	-
Mr.Sharif M. Afzal Hossain	Independent Director	42	36	27,000
				103,500

25.00 Selling Expenses			
Salaries & Allowances	200,143,372	170,947,302	
Repairs & Maintenance	310,674	2,523,066	
Rent	3,579,162	2,819,008	
Rates, Taxes & Fees	169,638	54,000	
Electricity, Gas & Water	1,202,429	1,088,619	
Vehicles Repairs & Maintenance	1,896,825	1,045,731	
Petrol, Oil & Lubricant	1,093,278	943,870	
Printing & Stationery	5,944,026	8,089,169	
Postage, Telephone & Telegram	1,402,521	1,124,865	
Travelling & Conveyance	148,716,808	111,742,151	
Subs. Newspaper & Periodicals	18,659	16,596	
Entertainment	244,727	348,599	
Legal Fees	10,224	35,000	
Office Maintenances Expenses	589,008	398,449	
Sales Promotion	222,392,979	185,014,489	
Transport / Carriage	249,498,898	218,496,163	
Medical Expenses	549,002	58,034	
Advertisement	40,937,083	9,691,380	
Research, Training & Development	129,550	-	

	Amount in Taka	
	June 30, 2014	June 30, 2013
Export expenses	488,025	12,677
Amortization of intangible asset - Softer (ERP)	2,150,955	-
	881,467,843	714,449,168

26.00	Finance Cost		
	Bank charges	1,407,888	1,331,198
	Interest (Note : i)	62,806,511	92,624,403
		64,214,399	93,955,601
	Note (i) Interest		
	Interest on Term Loan with banks & other financial institution		
	United commercial Bank Ltd.	28,363,963	46,488,275
	International Leasing & Financial Services Ltd.	4,309,955	6,418,960
		32,673,918	52,907,235
	Interest on LIM, LTR, STL, offshore Banking with banks	9,726,094	21,729,703
	Interest on balance with WPPF	10,299,486	7,432,865
	Finance charge for leases	10,107,013	10,554,600
		62,806,511	92,624,403

27.00	Other Income		
	Cash Incentive	526,000	-
	Interest Income on deposits with Bank and other financial institutions		
	Fixed Deposits	137,916,704	102,727,268
	Short term deposits	5,736,832	5,310,675
		143,653,536	108,037,943
	Interest from related parties	1,211,932	2,553,978
	Gain on Disposal of Fixed Assets (27.01)	-	1,020,000
	Profit on disposal of investment (27.02)	1,178,438	-
	Exchange gain (27.03)	12,202	-
	Other Income (Sale of by-product net of VAT Tk.52,853 2013 : Tk.168,345)	352,350	1,122,300
	Other	-	50,000
		352,350	1,172,300
		146,934,458	112,784,221

		Amount in Taka	
		June 30, 2014	June 30, 2013
27.01	Gain on Disposal of Fixed Assets		
(Loss) /Gain on disposal of fixed assets			
	Disposal value fixed asset (2013:sale proceeds of vehicle)	-	2,700,000
	Original cost	-	4,200,000
	Accumulated depreciation	-	(2,520,000)
		-	1,680,000
	Gain on disposal of fixed assets	-	1,020,000
27.02	Profit on disposal of investment		
	Sales proceeds of investment	4,173,638	-
	Cost of investment	(3,500,000)	-
	Less: Provision made in Last Year	504,800	-
		1,178,438	-
27.03	Exchange gain		
	Received against export sales	6,866,328	1,703,462
	Less : Sales recorded at rates of exchange ruling at transaction date	6,854,126	1,703,462
	Exchange gain	12,202	-
28.00	Other Expenses		
	Impairment Loss	(442,881)	-
	Disposal of impaired plant & machinery in the net book value of Tk.4,42,881 in respect of Bulb unit is arrived at as follows :		
	Disposal value of impaired fixed asset	-	-
	Less : Written down value of fixed assets disposed		
	Original cost	52,091,031	-
	Accumulated depreciation	(51,648,150)	-
	Impairment Loss of Fixed Assets	(442,881)	-

		Amount in Taka	
		June 30, 2014	June 30, 2013
29.00	Current Tax		
	Profit for the year	1,206,850,426	904,375,134
	Add: Perquisites	46,457,616	32,036,080
	Accounting Depreciation	148,127,530	144,913,332
	Tax Base Depreciation	(183,286,007)	(186,929,592)
	Taxable Income	1,218,149,565	894,394,954
	Effective Rate	27.50%	27.50%
	Current Tax	334,991,130	245,958,612
	Previous Year's Adjustment	(9,673,103)	14,959,382
	Current Tax	(325,318,027)	(260,917,994)
30.00	Deferred Tax		
	Book Value of Depreciated Assets	992,616,383	961,644,124
	Tax Base Value of Depreciated Assets	(739,934,471)	(754,402,889)
	Net Taxable Temporary Difference	252,681,912	207,241,235
	Effective Rate	27.50%	27.50%
	Deferred Tax Liability	69,487,526	56,991,340
	Deferred Tax Expenses/(Income)		
	Closing Deferred Tax Liabilities	69,487,526	56,991,340
	Opening Deferred Tax Liabilities	(56,991,340)	(28,891,260)
	Deferred Tax Expenses/(Income)	(12,496,186)	(28,100,080)

		Amount in Taka	
		June 30, 2014	June 30, 2013
31.00	Earnings Per Share (EPS)		Restated
(a)	Earnings attributable to the Ordinary Shareholders (Net Profit After Tax)	869,036,213	615,357,060
(b)	Weighted average number of Ordinary Shares Outstanding during the year	117,541,968	117,541,968
(c)	Earnings Per Share (EPS)/(Adjusted EPS of 2013)	7.39	5.24
32.00	Net Asset Value		
	Total Assets	5,048,637,186	3,693,672,553
	Total Liabilities	(2,526,239,640)	(1,961,949,908)
		2,522,397,546	1,731,722,645
	Number of Ordinary Shares of Tk.10 each at Balance Sheet Date	117,541,968	78,361,312
	NAV-Per Share On shares at Balance Sheet Date	21.46	22.10
33.00	Net Operating Cash Flow Per Share		Re-arranged
	Cash flows from operating activities as per Statement of cash flows	880,104,571	831,586,469
	Number of Ordinary Shares of Tk.10 each at Balance Sheet date	117,541,968	78,361,312
	Net Operating Cash Flow-Per Share On shares at Balance Sheet date	7.49	10.61

34.00 Related Party Transaction

The company carried out a number of transactions with related parties in the normal course of business. The nature of transactions and their values are shown below :

Name of Related Parties	Nature of Transactions	Opening Balance Debit	Credit	Debit	Closing Balance Debit
Ambee Pharmaceuticals Ltd.	Sales & Receivables	7,806,503	2,557,152	250,000	5,499,351
Bengal Steel Works Limited	Loans & Advances	13,490,009	1,500,000	466,428	12,456,437
Panther Steel Mills Limited	Loans & Advances	18,952,229	-	745,504	19,697,733
Directors	Loan from Directors	(1,979,928)	-	-	(1,979,928)

35.00 Salaries / Perquisites To Directors & Officers

The aggregate amounts paid / provided during the year in respect of directors and officers of the company as defined in the Securities and Exchange Rules, 1987 are disclosed below:

	Directors	Officers
Board Meeting Fees	103,500	Nil
Remuneration / salaries & allowance	25,500,000	75,979,194
Bonus	5,150,000	3,631,263
Accommodation	12,000,000	210,300
Company's Contribution to Provident Fund	-	930,204

36.00 Production Capacity & Capacity Utilization

Operative Units

Products	Installed Capacity		Utilization		Shortfall		Reason for Shortfall
	2014	2013	2014	2013	2014	2013	
Battery (pcs)	117,760,000	117,760,000	49,622,000	46,751,590	68,138,000	71,008,410	Less demand of UM-1 Battery
Biscuit & Confectionary (MT)	100,336.00	73,656.00	58,867.10	51,581.67	41,468.90	22,074.33	Less demand
Ball Pen (pcs)	147,600,000	147,600,000	62,597,112	84,032,133	85,002,888	63,567,867	Less demand

Utilization of biscuit & confectionary includes 2,745.580 MT (2013 : 3,226.96 MT) which was produced during the year under review through Oriental Bakery & Biscuit Industries Ltd., Chittagong under 3rd Party manufacturing agreement.

Production of Soya bean Oil, Palm Oil, V. Ghee have been suspended long before.

37.00 Contingent Liabilities

There was no significant contingent liability as on 30 June 2014.

38.00 Bank Guarantees

The following Bank Guarantees were issued on behalf of the company :

Issuing Bank	Beneficiary	Amount (Tk.)
National Bank of Pakistan	Titas Gas Transmission & Distribution Co. Ltd.	1,013,778
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	3,654,436
United Commercial Bank Limited	Phoenix Insurance Company Ltd.	100,000
Bank Alfalah Limited	Titas Gas Transmission & Distribution Co. Ltd.	443,686
Habib Bank Limited	Collector of Customs, Customs House Chittagong	845,411
Habib Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	472,000
The City Bank Limited	Collector of Customs, Customs House Chittagong	1,344,733

39.00 Capital Expenditure Commitment

There was no material capital expenditure authorized by the Board not contracted for at 30 June 2014.

40.00 Events after the Reporting Period

The Financial Statements were authorized for issue on November 09, 2014 by Board of Directors who have the power to amend the Financial Statements after issue. There is no other significant event that has occurred between the Financial Position date and the date when the Financial Statements were authorized for issue by the Board of Directors of the Company.

Subsequent to the financial position date, the Board of Directors recommended Tk. 2/- per share cash

dividend, 35% stock dividend in its Board meeting held on November 09, 2014. The dividend proposal is subject to shareholders' approval at the forthcoming AGM. Except the fact as stated above, no circumstances have arisen since the statement of financial position date which would require adjustments, or disclosure in the Financial Statements.

The annexed notes form an integral part of these Financial Statements



Mohammad Bhai
Chairman



Mubarak Ali
Managing Director



Md. Nazimuddin
Company Secretary

Dated, Dhaka
November 10, 2014



Howlader Yunus & CO
Chartered Accountants

UNIT WISE

WORKING RESULT

(As per requirements of The Securities and Exchange Rules, 1987)

Notes	Amount in Taka			
	Battery Unit	Biscuit Unit	Ball Pen & Oil Unit	
				2012-2013
Turnover	338,123,378	7,385,149,550	199,080,948	7,922,353,876
Cost of Goods Sold	(225,511,883)	(5,246,463,760)	(167,798,994)	(5,639,774,637)
Gross Profit	112,611,495	2,138,685,790	31,281,954	2,282,579,239
				1,821,721,247
Operating Expenses	(46,847,905)	(1,023,232,364)	(27,583,201)	(1,097,663,470)
Administrative Expenses	(9,227,156)	(201,535,688)	(5,432,783)	(216,195,627)
Selling Expenses	(37,620,749)	(821,696,676)	(22,150,418)	(881,467,843)
Profit from Operations	65,763,590	1,115,453,426	3,698,753	1,184,915,769
Finance Cost	(2,740,649)	(59,860,105)	(1,613,645)	(64,214,399)
	63,022,941	1,055,593,321	2,085,108	1,120,701,370
Other Income	6,695,092	136,558,177	3,681,189	146,934,458
Provision for Loss on Investment in Shares	-	-	-	-
Other Expense	(442,881)	-	-	(442,881)
	69,275,152	1,192,151,498	5,766,297	1,267,192,947
Contribution to WPPF				(45,218,757)
Profit Before Tax				1,206,850,426
				904,375,134

WORKING RESULT

(As per requirements of The Securities and Exchange Rules, 1987)

The annexed notes form an integral part of these Financial Statements

Mohammad Bhai
Chairman

Mubarak Ali
Managing Director

Md. Nazimuddin
Company Secretary

De vinyloxyacetat.

Howladar Yunus & CO
Chartered Accountants

Dated, Dhaka
November 10, 2014

SCHEDULE OF NON-CURRENT ASSETS

As at June 30, 2014

Annex-A

Particulars	Land and Land Development	Factory Building & Other Const.	Plant & Machinery	Office Equipment	Furniture & Fixture	Transport & Vehicles	Total
Cost							
At 01 July 2013	140,530,307	579,987,022	970,921,872	13,973,563	13,923,713	67,070,356	1,786,406,833
Additions during the Year	9,434,188	700,000	168,520,791	5,290,138	1,548,741	3,483,000	188,976,858
Deletion of Impaired Fixed Asset			(52,091,031)	-		-	(52,091,031)
Cost at 30 June 2014	149,964,495	580,687,022	1,087,351,632	19,263,701	15,472,454	70,553,356	1,923,292,660
Accumulated depreciation							
At 01 July 2013	-	139,735,364	482,130,967	7,780,255	8,191,951	46,393,865	684,232,402
Depreciation for the Year	-	53,358,296	82,486,351	2,035,716	1,288,162	8,959,005	148,127,530
Adjustment of Depreciation on impaired fixed assets			(51,648,150)			-	(51,648,150)
Accumulated depreciation at 30 June 2014	-	193,093,660	512,969,168	9,815,971	9,480,113	55,352,870	780,711,782
Carrying Value at 30 June 2014	149,964,495	387,593,362	574,382,464	9,447,730	5,992,341	15,200,486	1,142,580,878
Carrying Value at 30 June 2013	140,530,307	440,251,658	488,790,905	6,193,308	5,731,762	20,676,491	1,102,174,431

This includes written down value of lease hold assets of Tk.78,613,497 which is made up as follows:

SCHEDULE OF NON-CURRENT ASSETS

As at June 30, 2014

Annex-A

Particulars	Land and Land Development	Factory Building & Other Const.	Plant & Machinery	Office Equipment	Furniture & Fixture	Transport & Vehicles	Total
Gross carrying amounts as on 01 July 2013	-	-	126,848,342	572,000	-	39,093,800	166,514,142
Addition /Adjustment during the Year	-	-	-	-	-	3,483,000	3,483,000
Adjustment /Deletion of Fixed Asset	-	-	-	-	-	(15,364,000)	(15,364,000)
Gross carrying amounts as on 30 June 2014	-	-	126,848,342	572,000	-	27,212,800	154,633,142
Accumulated depreciation as on 01 July 2013	-	-	44,988,482	572,000	-	28,913,320	74,473,802
Depreciation for the Year	-	-	12,684,835	-	-	3,112,208	15,797,043
Adjustment of Depreciation	-	-	-	-	-	(14,251,200)	(14,251,200)
Accumulated depreciation as on 30 June 2014	-	-	57,673,317	572,000	-	17,774,328	76,019,645
Net carrying amounts as on 30 June 2014	-	-	69,175,025	-	-	9,438,472	78,613,497
Net carrying amounts as on 30 June 2013	-	-	81,859,860	-	-	10,180,480	92,040,340

CERTIFICATE ON REVIEW OF FINANCIAL STATEMENTS



অলিম্পিক ইন্ডাস্ট্রিজ লিমিটেড
Olympic Industries Limited

Corporate Office : Amin Court, (6th Floor), 62-63, Motijheel C/A, Dhaka-1000, Bangladesh.
Tel : 880-2- 9565228, Fax: 880-2-9567485, 9565555
E-mail : secretariat1@olympicbd.com/secretariat2@olympicbd.com

Certificate under condition 6 of the Notification No.SEC/MRRCD/2006-158/134/Admin/44 dated August 7, 2012 of Securities and Exchange Commission (now Bangladesh Securities and Exchange Commission)

We hereby certify to the Board of Directors of Olympic Industries Limited that:

- (i) We have reviewed the Financial Statements of Olympic Industries Limited for the year ended June 30, 2014 and that to the best of our knowledge and belief :
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading:
 - (b) these statements together present a true and fair view of the affairs of Olympic Industries Limited and are in compliance with existing accounting standards and applicable laws.
- (ii) To the best of our knowledge and belief, there were no transactions entered into by the company during the year 2013-2014 which were fraudulent, illegal or violation of the code of conduct of Olympic Industries Limited.



(Mubarak Ali)
Managing Director
Olympic Industries Limited



(Harun-Al-Rashid)
C. F. O.
Olympic Industries Limited

Dated : 09 November 2014

PROXY FORM

I/We
of
being a shareholder of Olympic Industries Limited and a holder of shares do hereby
appoint Mr. / Mrs.
of

as my/our proxy to attend and vote for me/us on my/our behalf at the 35th Annual General Meeting of the Company to be held on Wednesday, December 24, 2014 at 10:00 A.M. and / or at any adjournment thereof. The specimen signature and Folio / B.O. Number of the Proxy are furnished below.

As witness my/our hands this day of 2014 in
the presence of

Signature of Proxy Folio /B.O. No. of Proxy:	Signature of Shareholder(s) Folio / B.O. No. of Shareholder(s):
Signature of Witness	

Note: A shareholder entitled to attend and vote at the 35th Annual General Meeting may appoint another shareholder as a Proxy to attend and vote on his/her behalf. The Proxy Form duly completed, signed and stamped must be deposited at the Registered Office of the Company at least 48 hours before the meeting.

Signature Verified

Authorized Signatory
Olympic Industries Limited

Please complete this Attendance Slip and hand it over at the venue of the meeting	Please produce it at entry point
<p align="center">Olympic Industries Limited (Former Bengal Carbide Limited) Amin Court, 6th Floor, 62-63, Motijheel C/A, Dhaka-1000</p> <p align="center">ATTENDANCE SLIP</p> <p>I hereby record my attendance at the 35th Annual General Meeting on 24.12.2014 at 10:00 AM at Lolati, Sonargaon, Narayanganj.</p> <p>Name of Proxy :</p> <p>Register Folio No.</p> <p>B.O. Account No.</p>	<p align="center">Olympic Industries Limited</p> <p>Folio No.</p> <p>BO Account No.....</p> <p>.....</p> <p align="center">Signature of shareholder</p>

OLYMPIC INDUSTRIES LIMITED

Amin Court, 6th Floor
62-63 Motijheel C/A
Dhaka - 1000
Bangladesh
Tel: +880-2-9565228
Fax: +880-2-9567485
Email: info@olympicbd.com
www.olympicbd.com