

**Excelling in
tough times**



CREW B.O.S. PRODUCTS LIMITED

Annual Report 2008-09

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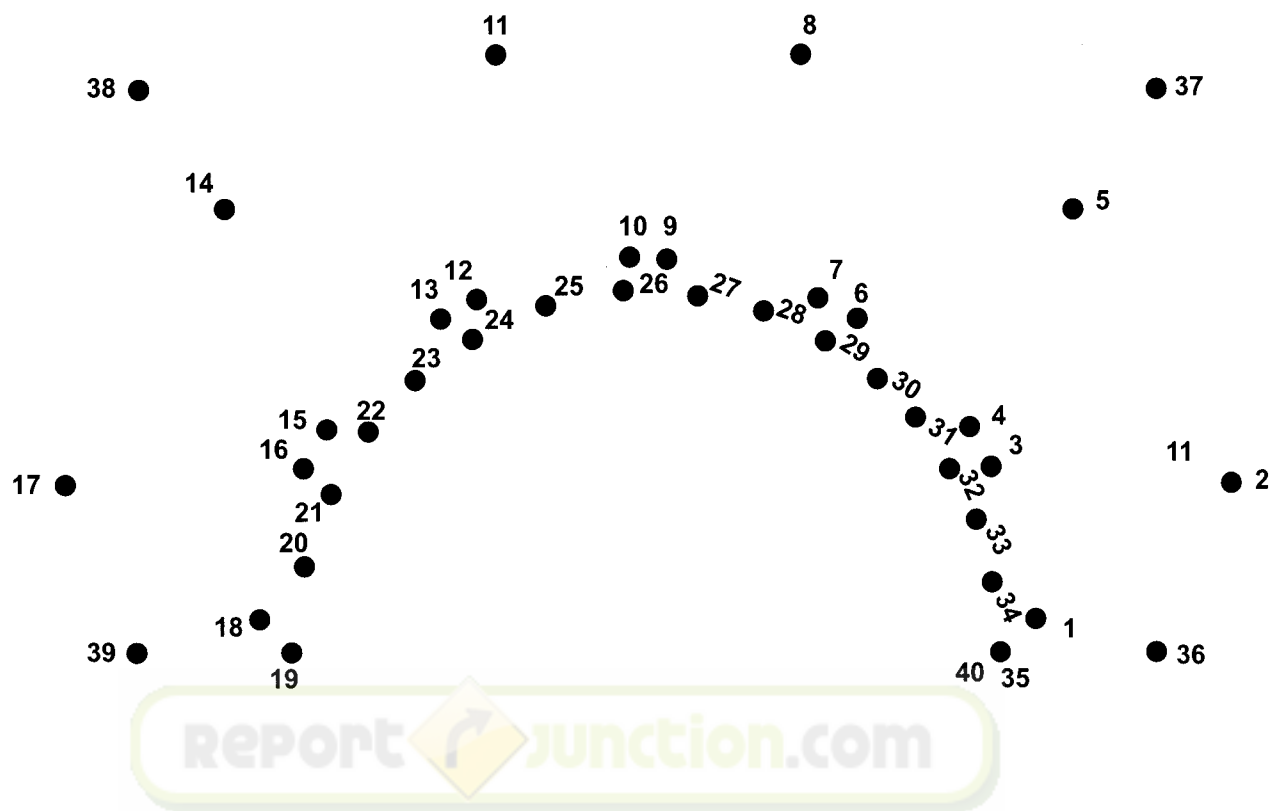
tough times

..... don't last.

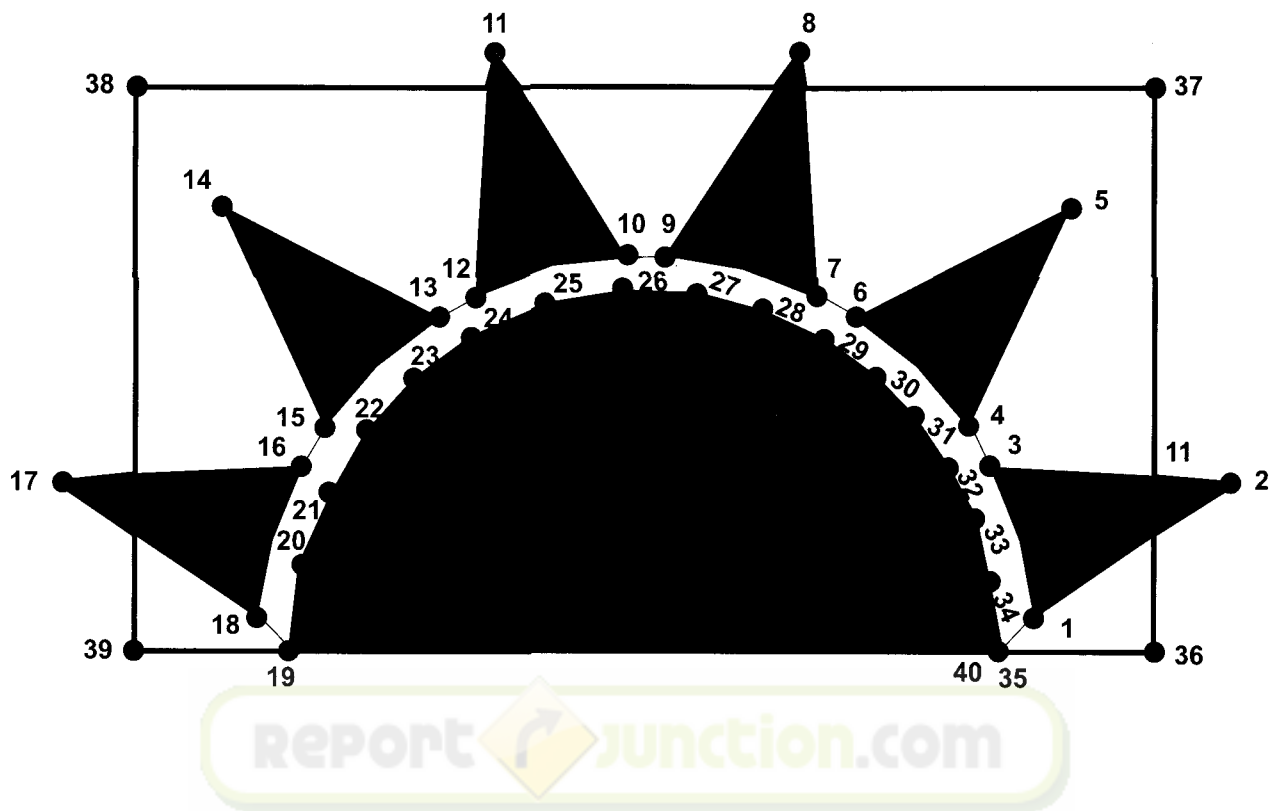
but the vision does.....

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Manifest in the strides we have made in emerging as one of the most progressive companies in Asia in the area of manufacturing leather products.



strategy is important.



but clarity is essential....

We at CREW B.O.S. are very CLEAR.

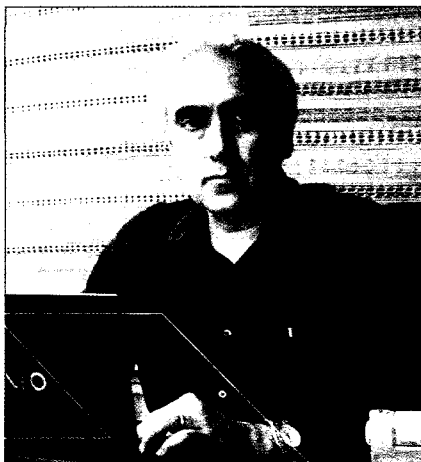
We will continue to
progress towards
excellence through
team work.



We will continue to
focus & deliver quality
to our customers.

..... & we will always strive to
enhance shareholder &
stakeholders value.

Letter from the Managing Director



Dear Shareholders,

I write to you at the end of what was, decidedly, a difficult year for the global and Indian economy. The slowdown in the US markets hit the Indian leather and textile industry very hard and threw our export economy into turmoil.

Exports were further impacted by the forex volatility, with your Company not immune to the adverse effects of the extreme fluctuations. The forward and derivative positions that most of us took affected our potential to be able to maximize our gains. On the other hand, the continuing growth in our dollar receivables helped mitigate the losses marginally.

Notwithstanding the general negative trends, your Company succeeded in weathering the recession storm marked by stable growth during this period.

Excellent strategy drives growth

It gives me great pleasure to state that despite this bleak environment, your Company continued to show positive growth, adding more capacities and clients across its business operations. A key factor that drove your Company's positive growth during the year was the strategic positioning as suppliers to the medium and the higher end of the market - a segment that has seen considerably lesser de-growth.

The emergence of India as the next big alternative to China for buyers who no longer wanted to be over-dependant on our bigger Asian neighbour was another factor that contributed to the favourable environment for your Company, which, I am proud to state, is among the few such Indian companies to be equipped with the necessary infrastructure and capacity to manufacture quality goods for these buyers.

// The continuing growth trajectory of your Company spanned not just its business operations but also its infrastructural capacities, which are all set to take a big leap with the first phase of our new 30-acre leather manufacturing park in Neemrana on track to become operational by the middle of 2009. **//**

// With continued backward integration to bring raw material cycle under greater control and to give better lead times to its customers, your Company is clearly emerging as one of the most progressive companies in Asia in the area of manufacturing of leather products. //

Consequent to these developments, your Company not only continued to grow during this period but also succeeded in finding new customers who will continue to fuel this growth in the future. The continuing growth trajectory of your Company spanned not just its business operations but also its infrastructural capacities, which are all set to take a big leap with the first phase of our new 30-acre leather manufacturing park in Neemrana on track to become operational by the middle of 2009. The year under review saw significant development work at the park, which has been strategically planned to enable further creation of expansion opportunities within the complex itself. Once the park becomes operational, we plan to move our belt and slipper plants there, thus allowing us to move from rented to rent-free infrastructure for both these plants, thereby leading to substantial cost savings for your Company.

Another important initiative that we have taken during the year to boost growth is taking over of Crew MAG, our shoe unit in Chennai, which was a JV with LCI - a Chennai-based leather company

Initiatives to fuel progress

While manufacturing and design innovations are a critical component of your Company's growth strategy, equally important, in my opinion, is the need for skill development and training of the manpower engaged in our manufacturing and design cells. Your Company has set up the Crew B.O.S. Academy that provides in-house training as well as skill assessment tools for our operators and skilled craftsmen.

Excellent plans to push future growth

With a strong foundation in place, backed by robust managerial skills which ensure seamless integration of workflow, your Company is

well placed to make the most of the emerging opportunities in the industry. I expect the coming year to be a defining one in many ways, as some of the key initiatives taken last year will find momentum this year. Alongside, your Company plans to launch a series of new initiatives to take it to the next level of excellence and growth.

We will continue to increase our capacities in the areas of Belts, Footwear, Handbags, Wallets and other Small Goods. We also plan to consolidate our tannery business and our leather finishing unit in Chennai. The new building and plant are expected to be ready operation in December this year.

Keeping in view the centrality of our customer base to our growth projections, we plan to introduce one new such high value customer every year. Each of these customers has the potential to do a sizeable business.

Excellent vision to steer diversity

Over the next few years, you will see Crew B.O.S. emerging as a much more diverse player that will be:

- A manufacturing company engaged in manufacture for the luxury sector and brands all over the world.
- A marketing and distribution company.
- A design and resourcing company in India and overseas.

With continued backward integration to bring raw material cycle under greater control and to give better lead times to its customers, your Company is clearly emerging as one of the most progressive companies in Asia in the area of manufacturing of leather products.

This, in turn, is slowly but surely leading to its evolution as a one

window product and service provider in its niche business space, as is evident from the fact that, in addition to growing in the manufacturing sector, your Company is also in the process of setting up marketing and distribution companies overseas, apart from a state-of-the-art design studio.

Our strong design background creates several opportunities that we are not able to maximize due to limited capacity issues. Through design sourcing initiative we will be able to bring in manufacturing companies, both in India and abroad, as part of our larger interests and market these through our initiatives overseas.

Socially responsible corporate

In the global environ of today, social responsibility can no longer be relegated to the background by corporates seeking to entrench themselves into the economic fibre of a country. Crew B.O.S. has always laid immense importance on promotion of Corporate Social Responsibility (CSR) initiatives, with a wide range of programmes currently in progress to address the basic needs and requirements of the community at large.

Education of the children of its select employees, with day meals to support their nourishment, is a major initiative of the Company, which enables us to ensure proper schooling for these children. With their children's schooling and meals taken care of, the employees are a happier lot, leading to even higher commitment towards your Company.

The Crew B.O.S. Academy has also been continuously striving to help uneducated youth secure jobs with the Company after a training programme which is geared towards skill development of youngsters who have studied only till the 8th standard. The

Academy, which is recognized by the Union Finance Ministry, is a key partner in the Government of India's 'employment for all' programme.

Our commitment to the society goes deep and is an intrinsic part of our value system, which we shall continue to tend and nourish as we go along towards higher growth and more expansion.

On a parting note

As I reiterate, your Company has succeeded in sustaining its growth momentum despite the negative environment across the world. This success would not have been possible without the unwavering support and cooperation of all our employees, bankers, partners, customers, shareholders and stakeholders, your strong faith in us has encouraged and inspired us to unflinchingly move ahead towards our stated goals, notwithstanding the hurdles and challenges. What we see ahead is definitely a roadmap to further success. I am confident that with your continued support and cooperation, we shall be able to traverse this roadmap to achieve greater milestones.

Yours Sincerely,

Tarun Oberoi
Managing Director

CORPORATE INFORMATION

Board of Director

Mr. Tarun Oberoi	Managing Director
Mr. Robin Bartholomew	Whole Time Director
Mr. Deepak Manchanda	Independent Director
Mr. Gautam Nair	Independent Director
Mr. Jitindar Bir Singh	Independent Director
Mr. Naveen Ganzu	Independent Director

Chief Financial Officer

Mr. Sanjeev Sehgal

Company Secretary

Mrs. Garima jain

Auditors

Anil K. Goal & Associates
 Cartered Accountantes
 204-206, Siddharth Chambers,
 Hauz Khas, New Delhi - 110016

Bankers

Citi Bank N.A.
 The Karur Vysya Bank Ltd.
 AXIS Bank Ltd
 Standard Chartered Bank
 IDBI Bank
 DBS Bank Ltd.

**Registrar & Share
Transfer Agent**

Skyline Financial Services Pvt. Ltd.
 246, 1st Floor, Sant Nagar,
 East of Kailash, New Delhi -110065
 Tel. no. 011-26292682-83 Fax no. 011-26292681

Registered Office

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Corporate Office

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