

15th

Annual

Report

2005-2006

OSCAR

OSCAR GLOBAL LIMITED

OSCAR GLOBAL LIMITED**OSCAR****BOARD OF DIRECTORS****MR. SATISH VERMA***Chairman & Managing Director***MR. PAWAN CHADHA***Whole Time Director***MR. SURESH WADHWANI****MR. SUDHIR JAIN****COMPANY SECRETARY****MR. DINESH GUPTA****AUDITORS****M/S SUSHIL VIPAN & CO.,**

Chartered Accountants,

107-108, Sagar Plaza,

Distt. Centre, Laxmi Nagar,

Delhi-110092

**COMMON AGENCY FOR SHARE
TRANSFER & ELECTRONIC
CONNECTIVITY****INDUS PORTFOLIO PVT. LTD.**

G-65, Bali Nagar,

New Delhi-110 015

Tel. No. :25422801

Fax No.: 25449336

BANKERS**STATE BANK OF BIKANER & JAIPUR**

G-72, Connaught Circus,

New Delhi-110 001

REGISTERED OFFICE

4866/24, Darya Ganj,

New Delhi-110002

CORPORATE OFFICE

C-76, Sector-8,

NOIDA-201 301

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OSCAR GLOBAL LIMITED**OSCAR****NOTICE**

To
The Members

Notice is hereby given that the 15th Annual General Meeting of the Company will be held at The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shaoorpur, P.O. Fatehpur, New Delhi on Wednesday, the 27th September, 2006, at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2006, and Profit & Loss Account of the Company for the year ended 31st March, 2006 and the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Sudhir Jain who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Sushil Vipin & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For OSCAR GLOBAL LIMITED

Place: New Delhi
Date : 02/08/2006

(DINESH GUPTA)
COMPANY SECRETARY

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2006 to 27th September, 2006 (Both days inclusive).
4. The Members are requested to:
 - (a) Bring their copy of Annual Report at the Annual General Meeting.
 - (b) take the advantage of dematerialisation of shares as Company's scrip has been put under compulsory dematerialisation. Shareholders are requested to get in touch with any Depository Participant for getting the shares dematted.
5. Members desirous of any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least one week before the meeting, so as, to enable the management to keep information ready. Replies will be provided only at the meeting.
6. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays upto the date of the Annual General Meeting.

By Order of the Board
For OSCAR GLOBAL LIMITED

Place: New Delhi
Date : 02/08/2006

(DINESH GUPTA)
COMPANY SECRETARY

OSCAR GLOBAL LIMITED**OSCAR****DIRECTORS' REPORT**

To,
The Members,
Oscar Global Limited

Your Directors have pleasure in presenting the 15th Annual Report along with the Audited Statement of Accounts of the company for the financial year ended 31st March, 2006.

FINANCIAL HIGHLIGHTS :

| | Current Year (Rs. in Lac) | Previous Year (Rs. in Lac) |
|--|------------------------------|-------------------------------|
| Sales & Income from Operations | 805.52 | 774.29 |
| Operating Profit before Interest, Tax & Depreciation | 24.30 | 17.79 |
| Less : Interest | 4.41 | 3.62 |
| Gross Profit | 19.89 | 14.17 |
| Less : Depreciation | 8.42 | 7.04 |
| Profit before Tax | 11.47 | 7.13 |
| Less: | | |
| Provision for tax | 1.06 | 0.25 |
| Provision for Fringe Benefit Tax | 1.86 | --- |
| Net profit | 8.55 | 6.88 |

DIVIDEND

In order to strengthen the financial position of the Company, your directors are of the opinion that profits be ploughed back into the working of the Company. Therefore, no dividend is proposed.

PERFORMANCE

The turnover of the Company has gone up by Rs 30.54 lacs approximately over the previous year. Not only turnover, the net profit of the Company has also improved from Rs 6.88 lacs to Rs 8.56 lacs during the year. Your directors hope for better results in the coming financial year. No material change has occurred since the date of the Balance Sheet and the date of this report which has any adverse effect on the working of the Company.

PUBLIC DEPOSITS

Your Company has not accepted any deposits with in the meaning of Section 58A of the Companies Act, 1956, and the rules made thereunder.

AUDITORS' REPORT

The Auditors' report read with the "Notes to the Accounts" in Schedule 21 are self-explanatory and are general in nature and do not call for further explanations. There is no adverse qualification in the Auditor's Report.

AUDITORS

M/s. Sushil Vipin & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the limits prescribed U/s 224(1B) of the Companies Act, 1956. Accordingly, M/s. Sushil Vipin & Co., Chartered Accountants, are required to be reappointed as Statutory Auditors of the Company at the ensuing Annual General Meeting. Their appointment has also been recommended by the Audit Committee.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sudhir Jain will retire at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment. Your Directors recommend his re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company state :

- that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the directors had prepared the annual accounts on a going concern basis.

OSCAR GLOBAL LIMITED**OSCAR****AUDIT COMMITTEE**

The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2006 and has not given any adverse observations. It has also recommended the re-appointment of M/s: Sushil Vipin & Co., Chartered Accountants as statutory auditors of the Company.

CORPORATE GOVERNANCE

As per clause 49 of the listing agreement with Stock Exchange, Management discussion & Analysis Report and Corporate Governance Report is annexed as Annexure 1 and Annexure II & form part of the Director's Report.

PARTICULARS OF EMPLOYEES

There was no employee receiving remuneration during the year in excess of limits prescribed u/s 217 (2A) of the Companies Act, 1956, and the relevant rules made there under.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information pursuant to Section 217(1)(e) of the Companies Act 1956 read with Companies (Disclosures of Particulars in the Report of Board of directors) Rules 1988, is as follows:

Conservation of Energy:

Company continue to pay significant attention towards the conservation of energy and all necessary measures have been taken to optimize the use of electricity which is being used for manufacturing. However, disclosure in Form-A is not required.

Research & Development and Technology Absorption

The Company has been improving the quality of its products as per latest fashions through its skilled technical staff. The Company has not imported any technology from abroad.

Foreign Exchange earning and Outgo:

| Particulars | (Rs. In Lac) | |
|--|------------------------|------------------------|
| | Year ended 31.03.06 | Year ended 31.03.05 |
| Foreign Exchange Earning (C.I.F. value of exports) | 751.03 | 723.64 |
| Foreign Exchange Outgo | 12.11 | 12.71 |

EMPLOYEES RELATIONS

The industrial relations continued to be cordial and harmonious. Your directors wish to place on record the appreciation for the devoted services rendered by the workers, staff and executives of the Company at all levels who have contributed to the efficient and successful management of the Company.

LISTING

Presently the Company equity shares are listed on the following Stock Exchanges:

The Jaipur Stock Exchange Ltd.

The Calcutta Stock Exchange Association Ltd.

The Delhi Stock Exchange Association Ltd. and

Bombay Stock Exchange Ltd. (BSE)

However, de-listing applications have already been made to all above exchanges except BSE.

Your Company has received a letter from Ahmedabad Stock Exchange Limited vide no. ASEL/2006/759 Dated 12.07.2006 intimating that the securities of the Company have been de-listed from the exchange w.e.f 14.07.2006.

Your Company is regular in paying listing fees.

ACKNOWLEDGEMENT

Your directors take this opportunity to offer their sincere thanks to various departments of the Central and state Governments, Financial Institutions, Banks and Investors for their unstinted support, assistance and valuable guidance.

By order of the Board
For OSCAR GLOBAL LIMITED

SATISH VERMA
Chairman

Place : New Delhi
Date : 02/08/2006

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRIAL SCENE

Leather industry in India is spread over organised as well as unorganized sectors. Though traditionally the Indian leather industry has been an exporter of tanned hides and skins; in the early seventies itself, it set its sights on becoming a major player in the leather products segments. The industry uses primarily indigenous natural resources with little imports. Leather industry employs nearly 2.0 million persons. The annual export value of Leather industry is poised to touch about 3.0 billion US dollars. Leather industry is amongst top 8 export earners for India.

Financial Outlook

The Turnover of the Company has grown. It stood at Rs 805.52 lacs as compared to 774.29 in the previous year. The Profit after tax has also increased from Rs. 6.88 Lacs to Rs. 8.55 Lacs. The Management is quite hopeful that the growth trend of the Company shall continue during the current financial year also.

Segment wise performance

As there is no other segment of the Company, no other clarification is required.

OPPORTUNITIES

Your company is primarily engaged in the export of leather garments. Since the demand for leather garments is increasing rapidly in India as well as in abroad, there is lot of scope in the American & European continent.

THREATS:

1. China is emerging as a major competitor holding nearly 27 percent of the world market followed by Italy with 15%. India has only 4.5 percent of the world market share.
2. Due to a variety of reasons including global limitations like the ban on the use of pentachlorophenol as preservative and the ban on the use of arylamine group of dyes by Germany, the Indian leather industry is going through a period of trials and tribulations.

Company Outlook

It is the endeavour of the Company to improve its performance by adopting new techniques of production, improve product acceptability and cutting/reducing costs wherever possible. Your Company has already initiated steps in this regard. The company is also planning to diversify into export of leather bags, purses, leather belts, leather portfolios & travel goods etc.

Risks Management

The Risks Management policies of the Company ensure that all the moveable and immovable assets of the Company are adequately covered. The same are reviewed by the Board from time to time. Besides the Company is prone to usual risks of the business like change in demand, any change in export policy of the Government, International agreements on trade and tariffs etc.

Internal Control System

The Company has developed an internal control system and procedures to ensure efficient conduct of business and security of its assets. Management Information system has been developed through which production performance and financial dealings are monitored by management on regular basis.

Human Resources

The Company believes that the workers are the backbone of the Company. It is providing an opportunity to all the employees to utilise their full potential and grow in the organization. There was no strike or labour unrest during the last financial year. As on 31.03.2006 the total number of employees were 65.