

*17<sup>th</sup>*  
*Annual*  
*Report*  
*2007-2008*

**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. K. KALANI****AUDITORS****M/S SUSHILVIPAN & 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-110015

Tel. No. :25422801

Fax No.: 25449836

**BANKERS****STATE BANK OF BIKANER & JAIPUR**

G-72, Connaught Circus,

New Delhi-110001

**REGISTERED OFFICE**

4866/24, Darya Ganj,

New Delhi-110002

**CORPORATE OFFICE**

C-76, Sector-8,

NOIDA-201301

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

To,  
The Members,

Notice is hereby given that the 17th Annual General Meeting of the Company will be held at The Executive Club, Dolly farms & Resorts Pvt. Ltd., 439, Village Shaoorpur, P.O. Fatehpuri, New Delhi on Monday, the 22<sup>nd</sup> December, 2008, at 11.30 A.M. to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2008, and Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March, 2008 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Suresh Wadhwani 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.

Place: New Delhi  
Date : 27/09/2008

By Order of the Board  
For OSCAR GLOBAL LIMITED

(Pawan Chadha)  
Whole time Director

**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 A BLANK PROXY FORM IS ATTACHED.
3. The Register of Members and Share Transfer Book of the Company will remain closed on 22<sup>nd</sup> December, 2008.
4. The Members are requested to:
  - (a) 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.
  - (b) Bring their copy of Annual Report at the Annual General Meeting.
5. Members desirous of any information concerning the accounts and operation 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 and other holidays upto the date of the Annual General Meeting.

Place: New Delhi  
Date : 27/09/2008

By Order of the Board  
For Oscar Global Limited

(Pawan Chadha)  
Whole time Director

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

To,  
The Members,  
Oscar Global Limited

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report along with the Audited Statement of Accounts of the company for the financial year ended 31<sup>st</sup> March, 2008.

**FINANCIAL HIGHLIGHTS**

	Current Year (Rs. in Lac)	Previous Year (Rs. in Lac)
Sales & Income from Operations	630.75	612.51
Operating Profit before Interest, Tax & Depreciation	24.47	21.82
Less : Interest	8.62	4.68
Gross Profits	15.85	17.14
Less : Depreciation	11.64	8.03
Profits before Tax	4.21	9.11
Less:		
Provision for tax	0.26	0.81
Provision for Fringe Benefit Tax	1.70	1.87
Net profit	2.25	6.43

**DIVIDEND**

In view of the inadequate profits no dividend is proposed.

**PERFORMANCE**

The turnover of the Company has increased marginally as compared to the previous year. But there is a decrease in profit due higher interest and higher depreciation. 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.

**FUTURE PROSPECTS**

Leather garment industry is presently facing big competition from China & Pakistan. Overall international demand for leather apparel is also coming down. Meltdown of the economies at international level has brought down demand of company products. Your company tried to introduce new products such as lady's hand bags and range of men's and women's footwear. Due to sluggish market conditions this area is yet to pick up. Your company has suffered in the first six months as is evident from the unaudited results published. However, management is making all earnest effects to improve 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**

There is no adverse qualification in the Auditor's Report, which needs to be clarified.

**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**

Mr. Suresh Wadhvani will retire at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment. Your directors recommend his reappointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

The Board of Directors of your Company state:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- ii) 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;

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

- iii) 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.
- iv) that the directors had prepared the annual accounts on a going concern basis.

**AUDIT COMMITTEE**

The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2008 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. Mr. Suresh Wadhwani, Mr. K. Kalani & Mr. Pawan Chadha are the members of the audit committee with Mr. Suresh Wadhwani is Chairman.

**CORPORATE GOVERNANCE**

As per clause 49 of the listing agreement with Stock Exchange(s), Management discussion & Analysis Report and Corporate Governance Report is annexed as Annexure I 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 continues 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	Year ended 31.03.08	Year ended 31.03.07
Foreign Exchange Earning	535.05	526.96
Foreign Exchange Outgo	11.60	18.60

(Rs. In Lac)

**EMPLOYEES RELATIONS**

The company faced labour trouble from a small section of employees during the year. 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's 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 Jaipur & Calcutta Stock Exchanges.

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.

Place : New Delhi  
Date : 27/09/2008

By order of the Board  
For Oscar Global Limited

Satish Verma  
Chairman

**OSCAR GLOBAL LIMITED****OSCAR****ANNEXURE - I****MANAGEMENT DISCUSSION & ANALYSIS REPORT****INDUSTRIAL SCENE**

The economic slowdown in US and Europe has hit the India's leather industry hard. The demand is falling, leaving the exporters petrified so far. The sudden drop in demand has led to accumulation of stocks which can't be sold. The products are made according to standards and specifications in Europe and America, of which there is not much demand in India.

**FINANCIAL OUTLOOK**

The company's turnover has increased marginally but profits have fallen due to higher interest and higher depreciation during the previous financial year. During the current year management hopes to maintain the performance despite very difficult situation.

**SEGMENT WISE PERFORMANCE**

The Company primarily operates in one segment that is leather goods.

**OPPORTUNITIES**

Your company is primarily engaged in the export of leather garments, bags & shoes and these sectors are facing downtrend. Leather Garments, Shoes & other accessories are required by common man in Europe and America. As your company is manufacturer of these items it is hopeful of a good future.

**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 downtrend in international leather business, export of leather goods is facing serious problem.

**COMPANY OUTLOOK**

Your company is diversifying into new product lines to improve exports & profitability & also reduce dependence of leather apparel business.

**1. SHOE PROJECT**

The company's shoe project has been recently commissioned. A small quantity of ladies footwear has been exported and regularly production will begin in the coming months.

**2. LEATHER PURSES/ BAGS & BELTS**

The company has diversified into the manufacture and export of ladies bags, purses and belts and the products have been well received by foreign buyers.

**RISKS MANAGEMENT**

The Risks Management policies of the Company ensures 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. As on 31.03.2008 the total number of employees were 38.

## OSCAR GLOBAL LIMITED

OSCAR

## Annexure - II

## REPORT ON CORPORATE GOVERNANCE

## 1. Company's Philosophy on Corporate Governance

Your Company strongly believes in Corporate Governance and endeavors to continually take initiatives to strengthen areas of corporate Governance. Your present Board of Directors comprises of Directors who are well qualified and hold requisite experience.

Oscar believes in maintaining excellent Corporate Governance. Further, it considers that Corporate Governance is an important tool for achieving all round excellence with ultimate objectives of enhancing shareholders value. The Company took initiatives in practicing good Corporate Governance procedures even before were mandated.

The Company firmly believes that Corporate Governance begins with the Company's continues review of its internal procedures and practices encompassing all its business areas in the most appropriate manner, which would spell fairness, transparency and accountability.

## 2. Board of Directors

The composition of the board is in agreement with the Listing Agreement. The Company has an Executive Chairman, the Board's composition meets the stipulated requirement of at least half of the Board comprising of independent Directors who have no material business relationship with the Company. The details of directors and their attendance record at Board Meeting held during the year and last AGM are given below:

Name	Category	Designation	No. of Meetings Held during the last fin. Year	No. of Meetings Attended	No. of Membership in Boards of Other Companies	Attendance of each Director At last AGM
Mr.Satish Verma	Executive Director	Chairman & Managing Director	9	9	8	Yes
Mr.Pawan Chadha	Executive Director	Whole time Director	9	9	-	Yes
Mr. Suresh Wadhvani	Non Executive Independent Director	Director	9	5	6	No
Mr.K. Kalani	Non Executive Independent director	Director	9	5	-	Yes

## 3. Board Meetings

During the financial year 2007-08, 9 meetings of Board of Directors were held. These were held on 30/4/2007, 19/07/2007, 31/07/2007, 25/08/2007, 08/10/2007, 11/10/2007, 31/10/2007, 31/01/2008 and 27/02/2008. The intervening period between two meetings was well within the maximum time gap of 4 months as prescribed under Corporate Governance norms.

## Board's Procedures

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feed back reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

## 4. Committees of the Board

## a) Audit Committee

Pursuant to the provisions of Section 292A and clause 49 of the Listing Agreement, an audit committee has been constituted to perform all such powers and functions as are required to be performed under the said provisions.

The details of Members and their attendance record at Audit Committee held during the year are given below:

Name	Status	Category of Membership	No. of Meetings held during the last fin. year	No. of Meetings Attended
Mr.K. Kalani #	Member	Non-Executive Independent Director	5	2
Sh.Suresh Wadhvani	Chairman	Non-Executive Independent Director	5	5
Sh. Pawan Chadha	Member	Executive Director	5	5

All Members of Audit Committee are financially literate.

# Appointed as additional Director and member of committee w.e.f 25.08.2007.

## Audit Committee Meetings

During the financial year 2007-08, 5 meetings were held. These were held on 30/04/2007, 19/07/2007, 31/07/2007, 31/10/2007 and 31/01/2008. Due to resignation of Mr. Sudhir Jain, quorum at the Audit committee meeting held on 31/01/2007 was not as per requirement of clause-49.

## b) Remuneration Committee

During the Financial year 2007-2008 under review, no matter relating to Managerial remuneration was dealt with by Board. Therefore, there was no requirement of remuneration Committee.

As and when any payment of remuneration to director will arise the remuneration Committee will be constituted.

## Remuneration Policy

Subject to the approval of the Board of Directors and the subsequent approval by the shareholders at the General Body Meeting and such authorities as the case may be, remuneration of the Managing/Whole-time Directors was fixed by the Remuneration Committee. The remuneration was fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The