



5th September, 2019

<p>The Manager Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, Bandra - Kurla Complex, Bandra (E) Mumbai - 400051 Tel. No.: 022-26598100`14 Fax No.: 022-26598273-38</p> <p>Scrip Code: LIBERTSHOE ISIN No. : INE 557B01019</p>	<p>The Manager Listing Department Bombay Stock Exchange Ltd. Phiroza Jeejeebhoy Towers, Dalal Street Mumbai – 400001 Tel: 022 – 22722375, 2066 Fax : 022 – 22722037, 39, 41,61</p> <p>Scrip Code: 526596 ISIN No. : INE 557B01019</p>
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Sub: Notice of the 33rd Annual General Meeting of the Company along with Annual Report for the financial year 2018-19

Compliance Officer : Munish Kakra (CFO & Company Secretary)
Contact Address : Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail,
P. O. Bastara, Distt. Karnal 132114 (Haryana)
Ph. 01748 – 251101 – 03, 9313601387

Scrip Code : 526596 **ISIN No.** : INE 557B01019

Dear Sir/Madam,

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of Notice of the 33rd Annual General Meeting of the Company to be held on Friday, 27th September, 2019 at 11:00 A.M. at the Registered Office of the Company at Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal-132114, Haryana alongwith Annual Report for the financial year 2018-19.

You are requested to take the above information on your records.

Thanking you,
Sincerely Yours,
For **Liberty Shoes Ltd.**

Munish Kakra
CFO & Company Secretary
Encl: a/a



Liberty Shoes Limited,

Corporate Office : Ground Floor, Building No-8, Tower-A, DLF Cyber City, Phase-II, Gurugram-122002, Haryana, India
Ph.: +91-124-4616200, 3856200, Fax: +91-124-4616222. Email: mail@libertyshoes.com www.liberty.in

Registered Office : Libertypuram, 13th Milestone, G.T. Karnal Road, P.O. Bastara, Distt. Karnal-132 114, Haryana, India
Tel.: +91-1748-251101~3, Fax: +91-1748-251100. E-mail: lpm@libertyshoes.com

CIN No. L19201HR1986PLC033185

LIBERTY

III

DISCOVER THE SCENT OF FREEDOM

33rd Annual Report 2018-19

Liberty Shoes Ltd.

C R E D O

To ensure that the method we use is the latest technology the World over. To follow the highest standards of honest workmanship in whatever we make. To walk the extra mile to ensure customer satisfaction worldwide. To remain a true cosmopolitan to the spirit. To remain a great corporation to associate with, to work for. To know that **"We are about people"**.

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COMPANY INFORMATION

Board of Directors

Adesh Kumar Gupta
CEO & Executive Director
(DIN - 00143192)

Shammi Bansal
Executive Director
(DIN- 00138792)

Sunil Bansal
Executive Director
(DIN - 00142121)

Adish Kumar Gupta
Executive Director
(DIN - 00137612)

Ashok Kumar
Executive Director
(DIN - 06883514)

Raghubar Dayal
Independent Director
(DIN - 00481803)

Amitabh Taneja (up to 15th March, 2019)
Independent Director
(DIN-00031257)

Ramesh Chandra Palhan
Independent Director
(DIN - 05241019)

Pushpinder Singh Grewal
Independent Director
(DIN- 06364475)

Lovelena Mody
Women Independent Director
(DIN- 01279148)

Company Secretary & Compliance Officer

Munish Kakra
Chief Financial Officer & Company
Secretary

Audit Committee

Raghubar Dayal
Ramesh Chandra Palhan
Sunil Bansal

Nomination and Remuneration Committee

Raghubar Dayal
Ramesh Chandra Palhan
Pushpinder Singh Grewal

Management Committee

Adesh Kumar Gupta
Shammi Bansal
Adish Kumar Gupta
Ramesh Chandra Palhan
Raghubar Dayal

Stakeholders Relationship Committee

Sunil Bansal
Adish Kumar Gupta
Ramesh Chandra Palhan

Corporate Social Responsibility Committee

Shammi Bansal
Adish Kumar Gupta
Raghubar Dayal
Ramesh Chandra Palhan
Lovelena Mody

Registrar & Share Transfer Agent

Link Intime India Private Limited
Noble Heights, 1st Floor, C-1 Block
Near Savitri Market, Janakpuri,
New Delhi-110058
Tel.: (91) - 11- 41410592 -94
Fax: (91) - 11- 41410591
E-mail: delhi@linktime.co.in

Registered Office

Libertypuram, 13th Milestone,
G. T. Karnal Road, Kutail, P.O. Bastara,
Distt. Karnal - 132114, Haryana
Tel.: (91) - 1748 - 251101 – 03
Fax: (91) - 1748 – 251100
E-mail: lpm@libertyshoes.com
Website: www.libertyshoes.com
CIN: L19201HR1986PLC033185

Corporate Office

Ground Floor, Tower - A, Building No. 8, DLF
Cyber City, Phase - II,
Gurugram - 122002, Haryana
Tel.: (91) - 124 – 4616200
Fax: (91) - 124 – 4616222
Email: corporate@libertyshoes.com

Bankers

Corporation Bank
DBS Bank Ltd.
HDFC Bank Ltd.
IndusInd Bank Ltd.
State Bank of India

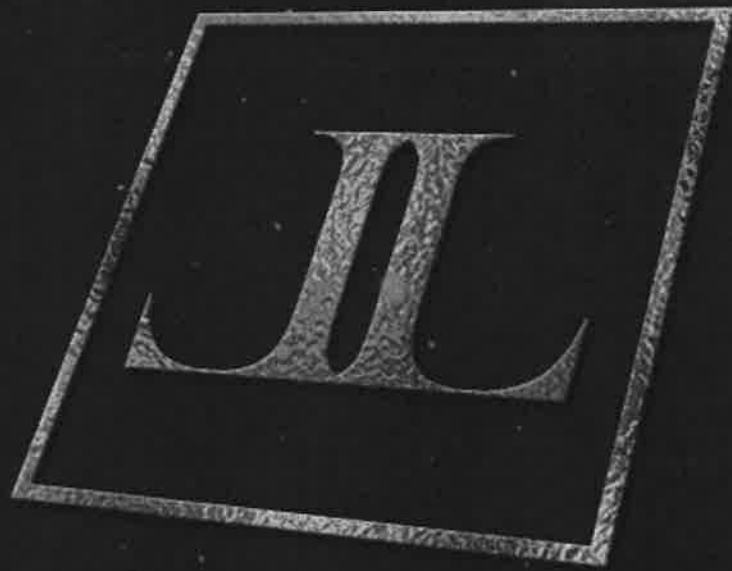
Auditors

M/s U. Shanker & Associates
Chartered Accountants
303, Vikas Surya Shopping Mall,
Manglam Place,
Sector 3, Rohini, Delhi-110085

www.libertyshoes.com

**Buy Liberty Foot Fashion online on
libertyshoesonline.com**

Join us on 
facebook.com/libertyshoes



EXPLORING NEW HORIZONS

Liberty, the brand that has always been synonymous with fashionable and comfortable footwear, unveiled its new business venture this year, Liberty Lifestyle, with a new brand identity. The brand took a step forward to widen its portfolio and establish itself as a complete lifestyle brand. Riding on India's growing demand for fragrances, the brand commenced its entry into this luxury segment, when Liberty Lifestyle launched its first range of perfumes.

Liberty Lifestyle launched its fragrance line with 12 new perfumes and an aftershave, premium fragrances for both men and women. A global look and feel was given to each fragrance. Inspired by the unconventional spirit to live free, the brand plans to tap the millennial market as these products fit their budget and their modern lifestyle. The range is called the Scent of Freedom, which encapsulates the idea of breaking free from the stereotypical, and charting an unconventional path while still rooted to one's values and ethos. Crafted in France, the French perfumers have created and married the notes perfectly, keeping India's weather conditions in mind, with a global look for packaging.

THE BRAND SPIRIT

Liberty Lifestyle perfumes reflect the adventurous, the romantic, the awe-inspiring, the sophisticate. In short, our perfumes reflect you. You have travelled all over the world, you have lived life to the fullest, your experiences are as unique as you are, yet you retain your distinctive Indian identity, an identity that makes you stand out head and shoulders above the rest, yet makes you feel at home anywhere in the world.

Liberty Lifestyle is an extension of that extraordinary life- a life that is about exploring, discovering, learning, feeling, experiencing something special. Every day. Every moment. In whatever part of the globe you call home.



“The fragrance segment currently occupies 5 percent share of the total lifestyle market in India giving us a huge window for growth. We aim to establish the brand as one of India’s most preferred brands in the years to come. We are hoping to get a tremendous response from the millennials and are targeting sales of over 2 lakh bottles per annum in the near future.

This launch is only the beginning for us and we are looking at expanding our product portfolio by next year. We have been in the footwear business for a long time and it’s time we offer final touches to one’s outfit and what better than launching a nice perfume range to complete the look.

We want to establish a brand that is for the confident yet rooted young millennial. Our thought behind this new launch was not just restricted to increasing the turnover but also steering shoppers from smaller cities by giving them access to a classy range of fragrances at affordable prices and expanding our footprint further.”

MR. ADESH GUPTA
Chief Executive Officer



CRAFTED IN FRANCE

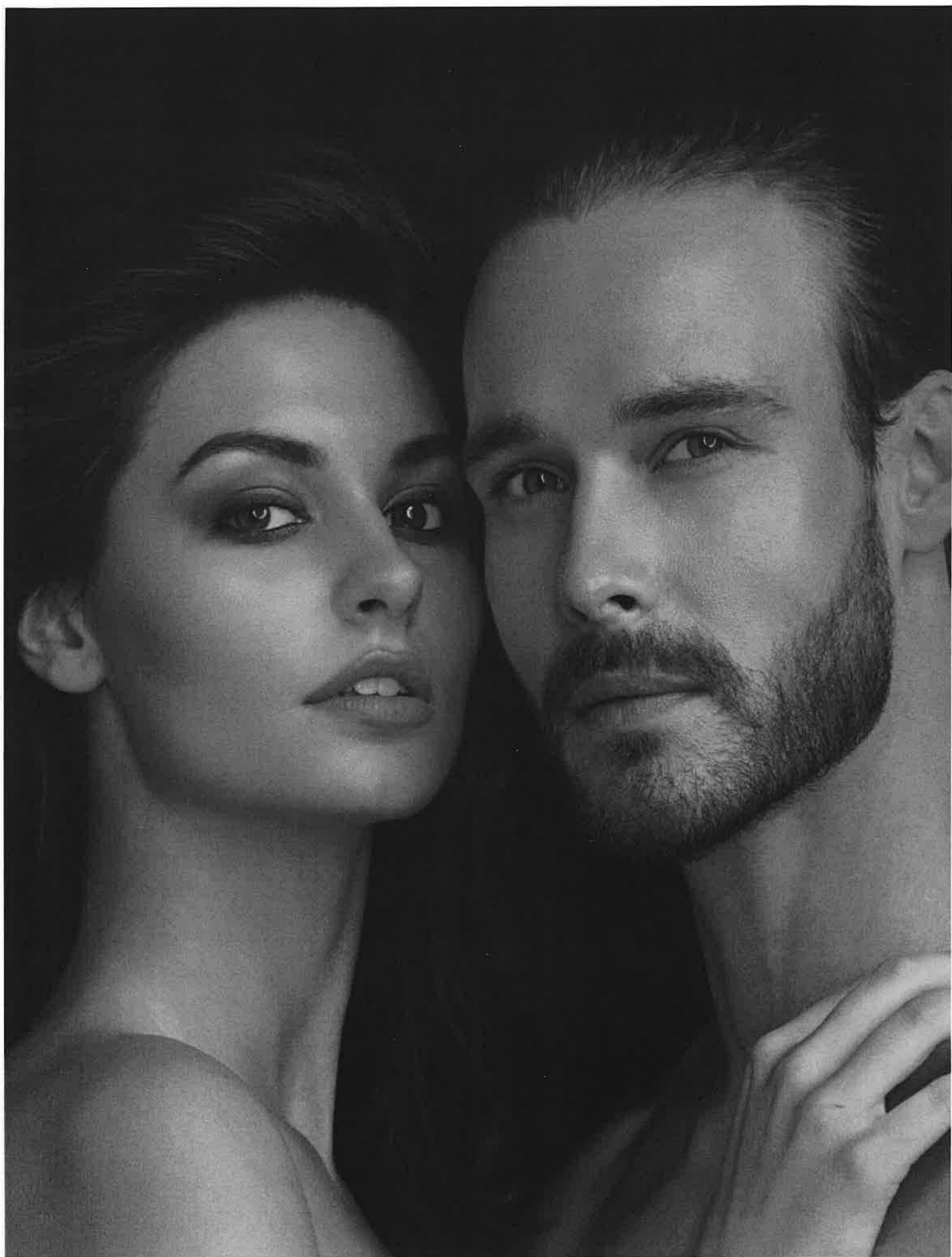


Liberty has ensured premium standards in terms of design and quality - from opulent florals to the royal Oud, this classy collection is designed to reflect the inner you and your many moods and this reflects in its large range 12 perfumes and an aftershave.

The new Eau De Parfum consists of names like Flirt, Eden, Bloom, Bliss, Dream, Dusk for women and OUDGold, Legend, Passion, Marine, Rebel, Impulse for men along with an aftershave named Marine.

These perfumes are sure to leave a lingering scent wherever you go, be it at work, play or an evening out, and will make you stand out in a crowd, anywhere in the world.







Scent
of
Freedom

This is a freedom that has been hard-won and self-made. A freedom that comes from a core of confidence of being able to bridge the old and the new. It's a freedom that values tradition and embraces modernity enthusiastically.

The liberty to explore and experiment. A freedom of not being saddled with one life, but creating a new you every day - banker or artist, architect or photographer, lawyer or writer. It is the liberty to undo the shackles of the past. To be International yet Indian.

THE ESSENCE OF THIS LIBERTY IS GLOBAL INDIAN VALUES.

It lets you be confident, comfortable anywhere in the world,
yet proudly Indian.

LAUNCH AT NEW DELHI & MUMBAI



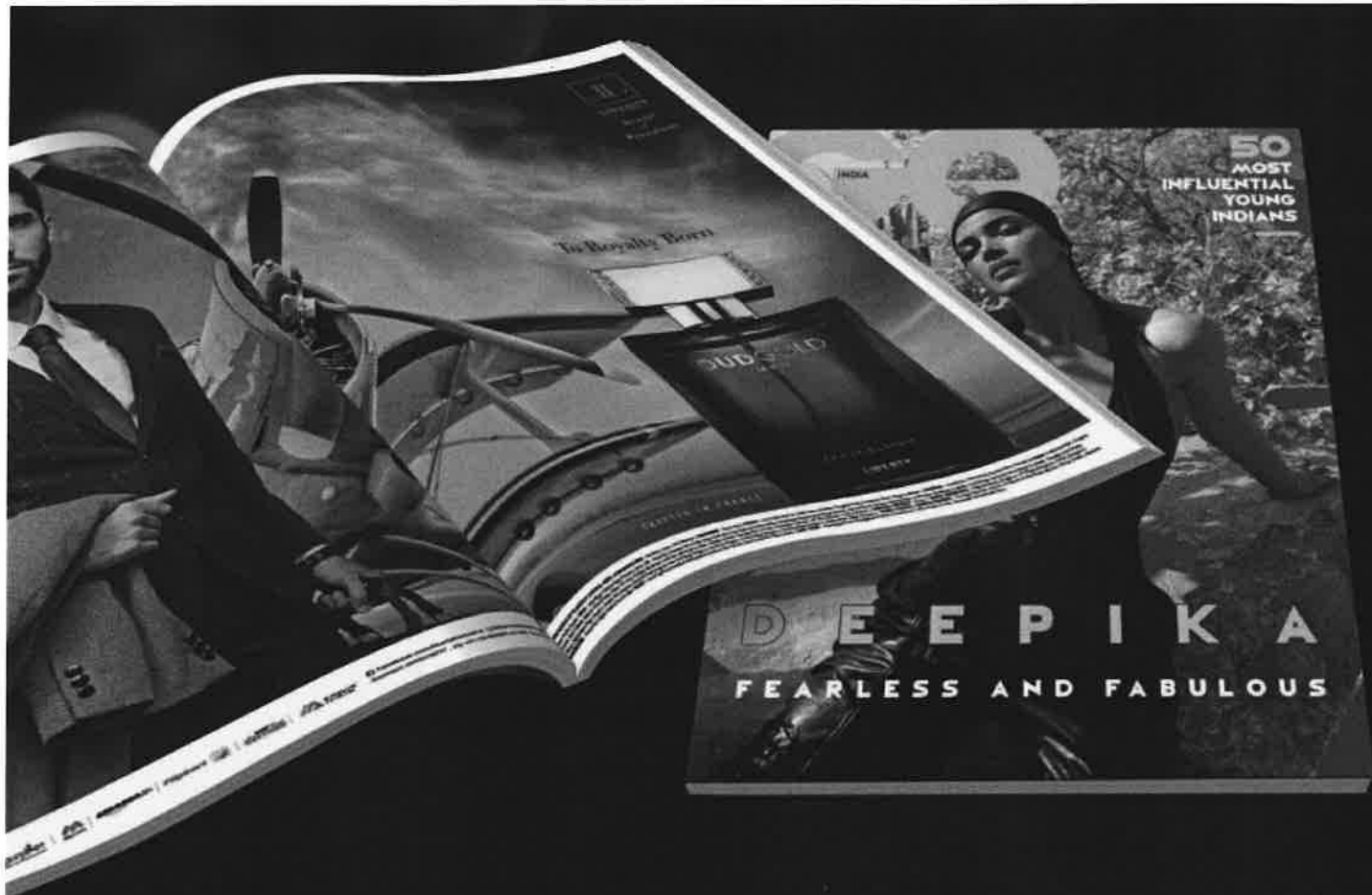
The Scent of Freedom, the 12 Premium Liberty perfumes were launched at an elegant black-tie event at the Oberoi Hotel, New Delhi and Hotel St. Regis, Mumbai, respectively. The event was attended by celebrities and the media alike. Mr. Ian Crompton, Ms. Caroline Chaume and Mr. Florin Müller of the eminent perfume house Firmenich and Mr. Manoj Arora of Satchrome graced the occasion with the presence.

The champagne and cheese party had exclusive olfactory stands to help sample the perfumes, the strains of an elegant violin infusing the atmosphere with pure melody, and a media wall which enhanced the beauty of the perfumes.



BEAUTY & LIFESTYLE MAGAZINES





ACTIVATION



DJ SNAKE INDIA TOUR 2019

PLUS SPECIAL GUEST

MERCER



24 MARCH
GMR ARENA, AEROCITY
NEW DELHI

Associating Partner

ULTRA

PRESENTS



LIBERTY
LIFESTYLE



SOCIAL MEDIA





PR COVERAGE

FESTIVE VIBES
 India's Designer's latest collection is a full-on celebration of the festive season. Inspired by the spirit of the festival, the collection features a mix of traditional Indian motifs and modern silhouettes. The collection includes a variety of dresses, blouses, and accessories, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

TAKE A WHIFF
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

ETHNIC ELEGANCE
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

A Touch of Bling
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

Trending
 Fashion's hottest up of the latest trends, styles, and must-haves.

WILD WILD WEST
 The collection features a mix of traditional Indian motifs and modern silhouettes. The collection includes a variety of dresses, blouses, and accessories, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

LAUNCHES WE LOVE
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

SPARKLE AND SHINE
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

FREEZE THE FAT
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

Scintillating Scents
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

STYLE

Essence of Liberty
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

Liberty's latest perfume collection
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

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Essence of Liberty
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

LIBERTY PERFUMES

The popular retail group, Liberty Lifestyle, has now launched its fragrance line with 12 new scents. With this, the brand plans to tap the millennial market as these products fit their budget. The range is called the Scent of Freedom which encapsulates the idea of breaking free from the shackles of the stereotypical thought. Crafted in France, the French perfumers have created these keeping India's weather condition in mind, with a global look for the packaging. So get ready to indulge in some sensorial delights this season.

OUTGOLD
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

Flirt
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

MARINE
 Liberty's latest perfume collection is a celebration of the festive season. The collection features a variety of fragrances, all featuring intricate patterns and vibrant colors. The collection is available in sizes 36 to 44. Price: \$120. Available at: [www.libertylifestyle.com](#)

GLOBAL BEAUTY SECRETS LAUNCHES E-SHOP

Global Beauty Secrets (GBS) is a premium lifestyle brand for modern day women. Its beauty products are designed to be used in the morning and evening. The brand has a wide range of products including face care, hair care, and body care. The brand is known for its natural ingredients and is committed to ethical sourcing.

LIBERTY LIFESTYLE UNVEILS 12 NEW PERFUMES

Liberty Lifestyle has come up with a range of 12 perfumes for men and women. The brand is known for its high-quality fragrances and is committed to ethical sourcing. The new collection includes scents like 'The One' and 'The Other'.

REUNION WITH SHANU GUPTA

Shanu Gupta is a leading actor in the Indian film industry. He is known for his versatile acting and has starred in several hit films. He is currently working on a new project and is excited to be back on the big screen.

ELLE NEWS & UPDATES

TIME OUT

Cool off and restart your daily rituals with these smart faces

AGELESS

Secret for a Long and Healthy Life by Sharath Joshi

TRY LED FACIAL

LED facial is a non-invasive, painless, and effective treatment for various skin conditions. It uses light energy to stimulate collagen production and improve skin texture.

THE NEW YEAR CLEANSE

It's time to start the new year with a clean slate. Try these detoxifying drinks and snacks to kickstart your health journey.

WEAR Liberty Eden

Liberty Eden is a new fragrance collection that includes scents for both men and women. The brand is known for its high-quality fragrances and is committed to ethical sourcing.

लाइफस्टाईल सैगमेंट में प्रवेश किया लिवर्टी ने

नवम्बर न्यूज़ वर्ज़िम्स

लिवर्टी शुब् लिमिटेड ने लाइफस्टाईल रिटेल में कदम रखा और अपने बिजनेस रेंजर 'लिवर्टी लाइफस्टाईल' को पेश किया है। भारत में फ्रैगरेंस की बढ़ती मांग को पूरा करने की खातिर लिवर्टी लाइफस्टाईल ने इस सैगमेंट में अपनी शुरुआत करते हुए परफ्यूम्स की पहली रेंज लांच की है। लिवर्टी शुब् लिमिटेड के सीईओ आदेश कुमार गुप्ता ने कहा कि भारत के समग्र लाइफस्टाईल मार्केट में 5 प्रतिशत हिस्सा फ्रैगरेंस का है, जिस्से हमें वृद्धि के लिए बहुत बड़ा क्षेत्र मिलेगा। हमारा लक्ष्य 2020 तक सबसे पर्सोनेल और सबसे ज्यादा पहचाने जाने वाले ब्रांड के तौर पर स्थापित होना है। उन्होंने कहा कि कंपनी लगभग नए नए फ्रैगरेंस को बाजार में प्रस्तुत करेगी। इस संबंध में लोगों की परदे को भी ध्यान में रखा जाएगा।

मशहूर फुटवियर निर्माता कंपनी लिबर्टी ने लाइफस्टाईल सैगमेंट में रखा कदम



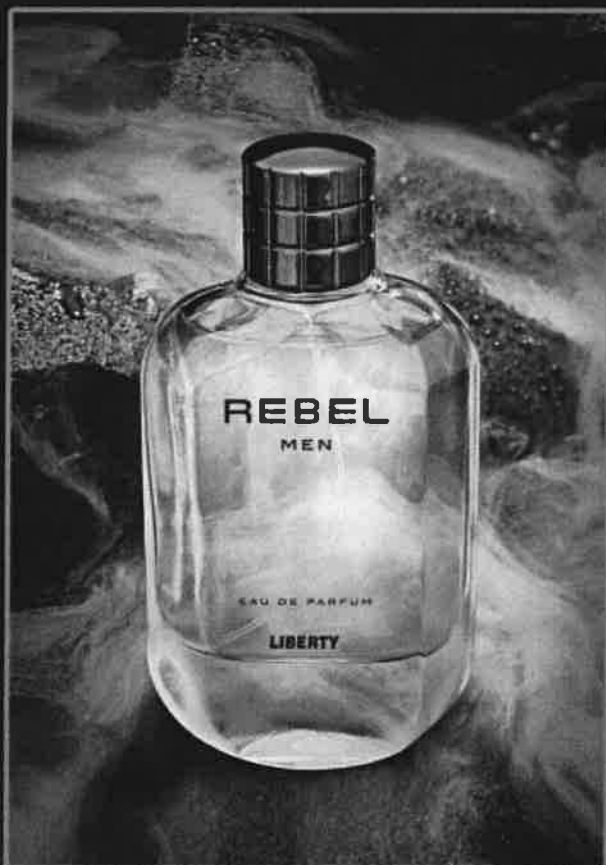
पुरुषों और महिलाओं के लिए एक नई फ्रैगरेंस लाइन की घोषणा की

26 सितंबर 2018: भारत के फुटवियर उद्योग में अग्रणी

मैन्यूफैक्चरर्स में से एक लिवर्टी शुब् लिमिटेड को फै लिवेल व आरामदेह फुटवियर बनाने के लिए जाना जाता है। आज इस कंपनी ने लाइफस्टाईल रिटेल में कदम रखा और अपने बिजनेस रेंजर 'लिवर्टी लाइफस्टाईल' को लांच किया। ब्रांड ने अपने पोर्टफोलियो को विस्तार के लिए कदम आगे बढ़ाया है और खुद को एक संपूर्ण लाइफस्टाईल ब्रांड के तौर पर स्थापित किया है। भारत में फ्रैगरेंस की बढ़ती

मांग को पूरा करने की खातिर लिवर्टी लाइफस्टाईल ने इस सैगमेंट में अपनी शुरुआत करते हुए परफ्यूम्स की पहली रेंज लांच की है। फ्रैगरेंसिस की नई लाइन लांच करते हुए लिवर्टी लाइफस्टाईल न केवल भारतीय उपभोक्ताओं के बीच प्रीमियम परफ्यूम्स की बढ़ती मांग से लाभ उठाएगा बल्कि इसका लक्ष्य अपने ब्रांड को बाजार के अन्य प्रतिस्पर्धियों से अलग एक खास मुकाम बनाना भी है।

THEME SHOTS





THEME SHOTS



To Royalty Born



*Don't resist
the temptation*





Play it your way



The man. The passion.



THEME SHOTS





Get ready
to be seduced



Born to be wild





LL Perfumes available at:

NORTH

CHANDIGARH:

10, Lower Ground Floor, **Elante Mall**, Chandigarh-160002

DELHI:

Shop No: I-3, Central Market, **Lajpat Nagar**, Delhi-110024, A/14, **Lajpat Nagar-II**, New Delhi-110024, C-61 Ground Floor, **Malviya Nagar**, Delhi-110017, FD-36A, Madhuban Chowk, **Pitampura**, Delhi-110034, Ground Floor (Kiosk), Side Atrium, **DLF Promenade Mall**, Vasant Kunj, New Delhi - 110070

HARYANA:

FARIDABAD: Shop No-2A, Ground Floor, **Nehru Ground**, Opp. MCF Auditorium, Haryana-121001, **GHARAUNDA**: G.T. Karnal Road,
GURUGRAM: Shop No. F-101, 1st Floor, NH-8, **Ambience Mall**, Gurugram-122002, Kannu Arcade, 82/4, Ground Floor, **MG Road**, Gurugram-122001
KARNAL: Liberty Puram, 13th Milestone, G.T. Road, P.O. Bastara, **Kutail**, Karnal, Haryana-132114, **PANCHKULA**: #Seco-211, **Sector-14**, Panchkula-134109.

HIMACHAL PRADESH:

SOLAN: G.G., K.K. No-514/157, KH No-2138/133, Mauza Thoda, **Mall Road**, Solan, Himachal Pradesh-173212

JAMMU AND KASHMIR:

JAMMU: Khasra No. 73 Min Narwal Pain, Niabat Satwari, **Tehsil - Jammu**, J&K-180006 Main Road, **Old Janipur**, Village Top Sherkania, Jammu, J&K-180007, Shop No.1 khasra no. 83, **Tirath Nagar**, Talab Tilo, Jammu, J&K-180001, **UDHAMPUR**: Khasra No. 135/65 **National Highway 1**, Udhampur J&K-182101

MADHYA PRADESH:

BHOPAL: Shop No. G-204 & 205, Ground Floor, Surya Towers, Plot No. 193-194, Zone-I, **Maharana Pratap Nagar**, Madhya Pradesh-462011,
GWALIOR: Shop No-36, 6F, **Din Dayal City Mall**, Madhya Pradesh-474002, Shop # 5, **Hotel Shelter Compound**, Padav Gwalior, Madhya

Pradesh-474001. Shop No.1,7,7, Pulak Sagar Appt. **Krishan Puri Mall Road**, Morar, Gwalior, Madhya Pradesh-474002. **INDORE:** No.-6-1, Shree Classic Arch, 79 **Beema Nagar**, Anand Bazar Main Road, Indore, Madhya Pradesh-452018. Plot No-579 UG 1 & 2 Ground Floor **Sunrise Tower**, MG Road, Indore, Madhya Pradesh-452001. **JABALPUR:** Shop No-841, Sumer Tower, **Malviya Chowk**, Opp.Traffic Thana, Jabalpur, Madhya Pradesh-482001

PUNJAB:

AMRITSAR: Unit No 1 & 2, First Floor, **Trium Mall**, Amritsar, Punjab-143001. **HOSHIARPUR:** Shop No-B3-677, **Phagwara Road**, Hoshiarpur, Punjab-146001. **JALANDHAR:** Building No. 571, Shop No. 2, Ground Floor, **Model Town**, Jalandhar, Punjab-144001. **LUDHIANA:** Shop No-16A, **Shastri Nagar**, Opp BCM School Main Road, Punjab-141001

UTTAR PRADESH:

AGRA: Shop No. 9, LIC Complex, **Dholpur House**, Agra, U.P.-202001. **ALLAHABAD:** Shop No-1, 17/23, Tashkand Marg, **Civil Lines**, UP -211001. **BAREILLY:** Shop No. C/110/07, **Rajendra Nagar**, Bareilly-243122. **GHAZIABAD:** Shop No. GSR-11, **Ansal Plaza**, Vaishali, Ghaziabad, U.P.-201010. Shop No-37-A, **Shipra Mall**, Indrapuram, Ghaziabad, U.P.-201001. **GORAKHPUR:** Shop No-426 Medical College, **S.N. Singh Chauraha**, Vill. Basharatpur, Gorakhpur, U.P.-273001. **KANPUR:** Shop No-124/B/171, **Govind Nagar**, Kanpur, U.P.-208006. 120/192/2, **Lajpat Nagar**, Kanpur, U.P.-208025. Shop No-137, **Naveen Market**, Kanpur, U.P.-208001. **LAKHIMPUR:** Shop No-LGF-3, **Maharaj Nagar**, Lakhimpur, Distt-Kheri, U.P.-262701. **LUCKNOW:** 569 KA/1908, Sneh Nagar, **Alambagh**, U.P.-226005. Shop No-1, Plot No. 35-B, **Chandra Lok Colony**, Lucknow, U.P.-226024. Shop No. 3/4, Ground Floor, Patrakarapuram, Vinay Khand, **Gomti Nagar**, Lucknow, U.P.-226010. Shop No-S-95, Upper Ground Floor, **Indra Nagar** Booth Nath Market, Lucknow, U.P.-226016. Shop No. B-340, Ground Floor, Sector-B, **Mahanagar**, Lucknow, U.P.-226006. Shop No-121, **Saharaganj Mall**, Hazratganj, Lucknow, U.P.-226001. Shop No-1/9, Ground Floor, **Vikas Nagar**, Lucknow, U.P.-226022. **NOIDA:** D-11A LGF, **DLF Mall Of India**, Sec-18, Noida, U.P.-201301. Shop # 54, Ground Floor, **Great India Place**, Noida, U.P.-201301. Shop No-166, First Floor, **GIP**, Noida, U.P.-201301. No.8, Ground Floor, **Logix City Center Mall**, Sector 32, Noida, Uttar Pradesh - 201301. **BARELI:** **Balaji Complex** Degree College Chouraha, Kuchery Road Rai Bareli, U.P.-229001. **SITAPUR:** Plot No-2 Mohalla Parade, **Station Road**, Sitapur, U.P.-261001. **VARANASI:** Shop No-B-30/2A-27A, Lanka Rd, Bhelupur, Varanasi, U.P.-221006

EAST

BIHAR:

AURANGABAD: Navjodie Sadan, Kunda House, Daruka Centre **Maharaj Ganj Road**, Aurangabad, Bihar-824101. **MUZAFFARPUR:** Ward No. 23 (Old 19), Holding No. 246/167 (Old 269), Hotel Ranjit Complex, **Motijheel**, Muzaffarpur, Bihar-842001. **PATNA:** Opp. **Taramandal**, Bailey Road, Patna, Bihar-800001. **PURNIA:** Jila School Road Near **Astha Mandir**, Bihar-854301

WEST BENGAL:

SILIGURI: Shop No-10 Upper Ground Floor, **Cosmos Mall**, li Mile Svoke Road, Siliguri, West Bengal-734001

SOUTH

KARNATAKA:

BENGALURU: Shop No. 1, 6th Cross Road, **Amar Jyothi Nagar**, Bengaluru, Karnataka-560040. Shop No-352, Ground Floor, 8th Main **Bashweshwar Nagar**, Bengaluru, Karnataka-560079. Shop No -421, 27th Main Sec -1, **HSR Layout**, Bengaluru, Karnataka-560102.

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MPPIEAM AVENUES

NOTICE

Notice is hereby given that the 33rd (Thirty Third) Annual General Meeting of the Members of **Liberty Shoes Ltd.** ("the Company") will be held on **Friday, 27th September, 2019** at **11.00 A.M** at the Registered Office of the Company situated at **Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal -132114, Haryana** to transact the following businesses:-

ORDINARY BUSINESS:

Item no. 1-Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended March 31, 2019 together with the Reports of the Board of Directors and the Auditors thereon.

Item no. 2-Appointment of Directors

- (a) To appoint a Director in place of Sh. Adesh Kumar Gupta (DIN-00143192), who retires by rotation and being eligible, offers himself for re-appointment.
- (b) To appoint a Director in place of Sh. Sunil Bansal (DIN-00142121), who retires by rotation and being eligible, offers himself for re appointment.

SPECIAL BUSINESS:

Item no. 3- Re-appointment of Sh. Sunil Bansal (DIN: 00142121) as Executive Director of the Company

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 2(18), 2(94), 196, 197 and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the re-appointment of Sh. Sunil Bansal (DIN: 00142121), as the "Executive Director" of the Company, for a period from 1st January, 2019 to 31st March, 2021 on such remuneration and on such terms and conditions as enumerated in the draft Service Agreement which is to be entered into between the Company and Sh. Sunil Bansal (DIN: 00142121), salient features of which are specified in

the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to this Notice, with option to the Board of Directors to vary the terms including increase in remuneration within the limits prescribed under the Act or any re-enactment thereof, and as may be mutually agreed between Sh. Sunil Bansal and the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof and CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary in respect of aforesaid matter."

Item no. 4- Re-appointment of Sh. Raghubar Dayal (DIN: 00481803) as Independent Director of the Company

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sh. Raghubar Dayal (DIN: 00481803), who was appointed as an Independent Director and who holds office as an Independent Director up to 28th September, 2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 29th September, 2019, not liable to retire by rotation and to hold office for a second term of 2 (two) consecutive years i.e. up to 28th September, 2021.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of the members of the Company be and is hereby accorded for continuation of directorship of Sh. Raghubar Dayal (DIN 00481803), Independent Director of the Company w.e.f. 1st April, 2019 till the expiry of his term being considered as above in this Annual General Meeting i.e. up to 28th September, 2021 even if he has attained the age of 75 years.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof and CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary in respect of aforesaid matter."

Item no. 5- Re-appointment of Sh. Ramesh Chandra Palhan (DIN: 05241019) as Independent Director of the Company

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sh. Ramesh Chandra Palhan (DIN: 05241019), who was appointed as an Independent Director and who holds office as an Independent Director up to 28th September, 2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 29th September, 2019, not liable to retire by rotation and to hold office for a second term of 2 (two) consecutive years i.e. up to 28th September, 2021.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of the members of the Company be and is hereby accorded for continuation of directorship of Sh. Ramesh Chandra Palhan (DIN 05241019), Independent Director of the Company w.e.f. 19th April, 2019 till the expiry of his term being considered as above in this Annual General Meeting i.e. up to 28th September, 2021 even if he has attained the age of 75 years."

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof and CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary in respect of aforesaid matter."

Item no. 6- Appointment of Sh. Aditya Khemka (DIN: 00514552) as Independent Director of the Company

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 16 (1) (b), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Sh. Aditya Khemka (DIN: 00514552), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing with effect from 27th September, 2019 to 26th September, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof and CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary in respect of aforesaid matter."

Item no. 7- Appointment of Sh. Shailendra Kumar Gupta (DIN: 00934581) as Independent Director of the Company

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s)

or re-enactment thereof, for the time being in force), Sh. Shailendra Kumar Gupta (DIN: 00934581), 76 years of age, who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing with effect from 27th September, 2019 to 26th September, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof and CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary in respect of aforesaid matter."

Item no. 8- Change in name of the Company

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 4, 5, 13 and 14 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and any other applicable law(s), rule(s), regulation(s), guideline(s), the provisions of the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and subject to the approval of the Central Government and / or any other authority as may be necessary, consent of the members be and is hereby accorded for change of name of the Company from "Liberty Shoes Limited" to "Liberty Limited".

FURTHER RESOLVED THAT the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

1. The Name of the Company is "Liberty Limited"

RESOLVED FURTHER THAT upon issuance of the fresh certificate of incorporation by the Registrar of Companies consequent upon change of name, the old name "Liberty Shoes Limited" as appearing in Name Clause of the

Memorandum of Association of the Company and wherever appearing in the Articles of Association of the Company and other documents and places be substituted with the new name "Liberty Limited".

RESOLVED FURTHER THAT Sh. Adesh Kumar Gupta, CEO & Executive Director, Sh. Shammi Bansal, Executive Director and Sh. Munish Kakra, CFO & Company Secretary of the Company be and are hereby severally authorised to sign, execute and file necessary application, forms, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalise all issues that may arise in this regard and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution and to delegate all or any of the powers conferred herein as they may deem fit."

By order of the Board
For Liberty Shoes Ltd.

Munish Kakra
CFO & Company Secretary
M. No. ACS 6262

Place: New Delhi
Dated: Wednesday, 24th July, 2019

Registered Office

Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail,
PO. Bastara, Distt. Karnal - 132114, Haryana
Tel.: (91) - 1748-251101 ~ 03 Fax: (91) - 1748-251100
E-mail: lpm@libertyshoes.com
Website : www.libertyshoes.com
CIN: L19201HR1986PLC033185

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AFORESAID ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS/HER BEHALF, ONLY ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED AND SIGNED, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING. A PROXY FORM IS ANNEXED TO THIS REPORT.**

Pursuant to Section 113 of the Companies Act, 2013 and Rules framed thereunder, Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution and/or Power of Attorney, if any, authorizing their representative(s) to attend and vote at the Annual General Meeting.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules made there under, in respect of the Special Business under Item Nos. 3 to 8 of the accompanying Notice are annexed hereto.
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share capital of the Company. Members holding more than ten percent of total Share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other person or Member.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days notice in writing is given to the Company.
6. Pursuant to Section 91 of the Companies Act, 2013 read with Rules framed there under and Regulation 42 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books shall remain closed from Saturday, 21st September, 2019 to Friday, 27th September, 2019 (both days inclusive).
7. Members are requested to produce the Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participants for admission to the Meeting hall.
8. As required under SS-2 issued by ICSI, a route map, including a prominent landmark, showing directions to reach the AGM is annexed at the end of this Annual Report and forms part of this Notice.
9. Members, who hold shares in dematerialized form, are requested to bring their Depository Participant (D.P). I.D. and Client I.D. No(s). for easier identification to record attendance at the Meeting.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or Bank mandates immediately to the Company's Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd, Noble Heights, 1st Floor, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058.
11. Members holding shares in physical mode are requested to immediately notify any change in their address along with self attested copy of address proof i.e. Adhaar Card/ Electricity Bill/ Telephone Bill/ Driving License/Passport/Bank Passbook particulars to the Company or its RTA and in case their shares are held in dematerialized mode, this information should be notified/submitted directly to their respective DPs.
12. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, if any. The Company or its Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd. cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to their Depository Participants by the Members.
13. The Investors/Shareholders are to be cautious while submitting the physical documents viz. Demat Request Forms (DRF) and share certificates, etc. with their Depository Participant(s) and should ensure that they (DPs) do not delay in sending the DRF and Share Certificate(s) to the Registrar and Share Transfer Agents (RTA) after generating the Demat Request Number (DRN). Kindly note that if DRF and share certificates, etc. are not received from their Depository Participant(s) by the RTA within a period of 15 days from the date of generation of the DRN for dematerialization, the DRN will be treated as rejected/cancelled. This step is being taken on the advice of Depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited so that no demat request remains pending beyond

a period of 21 days. Upon rejection/cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with share certificate(s) by the Depository Participant(s) to the RTA.

14. Pursuant to Regulation 12 of the Listing Regulations read with Schedule I to the said Regulations, it is mandatory for all the Companies to use bank details furnished by the investors for distributing dividends, interest, redemption or repayment of amounts to them through National/Regional/Local Electronic Clearing Services (ECS) or Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), National Automated Clearing House (NACH) wherever ECS/RTGS/NEFT/NACH and bank details are available. In case of non availability of electronic facility, Companies are required to mandatorily print bank details of the investors on payable at par warrants or cheques for distribution of dividends or other cash benefits to the investors. In addition to that, if bank details of investors are not available, Companies shall mandatorily print the address of the investor on such payment instruments. Therefore, Members holding shares in physical mode are requested to update their bank details with the Company or RTA immediately. Members holding shares in demat mode are requested to update the ECS mandate with their DPs concerned.
15. Unpaid / Unclaimed Dividend:
 - i. Pursuant to Section 205 and Section 205A of the Companies Act, 1956 read with the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 and amended provisions of Section 205A read with Section 205C of the Companies Act, 1956, all unclaimed/unpaid amount of dividends have been transferred to the General Revenue Account/Investor Education and Protection Fund (IEPF) established by the Central Government, as the case may be. It may be noted that once the unpaid/unclaimed amount of Dividend is transferred to the IEPF, the same cannot be claimed by the members there from in terms of the provisions of Section 205B of the Companies Act, 1956.
 - ii. The members, who have not yet claimed their dividends warrants for the financial year ended 31st March, 2014 and 31st March, 2015, are requested to claim the amount of Dividend from the Company immediately by submitting a request letter with the Company or Registrar and Share Transfer Agent M/s Link Intime India Pvt. Ltd. at the above mentioned addresses before the due date of transfer of respective amount of unpaid/unclaimed dividend to IEPF. Unclaimed/Unpaid amount of dividend for the financial year ended 31st March, 2014

and 31st March, 2015 will be transferred to the IEPF on 3rd November, 2021 & 3rd November, 2022 respectively.

16. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copy of their Income Tax Permanent Account Number (PAN). Additionally, for securities market transactions and/or for off market/private transactions involving transfer of shares in physical mode of listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copy of PAN Card to the Company/RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s)/Nominee(s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HQ/MIRSD/DOS3/CIR/P/2018/139 dated November 6, 2018.
17. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 had mandated registration of Permanent Account Number (PAN) and Bank account details for all Members holding shares in physical form. In this regard, M/s Link Intime India Pvt. Ltd. the Registrar and Share Transfer Agent (RTA) of the Company had issued three letters (initial letter and two reminder letters) to the Shareholders requesting the Members to submit their PAN and Bank account details to the Company or to the above RTA of the Company. The Shareholders were also informed that pursuant to SEBI Notification dated June 8, 2018, except in case of transmission or transposition of securities, request for transfer of securities shall not be processed unless the securities are held in dematerialized mode with a depository w.e.f. December 5, 2018. The said date was further extended vide SEBI Circular issued subsequently till April 1, 2019.
18. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH 13. The said form can be downloaded from the Company's website www.libertyshoes.com under section "Investor Relations". Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company by submitting duly completed Form No SH. 13 with the Company's RTA in case of shares in physical form and with their respective depository in case of shares in electronic form. In case of any cancellation or variation in Nomination in respect of their Shareholding in the Company, Members may download

Form SH-14 from the website of the Company www.libertyshoes.com and submit duly completed Form SH. 14 with the Company's RTA in case of shares in physical form and their respective depository in case of shares in electronic form.

19. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd., immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
20. A brief profile along with necessary information of the Directors seeking their appointment/re-appointment in the forthcoming Annual General Meeting in pursuance of Regulation 26(4) & 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI), is annexed to the Notice of this Annual General Meeting as Annexure A to the notice.
21. Members are requested to:-
 - a. Bring their copy of the Annual Report and Attendance Slip at the venue of the Meeting.
 - b. Quote their Folio/DP ID & Client ID No. in all correspondence with Company/Registrar & Share Transfer Agent.
 - c. Note that no gift shall be distributed at the Annual General Meeting.
 - d. Note that Members present in person or through registered proxy/authorized representative(s) shall only be entertained.
 - e. Update their e-mail ID's with their Depository, in case shares are held in Dematerialized form and with RTA in case shares are held in physical form, if not provided earlier.
22. As per Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company/RTA or with their respective Depository participants. Members, who have not registered their e-mail address with the Company/RTA, can now register the same by submitting a duly filled in E communication Registration

form annexed to this Annual Report which is also available on the website of the Company www.libertyshoes.com, to Company/RTA of the Company. Members holding shares in demat form are requested to register their e-mail address with their respective Depository Participants only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

23. The Notice of Annual General Meeting, Annual Report and Attendance slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copies of the above documents are being sent to those Members who have not registered their e mail IDs with the Company or Depository Participant(s). Members, who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode, are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter at the venue of the AGM to attend the meeting.
24. Members, desiring any information relating to the accounts, are requested to write to the Company at an early date so as to enable the management to keep the information ready.
25. All the documents referred to in the Notice and Explanatory Statement including Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days between 10.00 A.M. and 6.00 P.M. up to the date of the aforesaid Annual General Meeting or any adjournment thereof, except on Sundays and other holidays.
26. The Ministry of Corporate Affairs (MCA), Government of India has introduced a 'Green initiative in Corporate Governance' by allowing paperless compliances by the Companies for service of documents to their Members through electronic mode which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder. In case you have not registered your correct e-mail ID, please communicate the same to our Registrar and Share Transfer Agents (RTA) - M/s. Link Intime India Pvt. Ltd. at their above address in respect of the shares held by you in physical mode or communicate to your Depository Participant(s) concerned in respect of shares held by you in demat/ electronic mode. Although you are entitled to receive physical copy of the Notices, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail which will

help us in participating in the Green Initiatives of the MCA and protect our environment. In view of the above, the Company has already dispatched earlier written communications to its Members requesting them to register their designated email ID with the Company/RTA. However, Members, who are desirous of obtaining physical copy of the Notices, Annual Reports and other documents, may forward their written request to the Company/RTA for the same.

27. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer to the Members, who are holding shares as on cutoff date Friday, 20th September, 2019, remote e-voting facility to cast their votes electronically and through Ballot Paper at the Annual General Meeting on all resolutions set forth in this Notice. The remote e voting facility is in addition to the voting through Ballot Paper that may take place at the Annual General Meeting venue on Friday 27th September, 2019. The Ballot Paper shall be made available at the Annual General Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Ballot Paper'.
28. A member may participate and attend the Annual General Meeting even after exercising his right to vote through Remote E-voting but shall not be entitled to vote again at the Annual General Meeting. A member, who has voted by Remote E-voting, cannot vote at the AGM. The process and general instructions for remote e-voting are given as follows:

A. In case of members receiving e-mail (for those members whose e-mail addresses are registered with the Company):

- i. The shareholders should log on to the e voting website www.evotingindia.com.
- ii. Click on Shareholders / Members
- iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depositor Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN (190830028) of **LIBERTY SHOES LIMITED** on which you choose to vote.
- xi. On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xii. Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.
- xiv. Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on **"Click here to print"** option on the Voting page.
- xvi. If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on **Forgot Password &** enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked

Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write and email to helpdesk.evoting@cdslindia.com.

Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. as on close of business hours of Friday, 20th September, 2019 may follow the same instructions as mentioned above for e-Voting.

(B) In case of members receiving the physical copy of Notice of Annual General Meeting (for members whose e-mail IDs are not registered with the Company/depository participant(s) or requesting physical copy):

Please follow all steps from Sl. no. (I) to Sl. no. (XVIII) above to cast vote

General Instructions:

- I. The remote e-voting period commences on Monday, 23rd September, 2019 at 09.00 a.m. and ends on Thursday, 26th September, 2019 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on close of business hours of Friday, 20th September, 2019, may cast their vote electronically. The Remote E-voting shall not be allowed beyond the above date and time. The Remote E-voting facility shall be blocked forthwith by CDSL at the end of Remote E voting period i.e. at the ends on Thursday, 26th September, 2019 at 5.00 p.m. A member may participate in the AGM even after exercising his right to vote through Remote E voting but shall not be entitled to vote again. A member as on the cut-off date i.e. Friday, 20th September, 2019 shall only be entitled for availing, the Remote E-voting facility or vote, as the case may be, in the AGM. The Member, who is not a member as on the Cut-off date i.e. Friday, 20th September, 2019 should treat this Notice to the AGM for their information purposes only. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- II. In case of any queries or issues or grievance regarding Remote E-Voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available under the help section of www.evotingindia.com or call on toll free no.: 1800 200-5533 or contact Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Ltd., A-Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East),

Mumbai-400013 at the designated email IDs helpdesk.evoting@cdslindia.com or CFO & Company Secretary at investorcare@libertyshoes.com, Tel. No: 0124-4616200

- III. The Notice to the AGM shall be available on the website of the Company www.libertyshoes.com
- IV. The voting rights of shareholders shall be in proportion to their shares of paid-up equity share capital of the Company as on close of business hours of Friday, 20th September, 2019.
- V. Member can also download the notice of the meeting from the website of the Company available at www.libertyshoes.com for exercising their e-Voting rights.
- VI. Members, other than members who have already cast their votes through remote e-voting, desiring to exercise vote by Physical Ballot form at the 33rd Annual General Meeting through Poll are requested to carefully read the instructions printed on the reverse of the Ballot form which shall be provided to the members at the AGM.
- VII. The Board of Directors of the Company has appointed CA Sukesh Gupta, partner of M/s Pardeep Tayal & Co., Chartered Accountants, Panipat as Scrutinizer for conducting the remote e-voting and voting through ballot form at the 33rd Annual General Meeting in a fair and transparent manner.
- VIII. At the end of the remote e-voting period, Scrutinizer will download the entire voting data using its Scrutinizer login.
- IX. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper, which will be available at the AGM for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. The Members may fill up the Ballot Papers which will be provided to them at the AGM by carefully reading the instructions printed on the reverse of the same and the duly signed and filled up Ballot Paper will be deposited in the Ballot Box(es) which will be available at the AGM.
- X. The Scrutinizer shall, immediately after the conclusion of voting at the 33rd Annual General Meeting, first count the votes cast at the 33rd Annual General Meeting, thereafter unblock the votes cast through remote e-voting and through ballot form in the presence of at least two witnesses not in the employment of the Company and make, not later

than 48 hours of the conclusion of the meeting, a consolidated scrutinizers' report of the total votes cast in favour or against, if any to the Chairman or a person authorized by him in writing who shall countersign the same and declare the consolidated results of the voting forthwith after receiving of consolidated scrutinizer's report from the scrutinizer.

- XI. The consolidated Results of the above voting along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.libertyshoes.com immediately after the result declared by the Chairman or any other person authorized by the Chairman at the end of 33rd Annual General Meeting of the Company to be held on Friday, 27th September, 2019 and the same shall also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- XII. The resolution shall be deemed to be passed on the date of 33rd Annual General Meeting, subject to the receipt of sufficient votes through a compilation of voting results (i.e. remote e-voting and voting held at the Annual General Meeting through Poll).

Annexure to the Notice

(Explanatory Statement in respect of the Special Business to be transacted at the AGM and set out under Item No. 3 to 8 of the accompanying Notice of AGM pursuant to Section 102 (1) of the Companies Act, 2013, as amended)

Item No. 3:

Sh. Sunil Bansal, aged 59 years, has been acting as Director of the Company since 1990. He has been looking after the product development operations and ensuring the manufacturing of higher qualitative products by heading the quality department of the Company. He has over three decades of rich experience in footwear industry. He is also guiding the leather shoes production team with his appreciable expertise. He was elevated to the position of Executive Director at 23rd Annual General Meeting of the Company for a period of 5 years w.e.f. 1st January, 2009. The said tenure of his appointment expired on 31st December, 2013 as per the terms of his appointment. He was then re-appointed as Executive Director of the Company for a further period of five years w.e.f. 1st January, 2014 to 31st December, 2018.

Further, as per the terms of last re-appointment the tenure of Sh. Sunil Bansal as Executive Director has expired on 31st December, 2018 and in view of his valuable contribution, expertise and based upon outcome of performance evaluation process and recommendation of Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 14th February, 2019 have proposed the re-appointment of Sh. Sunil Bansal as

Executive Director for a further period from 1st January, 2019 to 31st March, 2021, subject to the approval of the Members of the Company in the Annual General Meeting.

A brief profile detailing the expertise, qualification, experience etc. of Sh. Sunil Bansal in compliance with Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 has been provided in Annexure A to the Notice of this Annual General Meeting.

The respective abstract of the terms and conditions of the re-appointment of Sh. Sunil Bansal as Executive Director along with Memorandum of their interest or concern is set out as below:

Abstract of the terms and conditions of the re-appointment of Sh. Sunil Bansal, Executive Director:

- (i) Period: For a period from 1st January, 2019 to 31st March, 2021.
- (ii) Nature of Duties: Sh. Sunil Bansal shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best of the Company.
- (iii) Remuneration:
 - a) Salary: ₹4,00,000/- per month subject to the Board reviewing any increase or variation in such salary.
 - b) Perquisites: As per the rules of the Company as applicable for the Directors for the time being in force.

The total remuneration payable to Sh. Sunil Bansal as Executive Director i.e. salary, perquisites, and any other allowances shall not exceed the ceiling as provided in Section II of the Part-II of Schedule V of the Companies Act, 2013 including any amendment thereof from time to time. No commission of whatsoever nature shall be paid to the Executive Director apart from the aforesaid remuneration.
- (iv) Other terms of re-appointment:
 - a) The terms and conditions of the re-appointment of Sh. Sunil Bansal as Executive Director may be varied or altered from time to time by the Board of Directors or Committee thereof in its discretion, if deemed fit but subject to the provisions of the Companies Act, 2013 or any regulations/ rules made there under.

- b) The Office of Sh. Sunil Bansal as Executive Director shall be liable to retire by rotation.
- c) No sitting fee shall be paid to Sh. Sunil Bansal for attending the Board or Committee Meeting(s)
- d) Sh. Sunil Bansal shall abide by the Company's Code of Conduct or any other Code of Conduct as laid down in terms of Corporate Governance and Insider Trading Regulations, 2015 as amended from time to time.

None of the Directors, Key managerial Personnel of the Company or their relatives, except Sh. Sunil Bansal and his brother Sh. Shammi Bansal ay be deemed to be concerned or interested in the proposed resolution no. 3.

Draft of the said Service Agreement, initiated by the Chairman and to be executed between Sh. Sunil Bansal and the Company and other relevant documents are available for inspection at the Company's registered office on any working day between 10:00 A.M. to 6:00 P.M. up to the date of forthcoming AGM.

Item No.4 & 5:

Sh. Raghubar Dayal (Non-Executive Independent Director)

Sh. Raghubar Dayal, a very senior & eminent personality on the Board of the Company, is having 34 years of administrative & managerial experience by working with various Government departments and has been associated with German Export Promotion Project, UNCTD and many other venture of Government of India. Sh. Raghubar Dayal does not belong to the Promoters group of the Company and does not hold any Equity Share in the Company.

Sh. Ramesh Chandra Palhan (Non-Executive Independent Director)

Sh. Ramesh Chandra Palhan is a Bachelor in Mechanical Engineering and Fellow Member of Institute of Standards Engineers. He is former Additional Director in Charge of Export Inspection Agency, Ministry of Commerce, Government of India and having vast experience and core competency of different industries. Sh. Ramesh Chandra Palhan does not belong to the Promoters group of the Company and is holding 200 Equity Shares in the Company jointly with his wife.

Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan have been associated with the Company as Non Executive Directors before enforcement of the provisions of Companies Act, 2013 and they were appointed as Independent Directors for a period of 5 years from 29th September, 2014 to 28th September, 2019 for their first term, not liable to retire by rotation, by members of the Company

in their meeting held on 29th September, 2014 pursuant to the provisions of Companies Act, 2013 and Rules made thereunder. The Nomination and Remuneration Committee of the Board, considering their long association with the Company, Independent relationship with the Company and its directors, KMPs and promoters, their expertise, qualification, experience and contribution they have made to the Company, has recommended the re-appointment of above Directors as Independent Directors of the Company for a second term of 2 consecutive years w.e.f. 29th September, 2019 to 28th September, 2021. The Board of Directors of the Company, on the basis of outcome of performance evaluation process and the recommendation of Nomination and Remuneration Committee of the Board, considers that, given their background, expertise, experience and contributions made during their tenure, the continued association of above Directors would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly it is proposed to re-appoint them as Independent Directors of the Company, not liable to retire by rotation, for a second term of 2 consecutive years on the Board of the Company.

In terms of provisions of Regulation 17 (1A) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 as amended from time to time, Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan have attained the age of 75 years before the date of this report.

Sh. Raghubar Dayal is an active member of the Board and the Board Committees of which he is a Chairman/Member. He brings independent judgement on the Board of the Company and his continued association will be valuable and positive. He is having over 34 years of administrative & managerial experience by working with the various Government departments. With his expertise, skills and knowledge, particularly in the field of administration, management and finance, he articulates and provides his valuable guidance and inputs in all matters pertaining to the administration, management, and financial statement of the Company.

Sh. Ramesh Chandra Palhan is an active member of the Board and the Board Committees of which he is a Chairman/Member. He was former additional Director In-charge of Export Inspection Agency. He has extensive knowledge in the field of product development and manufacturing of higher qualitative products etc. He has been advising and providing valuable suggestions to the management as regard to the market trend, customer's perception and choices, competition mapping, manufacturing and development of the higher qualitative products. With his in-depth knowledge, he ensures the contribution of his pluralistic viewpoints to debate on various items discussed in the meetings of the Board and its Committees. He brings independent

judgement on the Board of the Company and his continued association will be valuable and positive.

The Board of Directors of the Company, based on the outcome of performance evaluation process and considering the qualification, experience and long association with the Company in their respective meetings held on 14th February, 2019 have proposed the continuation of directorship of Sh. Raghubar Dayal w.e.f. 1st April, 2019 and Sh. Ramesh Chandra Palhan w.e.f. 19th April, 2019 with the approval of the shareholders in the forthcoming Annual General Meeting. The respective Special Resolution(s) are being placed before the members in the ensuing Annual General meeting for the approval of the members in compliance with the provisions of above Listing Regulations.

The above Independent Directors are not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and have given their respective consent to act as Director of the Company. The Company has also received declaration(s) from above Directors that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time. In the opinion of the Board, the above Directors, proposed to be re-appointed, fulfil the conditions specified in the Act and the rules made there under and Listing Regulations and the proposed Directors are Independent of the Management.

The Company has received an intimation from Sh. Raghubar Dayal, Sh. Ramesh Chandra Palhan in form DIR-8 to the effect that they are not disqualified and further confirmed that they are also not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or such other Statutory Authority to be re-appointed/continue as as Director in any Company. As required under Regulation 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the above Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Copies of the draft letter of re-appointment setting out the terms and conditions etc. of re-appointment of above Directors, copy of the consent letters in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that the above Directors are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and declaration that the above Directors meet the criteria of independence as provided

in Section 149 (6) of the Companies Act, 2013, Schedule IV Part IV of the code for Independent Director and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the Annual General Meeting. The above Directors will be paid remuneration by way of sitting fee for attending the Board Meetings of the Company or for any other purpose what so ever as may be decided by the Board from time to time and within the limits as specified under the provisions of Companies Act, 2013 and Listing Regulations.

The Company has received a Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan as Director of the Company.

Brief profile of above Directors, nature of their expertise in specific functional areas and names of Companies in which they hold directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, are provided in the Annexure A to this Notice and also in Corporate Governance Report forming part of the Annual Report.

This Statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and Listing Regulations.

None of the Directors, Key managerial Personnel of the Company or their relatives, except above Individual Director may be deemed to be concerned or interested in the respective proposed resolution no. 4 to 5.

Item No.6:

Sh. Aditya Khemka aged about 44 years is a renowned business personality. He is having more than two decades of experience in diverse business and has been associated with Aditya Group. He played an instrumental role in building video surveillance security market in India and enjoys the credit of bridging change in decision making of different sectors towards security related issues.

Considering the requirement of Regulation 17 of SEBI LODR Regulations as regard to have optimum combination of Executive and Non-executive directors and minimum number of Independent Director on the Board, the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meeting(s) held on 24th July, 2019 have proposed the appointment of Sh. Khemka as Independent Director of the Company for the 5 consecutive years w.e.f. 27th September, 2019 to 26th September, 2024.

While proposing the name of Sh. Khemka the Nomination and Remuneration Committee of the Board and the Board of Directors in their above meeting(s) have also considered that Sh. Khemka is

having Independent relationship with the Company, its directors, KMPs and promoters and given his expertise, qualification and experience and it is desirable to avail his services as Independent Director.

Sh. Khemka is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director of the Company. The Company has also received declaration from Sh. Khemka that he meets the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time. In the opinion of the Board, Sh. Khemka fulfils the conditions specified in the Act and the rules made there under and Listing Regulations and he is Independent of the Management.

The Company has received intimation from Sh. Aditya Khemka in form DIR-8 to the effect that he is not disqualified and further confirmed that he is also not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or such other Statutory Authority to be appointed as a Director in any Company. As required under Regulation 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Sh. Aditya Khemka has confirmed that he is not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Copy of the draft letter of appointment setting out the terms and conditions etc. of appointment of Sh. Khemka, copy of the consent letter in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that Sh. Khemka is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and declaration that Sh. Khemka meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013, Schedule IV Part IV of the code for Independent Director and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the Annual General Meeting. Sh. Khemka will be paid remuneration by way of sitting fee for attending the Board Meetings of the Company or for any other purpose what so ever as may be decided by the Board from time to time and within the limits as specified under the provisions of Companies Act, 2013 and Listing Regulations.

Brief profile of Sh. Khemka, nature of his expertise in specific functional areas and names of Companies in which he holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under

Companies Act, 2013, Listing Regulations and Secretarial Standards, is provided in the Annexure-A to this Notice and also in Corporate Governance Report forming part of the Annual Report.

The Company has received a Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Sh. Aditya Khemka, as a Director of the Company.

This Statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and Listing Regulations.

None of the Directors, Key managerial Personnel of the Company or their relatives, except Sh. Aditya Khemka may be deemed to be concerned or interested in the proposed resolution no. 6.

The approval of members of the Company is proposed to be sought in view of above facts and circumstances.

Item No.7:

Sh. Shailendra Kumar Gupta aged about 76 years is Electrical engineer and was holding board level positions in various Indian Telecom Companies. Post completion of academics he was absorbed by IIT Roorkee as Lecturer and thereafter he served to Department of Communication Govt. of India by holding various positions at highest level. He was appointed as Advisor Telecom in Tata Group besides holding position as Chairman and Managing Director in VSNL post acquisition of VSNL by Tata Group. He has been embraced with various prestigious awards by Govt. of India for his excellence performances in telecom sectors including National Award, Rashtriya Rattan Award, Udyog Rattan Award and Best Chief Executive (PSU).

Considering the requirement of Regulation 17 of SEBI LODR Regulations as regard to have optimum combination of Executive and Non-executive directors and minimum number of Independent Director on the Board, the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meeting(s) held on 24th July, 2019 have proposed the appointment of Sh. Shailendra Kumar Gupta as Independent Director of the Company for the 5 consecutive years w.e.f. 27th September, 2019 to 26th September, 2024.

While proposing the name of Sh. Gupta the Nomination and Remuneration Committee of the Board and the Board of Directors in their above meeting(s) have also considered that Sh. Gupta is having Independent relationship with the Company, its directors, KMPs and promoters and given his expertise, qualification and experience and it is desirable to avail his services as Independent Director.

In terms of provisions of Regulation 17 (1A) of SEBI Listing Regulations as amended from time to time, Sh. Shailendra Kumar Gupta has attained the age of 75 years before the date of this Annual Report and his appointment as Independent Director is being proposing in the forthcoming Annual General Meeting on the

premise that Sh. Gupta is having wealth of knowledge by working with public sector and private sector undertakings at highest level. With his expertise, skills and knowledge, particularly in the field of administration, management and extensive international exposure, the Company will be benefitted. He brings independent judgement on the Board of the Company and his association with the Company will be valuable and positive.

Sh. Gupta is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director of the Company. The Company has also received declaration from Sh. Gupta that he meets the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time. In the opinion of the Board, Sh. Gupta fulfils the conditions specified in the Act and the rules made there under and Listing Regulations and he is Independent of the Management.

The Company has received intimation from Sh. Gupta in form DIR-8 to the effect that he is not disqualified and further confirmed that he is also not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or such other Statutory Authority to be appointed as a Director in any Company. As required under Regulation 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Sh. Gupta has confirmed that he is not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Copy of the draft letter of appointment setting out the terms and conditions etc. of appointment of Sh. Gupta, copy of the consent letter in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that Sh. Gupta is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and declaration that Sh. Gupta meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013, Schedule IV Part IV of the code for Independent Director and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the Annual General Meeting. Sh. Gupta will be paid remuneration by way of sitting fee for attending the Board Meetings of the Company or for any other purpose what so ever as may be decided by the Board from time to time and within the limits as specified under the provisions of Companies Act, 2013 and Listing Regulations.

Brief profile of Sh. Gupta, nature of his expertise in specific

functional areas and names of Companies in which he holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, is provided in the Annexure-A to the Notice of AGM and also in Corporate Governance Report forming part of this Annual Report.

The Company has received a Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Sh. Shailendra Kumar Gupta, as a Director of the Company.

This Statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and Listing Regulations.

None of the Directors, Key managerial Personnel of the Company or their relatives, except Sh. Shailendra Kumar Gupta may be deemed to be concerned or interested in the proposed resolution no. 7.

Item No.8:

The members are aware that the Company has diversified its business activities from footwear to lifestyle segments by adding up lifestyle products with its main business activity as described in the amended Sub clause 4 of Clause III (A) (Main Objects) of Memorandum of Association of the Company. The Board of Directors in their meeting held on 26th May, 2018 and Members in their 32nd Annual General Meeting held on 24th August, 2018 have accorded their approval(s) for altering the Memorandum of Association of the Company to incorporate the above business activities therein and also the same was approved by Registrar of Companies, NCT of Delhi & Haryana (ROC) on 4th October, 2018.

Further, the Board of Directors in their meeting held on 14th February, 2019 have proposed that with the implementation of above lifestyle segment along with its main footwear business the Company has now diversified its business activities and as such its name should not be confined to reflect "Shoes" only and accordingly the word "Shoes" should be deleted from the existing name of the Company to give more flexibility and augmentation towards diversified business activities. The Registrar of Companies, NCT of Delhi & Haryana has accorded no objection in the availability of the changed name Liberty Limited from the existing name Liberty Shoes Limited.

Considering the above the Board of Directors of the Company in their meeting held on July 24, 2019 has decided to change the name of the Company from "Liberty Shoes Limited" to "Liberty Limited". The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be

valid for all purposes. The members are requested to note that the proposed name is subject to the approval and consent of the regulatory authorities and Central Government as may be required for this purpose.

As per the provisions of Sections 13 of the Companies Act, 2014, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 8 for the approval of the Members.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution no. 8.

By order of the Board
For Liberty Shoes Ltd.

Munish Kakra
CFO & Company Secretary
M. No.ACS 6262

Place: New Delhi
Dated: Wednesday, 24th July, 2019

Registered Office

Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail,
P.O. Bastara, Distt. Karnal - 132114, Haryana
Tel.: (91) - 1748-251101 ~ 03 Fax: (91) - 1748-251100
E-mail:lpm@libertyshoes.com Website : www.libertyshoes.com
CIN: L19201HR1986PLC033185

ANNEXURE-A

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 26(4) AND 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS]

Name of the Director	Sh. Adesh Kumar Gupta	Sh. Sunil Bansal
Director Identification Number (DIN)	00143192	00142121
Category of Director	CEO & Executive Director	Executive Director
Nationality	Indian	Indian
Date of Birth/Age	27th June, 1960/59 Years	2nd October, 1959/59 Years
Date of First appointment as Director	28th September, 1990	28th November, 1990
Qualification	Graduate in B.Sc (Engineering)	Graduate
Experience / Expertise in specific Functional Areas	<ul style="list-style-type: none"> • He has been working as Director since 1990 and as Executive Director since 2001. • He has been instrumental in formulating Company's strategies and being CEO, looking after the overall affairs of the Company since 2004. • He has over three decades of experience in footwear industry • He has been embraced by many prestigious awards and in the past, he has been a key functionary of Confederation of Indian industry. 	<ul style="list-style-type: none"> • He has been working as Director of the Company since 1990 and as Executive Director since 2009. • He is having experience of more than three decades in footwear industry. • He has been looking after the product development operations and ensuring the manufacturing of higher qualitative products by heading the quality department of the Company. He is also guiding the leather shoes production team with his appreciable expertise.
Terms & conditions of appointment/re-appointment	Re-appointed as Director liable to retire by rotation	Re-appointed as Director liable to retire by rotation Please refer page no. 39 for terms and conditions of re-appointment as Executive Director
Details of remuneration to be sought/ remuneration last drawn (2018-19)	Re-appointed as Director liable to retire by rotation hence no remuneration sought. However remuneration of ₹4 Lakh P.M. (including all perquisites) drawn during the FY 2018-19.	₹4 Lakh per month (including all perquisites)
No. of Board Meetings attended during the year	Refer Corporate Governance Report	Refer Corporate Governance Report
Relationship with other Directors and other Key Managerial Personnel (KMPs) inter se	None	Brother of Sh. Shammi Bansal, Executive Director
List of directorship held in other Companies as on 31st March, 2019	<ul style="list-style-type: none"> • Liberty Automotive Private Limited • Sunfest Infratech & Power Private Limited • Geofin Investments Private Limited • Council for Footwear Leather and Accessories • Leather Sector Skill Council 	<ul style="list-style-type: none"> • Little World Constructions Pvt. Ltd.
List of membership in Committees of the Board of the other Companies in which he is a Director as on 31st March, 2019	None	None
No. of shares held in the Company:		
(a) Own	95000 Equity Shares*	232640 Equity Shares
(b) For other persons on a beneficial basis	Nil	Nil

*Other than Equity Shares held by his HUF

Name of the Director	Sh. Raghubar Dayal	Sh. Ramesh Chandra Palhan
Director Identification Number (DIN)	00481803	05241019
Category of Director	Non-executive Independent Director	Non-executive Independent Director
Nationality	Indian	Indian
Date of Birth/Age	19th November, 1934/84 Years	20th April, 1944/75 Years
Date of First appointment as Director	17th December, 2005	28th March, 2012
Qualification	Post Graduate	Bachelor in Mechanical Engineering and Fellow Member of Institute of Standards Engineers
Experience / Expertise in specific Functional Areas	<ul style="list-style-type: none"> • He is senior Board Member and has been associated with the Company as Independent Director since 2005. • He is having over 34 years of administrative & Managerial experience by working with the various Government department 	<ul style="list-style-type: none"> • He has been associated with the Company as Independent Director since 2012. • Former Additional Director In-Charge of Export Inspection Agency, Ministry of Commerce, Government of India and having overall functional experience of more than 30 years.
Terms & conditions of appointment/re-appointment	Re-appointed as an Independent Director of the Company	Re-appointed as an Independent Director of the Company
Details of remuneration to be sought/ remuneration last drawn (2018-19)	No remuneration has been paid during the FY 2018-19 or sought for re-appointment as Independent Director. However sitting fee for attending the Board Meetings & Audit Committee Meetings of the Company has been paid during the FY 2018-19 as approved by the Board.	No remuneration has been paid during the FY 2018-19 or sought for re-appointment as Independent Director. However sitting fee for attending the Board Meetings & Audit Committee Meetings of the Company has been paid during the FY 2018-19 as approved by the Board.
No. of Board Meetings attended during the year	Refer Corporate Governance Report	Refer Corporate Governance Report
Relationship with other Directors and other Key Managerial Personnel (KMPs) inter se	None	None
List of directorship held in other Companies as on 31st March, 2019	None	None
List of membership in Committees of the Board of the other Companies in which he is a Director as on 31st March, 2019	None	None
No. of shares held in the Company:	Nil	200 Equity Shares*
(a) Own	Nil	Nil
(b) For other persons on a beneficial basis	Nil	Nil

* Jointly with his wife

Name of the Director	Sh. Aditya Khemka	Sh. Shailendra Kumar Gupta
Director Identification Number (DIN)	00514552	00934581
Category of Director	Non-executive Independent Director	Non-executive Independent Director
Nationality	Indian	Indian
Date of Birth/Age	27th October, 1974/44 Years	9th September 1942/76 Years
Date of First appointment as Director	N.A. (as on date of this report)	N.A. (as on date of this report)
Qualification	Master in International Business from Fore School of Management, Delhi and GNIIT Diploma in Software programming from NIIT	Bachelor in Science, Lucknow and Electrical Engineer from IIT Roorkee
Experience / Expertise in specific Functional Areas	<ul style="list-style-type: none"> • He is having more than two decades of experience in diverse industries and has been associated with Aditya Group. • He is having extensive experience in channel relationship management and with this he has successfully settled security and surveillance business unit for the Group. He has been instrumental for the growth of the business of the Aditya Group. • He played an instrumental role in building video surveillance security market in India and enjoys the credit of bridging change in decision making of different sectors towards security related issues. 	<ul style="list-style-type: none"> • He is Gold Medallist in Electrical engineering from IIT Roorkee and after completion of academics he was absorbed by IIT Roorkee as Lecturer. • He served department of Communication, Government of India by holding various positions. • He was appointed as Advisor Telecom in Tata Group besides holding position as Chairman and Managing Director in VSNL post acquisition of VSNL by Tata Group. • He was holding various Board positions in renowned Telecom Companies. • He has been embraced with various prestigious awards by Govt. of India for his excellence performances in telecom sectors including National Award, Rashtriya Rattan Award, Udyog Rattan Award and Best Chief Executive (PSU).
Terms & conditions of appointment/re-appointment	Appointment as Independent Director not liable to retire by rotation	Appointment as Independent Director not liable to retire by rotation
Details of remuneration to be sought/ remuneration last drawn (2018-19)	No remuneration has been paid during the FY 2018-19 or to be sought for appointment as Independent Director. However sitting fee for attending the Board Meetings of the Company will be paid.	No remuneration has been paid during the FY 2018-19 or to be sought for appointment as Independent Director. However sitting fee for attending the Board Meetings of the Company will be paid.
No. of Board Meetings attended during the year	NIL (His name has been proposed for appointment as Independent Director in the forthcoming AGM)	NIL (His name has been proposed for appointment as Independent Director in the forthcoming AGM)
Relationship with other Directors and other Key Managerial Personnel (KMPs) inter se	None	None
List of directorship held in other Companies as on 31st March, 2019	<ul style="list-style-type: none"> • Aditya Infotech Limited • ARK Infosolutions Pvt. Ltd. • AIL Dixon Technologies Pvt. Ltd 	None
List of membership in Committees of the Board of the other Companies in which he is a Director as on 31st March, 2019	Aditya Infotech Limited (CSR Committee)	None
No. of shares held in the Company:	Nil	Nil
(a) Own	Nil	Nil
(b) For other persons on a beneficial basis	Nil	Nil

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 33rd Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2019.

Financial Highlights:

The highlights of the financial statements are as under:-

(₹ In Lakh)

Particulars	2018-19	2017-18
Gross Sales	60,117.16	55,030.85
Less: Excise Duty	-	702.27
Net Sales	60,117.16	54,328.58
Add: Other Income	161.02	107.48
Revenue from Operations and Other Income	60,278.18	54,436.06
Profit before Depreciation, Finance Costs and Tax	4,188.70	4,061.56
Less: Finance Costs	1,480.57	1,560.75
Less: Depreciation & Amortisation	1,346.88	1,345.70
Profit Before Exceptional Items	1,361.25	1,155.11
Less: Exceptional Items	14.66	65.45
Profit Before Tax Expense	1,346.59	1,089.66
Less: Tax Expenses	662.32	429.56
Net Profit for the year (NP)	684.27	660.10
Other Comprehensive Income /(Loss)	-	-
Total Comprehensive Income	684.27	660.10

Review of the operations of the Company:

Your Company has prepared the Financial Statements for the financial year ended March 31, 2019 under Sections 129, 133 and Schedule II of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

During the financial year ended 31st March 2019, the Company due to its sustained efforts for improvement at its all verticals, achieved a turnover of ₹60,117.16 Lakhs as against previous year's turnover of ₹55,030.85 Lakh, a growth of 9% over corresponding previous year 2018. The numbers are however not completely comparable consequent to implementation of Goods and Services Tax (GST) w.e.f 1st July, 2017. During the year, the Company by registering a volume growth of nearly 5%, has sold 149 Lakh pairs as against 142 Lakh pairs sold during the corresponding previous year. The manufacturing Institutional business of the Company during the year under consideration has recorded an impressive growth in its overall performance as compared to the last year.

The Profit before Depreciation, Interest and Tax stood at ₹4,188.70 Lakhs during the year 2018-19 as compared to ₹4,061.56 Lakhs during the corresponding previous year 2017-18.

The Profit before Tax expenses stood at ₹1,346.59 Lakh as compared to ₹1,089.66 Lakhs during the corresponding previous year 2017-18. The Profit after Tax of your Company, due to higher incidence of tax mainly on account of lower tax depreciation, remained at ₹684.27 Lakhs as against ₹660.10 Lakhs during the corresponding previous year.

During the year under consideration, Your Company realizing the potential available in lifestyle segment, diversified its product category by adding fine fragrance perfumes & after shave lotions to its portfolio and successfully launched it with 12 variants under the brand name "LIBERTY". This segment has established the strategy of capturing the market with steps as required for taking off and has started approaching renowned retail players to make its presence over there. During the year, the Company has incurred initial marketing and promotional expenses for launching of this segment due to which overall Company's profit margins remained almost at the same level as against profit margin of previous year despite registering the growth and improvement in footwear segment of the Company.

Your Company always believes in innovation, providing trendy,

fashionable & qualitative products at affordable price to the consumers to meet their expectation & aspiration towards the Brand and in pursuit thereof, during the year under consideration, launched new variants in the Sports Footwear Segment to cater the demand and also to increase the reach of products amongst youth.

As reported earlier, your Board of Directors had decided to discontinue Wholly Owned Subsidiary (WOS) of the Company M/s Liberty Foot Fashion Middle East FZE, Dubai for which requisite resolution by the Shareholders of the Company has already been passed in previous Annual General Meeting. No diminution in the investment value has been considered by the Company during the year under consideration. As the WOS had not commenced its operations and there were no activity in this WOS and in view of the Board decision already taken earlier to discontinue this WOS, no consolidated financial statements have been prepared and got Audited by the Company for the year under consideration.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of Financial year 2019 and date of this report.

Credit Rating:

During the year under review, CARE Ratings Limited, a leading rating agency, has re-affirmed its Ratings CARE "A" (-); (single A Minus) in respect of Long Term banking facilities (comprising Term Loan and Working Capital fund based facilities) and CARE "A2" (+) ("A" Two Plus) in respect of Short Term banking facilities (comprising non fund based facilities) sanctioned by the Banks to the Company. The outlook on the Long Term rating is stable.

Subsidiary Company their Performance & Consolidated financial statement:

Liberty Foot Fashion Middle East FZE (LFF), Dubai (Erstwhile Wholly Owned Overseas Subsidiary)

As reported earlier, your Board of Directors had decided to discontinue wholly owned subsidiary (WOS) of the Company M/s Liberty Foot Fashion Middle East FZE, Dubai, for which requisite resolution by the Shareholders of the Company was also passed in previous Annual General Meeting. No diminution in the investment value has been considered by the Company during the year under consideration. As the WOS had not commenced its operations and there were no activity in this WOS and in view of the Board decision already taken earlier to discontinue this WOS, no consolidated financial statements have been prepared and got Audited by the Company for the year under consideration. Your Company till 31st March, 2019 has invested a sum of ₹302.42 Lakh (Previous Year ₹302.42 Lakh) in LFF as its capital

contribution. As the WOS had not commenced its operations and in view of the winding up/liquidation of the WOS of the Company, no consolidated financial statements have been prepared and got Audited by the Company for the year ended 31st March, 2019.

Since, there is no financial statement available of its subsidiary Company, the same has not been attached and a statement containing salient features of the financial statements of the Company's wholly owned subsidiary has not been provided as required under Section 129 of the Companies Act, 2013.

Appropriations:

Dividend

Your Directors, considering the financial requirement to the Company, have not recommended any dividend for the financial year ended 31st March 2019.

Transfer to Reserves

Your Directors proposed to transfer ₹300.00 Lakh (Previous Year ₹300.00 Lakh) to the General Reserves out of the profits available with the Company for appropriations. Accordingly, an amount of ₹384.27 Lakh (Previous Year ₹360.11 Lakh) has been proposed to be retained in the Profit & Loss Account of the Company.

Employees Stock Option Scheme(s)

During the year ended 31st March, 2019, your Company has not floated any scheme in relation to Employees Stock Option(s) and no such further plans have been initiated at present in this regard.

Nomination and Remuneration Policy

Your Board of Directors, on the recommendation of the Nomination and Remuneration Committee, framed and adopted a policy for identifying and recommending the selection and appointment of Directors and KMPs of the Company and remuneration to Directors, KMPs and other employees. The contents of the Policy and evaluation criteria have been stated in the Corporate Governance Report. The above Nomination and Remuneration Policy is set out in Annexure-I of this Report. The Policy is also available on the website of the Company i.e. www.libertyshoes.com.

Policy on Prevention of Insider Trading

Your Company has adopted a code of Conduct for Prevention of Insider Trading with a view to regulate trading in Equity Shares of the Company by the Promoters, Directors, Employees, designated persons and other connected persons. The said Code of Conduct is available on the website of the Company at www.libertyshoes.com. The Code requires pre-clearance for dealing in Company's shares and prohibits purchase or sale of

shares in your Company by the Promoters, Directors, Employees, designated persons and other connected persons while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed.

Familiarization Program

In order to encourage active participation of Independent Directors and in order to understand the business environment, your Company has been familiarizing the Independent Directors on its Board with detailed presentations by its business functional heads on the Company operations, strategic business plans, new products and technologies including significant aspects of the Industry and its future outlook. Once appointed, the Non Executive & independent Directors undergo the familiarization program of the Company. The Non executive & independent Directors are also provided with financial results, internal audit findings and other specific documents as sought by them from time to time. They are also made aware of the various policies and code of conduct and business ethics adopted by the Board. Details of familiarization programs extended to the Non Executive & Independent Directors during the year under consideration are disclosed on the Company website at www.libertyshoes.com.

Risk Management Policy & Risk Management

The Management of the Company has always been consciously reviewing its business operations in accordance with set rules and procedure and if any deviation or risk is found, remedial and effective steps are being taken to minimize the deviation and risk. In line with the provisions of Section 134 (3) (n) of the Companies Act, 2013, the Company has developed a Risk Management Policy to build and establish the process and procedure for Identifying, assessing, quantifying, minimizing, mitigating and managing the associated risk at early stage. Policy is aimed to develop an approach to make assessment and management of the risks in financial, operational and project based areas in timely manner. The main objectives of the Risk Management Policy is inter-alia, to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed, to protect the brand value through strategic control and operational policies and to enable compliance with appropriate regulations wherever applicable, through the adoption of best practices. The Board of Directors of the Company assesses several type of risks which include Business Environment Risks, Strategic Business Risks and Operational Risks etc. The Board of Directors periodically reviews and evaluates the risk management system of the Company so that the management controls the risks through properly defined networks. Head of the Departments are

responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee. No risks threatening the existence of the organization have been identified. However there are other risks against which adequate mitigation plans are prepared.

The Risk Management policy is available on the Company's website of the Company at http://investor.libertyshoes.com/doc/Risk_Management_Policy.

Whistle Blower Policy (Vigil Mechanism)

As per the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulation 22 of Listing Regulations, your Company has an effective mechanism of reporting illegal or unethical behavior. The Company has a Whistle Blower Policy (vigil mechanism) wherein the directors, employees, consultants and contractors are free to report violations of laws, rules and regulations or unethical conducts, actual or suspected fraud or violation of the Company's code of conduct or ethics policy to the nodal officer. The mechanism followed is appropriately communicated within the Company across all levels and has been posted on the Notice Board of the Company. The confidentiality of those reporting violations etc. is maintained and they are not subjected to any discriminatory practice. The concern can be reported by sending an e-mail message at the dedicated address viz. ethicscounsellors@libertyshoes.com. Individuals can also raise their concerns directly to the CEO or the Chairman of the Audit Committee of the Company. Any allegation falling within the scope of the concerns are identified, investigated and dealt with appropriately. The Audit Committee periodically reviews the functioning of this mechanism. The Vigil mechanism established in the Company provides adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism. During the year, no personnel of the Company was denied access to the Audit Committee. The details of establishment of Vigil mechanism/ Whistle Blower Policy of the Company are available at the website of the Company viz. www.libertyshoes.com.

Non-applicability of Maintenance of Cost Records:

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and Rules made thereunder with respect to the Company's nature of business.

Buy Back of Equity Shares:

Your Company has not undertaken any exercise to buy back its Equity Shares from the shareholders during the year under review.

Public Deposit(s):

The Company has not accepted/renewed any public deposits and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the balance sheet.

Board of Directors and Key Managerial Personnel:

Retirement by rotation of the Directors

Sh. Adesh Kumar Gupta & Sh. Sunil Bansal, Directors of the Company will be retiring by rotation at the 33rd Annual General Meeting in pursuance of the provisions of Section 152 of the Companies Act, 2013 and being eligible, have offered themselves for the re-appointment at the 33rd Annual General Meeting.

Appointment(s) and Cessation of office of Directors

Appointment(s)

Sh. Sunil Bansal (Executive Director)

During the year under consideration, the tenure of Sh. Sunil Bansal as Executive Director came to an end as per the last terms of his re-appointment and the Board of Directors in their meeting held on 14th February, 2019 has approved the re-appointment of Sh. Sunil Bansal as Executive Director for further period from 1st January, 2019 to 31st March, 2021 subject to the approval of the Shareholders in the ensuing Annual General Meeting.

Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan (Non-Executive Independent Directors)

The candidature of Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan are proposed by Board of Directors in their meeting held on 24th July, 2019 for re-appointment as Non-Executive Independent Directors in the ensuing Annual General Meeting.

Sh. Aditya Khemka and Sh. Shailendra Kumar Gupta (proposed Non-Executive Independent Directors)

The candidature of Sh. Aditya Khemka and Sh. Shailendra Kumar Gupta are proposed by Board of Directors in their meeting held on 24th July, 2019 for appointment as Non-Executive Independent Directors in the ensuing Annual General Meeting.

Brief profile of above Directors/proposed Directors along with necessary information under Companies Act, 2013, Listing Regulations and Secretarial Standards, are provided in the Annexure-A to the Notice of AGM and Corporate Governance Report.

Cessation/Resignation/Retirement of Directors

During the year under consideration, Sh. Amitabh Taneja Independent Director of the Company, due to his pre occupation, has resigned from the position of Directorship of the Company w.e.f. 15th March, 2019.

Sh. Pushpinder Singh Grewal, Independent Director of the Company whose present term will come to an end on 28th September, 2019 as per the terms of his last appointment as Independent Director, has expressed his unwillingness to continue as Independent Director of the Company due to his pre-occupation after expiry of his present term. Therefore, his re-appointment has not been proposed in the forthcoming Annual General Meeting.

The Board members acknowledged the valuable services rendered by Sh. Amitabh Taneja and Sh. Pushpinder Singh Grewal during their tenure(s) as Independent Director of the Company and expressed its appreciation and gratitude for the same.

Key Managerial Personnel

The following persons are the Key Managerial Personnel (KMPs) of the Company as per the provisions of the Companies Act, 2013 -

- Sh. Adesh Kumar Gupta - CEO & Executive Director
- Sh. Shammi Bansal - Executive Director
- Sh. Sunil Bansal - Executive Director
- Sh. Adish Kumar Gupta - Executive Director
- Sh. Ashok Kumar - Executive Director
- Sh. Munish Kakra - CFO & Company Secretary

Committees of the Board

The Company's Board has constituted the following Committees:

1. Audit Committee
2. Management Committee
3. Stakeholders Relationship Committee
4. Nomination and Remuneration Committee
5. Corporate Social Responsibility Committee

The detail of terms of reference of the Committees, Committee composition, meetings held during the year and attendance at the meetings of the Committees are provided in the Corporate Governance Report.

Number of meetings of the board

Four meetings of the board were held during the year. The detail of the composition, board meetings held during the year and attendance at the meetings are provided in Corporate Governance Report. The maximum time gap between two meetings did not exceed 120 days.

Annual Evaluation of Directors and Board as a whole

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board is required to monitor and review the Board evaluation framework. In line with the Corporate

Governance Guidelines, the Annual Performance Evaluation is conducted for all members as well as the working of the Board and its Committees. This evaluation is with specific focus on the performance and effective functioning of the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The evaluation process also considers the time spent by each of the Board Members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise. In addition, the Chairman is also evaluated on the key aspects of his role. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on ratings. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The outcome of the Board evaluation for the financial year under consideration was discussed by the Nomination and Remuneration Committee and Board at their respective meetings held on 14th February, 2019, excluding the director being evaluated.

During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the SEBI Circular on "Guidance Note on Board Evaluation". Based on the Performance Evaluation process and on the recommendation of the Nomination and Remuneration Committee, your Board of Directors have proposed the re-appointment of Sh. Sunil Bansal as Executive Director for further period from 1st January, 2019 to 31st March, 2021 and also re-appointment of Sh. Raghubar Dayal, Sh. Ramesh Chandra Palhan and Sh. Pushpinder Singh Grewal as the Independent Directors of the Company for a second term of five (5) consecutive years at the ensuing AGM for the approval of the Members by way of Special resolution(s).

In lines with the provisions of the Companies Act, 2013 and Listing Regulations, separate meeting of the Independent Directors of the Company was held on 14th February, 2019 in the absence of non-independent directors and members of management inter alia to evaluate the performance of the non-Independent Directors, Board as a whole of the Company, its committees, Chairman and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Attributes, Qualifications & Independence of Directors and their appointment

The criteria for determining qualifications, positive attributes and independence of Directors in terms of the Act and the Rules

there under, both in respect of Independent Directors and other Directors as applicable, has earlier been approved by the Nomination and Remuneration Committee during the financial year 2015-16. The Policy of the Company also provides that Non-Independent Independent Directors be drawn from amongst eminent professionals with experience in business/finance/law/public administration & enterprises. The Board Diversity Policy of the Company requires the Board to have balance of skills, experience and diversity of perspectives appropriate to the Company. Directors are appointed/re-appointed with the approval of the Members for a shorter period say, two to five years only. All Directors, other than Independent Directors, are liable to retire by rotation and are eligible for re-election in terms of the provisions of Articles of Association. The Independent Directors of your Company have confirmed that they meet the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and Regulation 16 of Listing Regulations.

The Nomination and Remuneration Policy as approved by the Board of Directors of the Company has been attached to this report and also accessible on the website of the Company at www.libertyshoes.com

Material changes and commitments affecting financial position between end of the financial year and date of report

As per the provisions of Section 134(3) (1) of the Companies Act, 2013, no material changes or commitments affecting the financial position have occurred between the end of financial year of the Company to which the financial statements relates to the date of the report.

Change in the nature of Business, if any

There was no change in the nature of business of the Company during the year under review.

Internal financial control systems and their adequacy

Liberty's internal financial controls are adequate and operate effectively and ensure orderly and efficient conduct of its business including adherence to its policies, safeguard its assets, prevent and detect frauds and errors, maintain accuracy and completeness of its accounting records and further enable it in timely preparation of reliable financial information. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Company has in place a strong and independent Internal Audit Department which is responsible for assessing and improving the effectiveness of internal financial control and governance. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Declaration by Independent Directors

The Company has received necessary declarations from each independent director under Section 149(7) of the Companies Act, 2013, that she/he meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors' Responsibility statement

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, your Directors, based on the representations received from the management, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- ii) they have 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;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vii) Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

Audit Committee and their Recommendations/ Observations

Your Board has a duly constituted Audit Committee in terms of

Section 177 of the Companies Act, 2013 read with the Rules framed there under and Regulation 18 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015. The term of reference of the Audit Committee has been approved by the Board. The details pertaining to composition of Audit Committee, no. of meetings held during the year under review, brief term of reference and other details have been included in the Corporate Governance Report, which forms part of this report. The recommendations/observations of the Audit Committee placed before the Board during the financial year ended 31st March, 2019 in respect of matters pertaining to the financial management or any other matter related thereto, were considered and duly accepted by the Board of Directors of the Company.

Statutory Auditors and their Report

M/s U. Shanker & Associates, Chartered Accountants, New Delhi (Firm registration No. 014497N) were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 24th August, 2017, for a term of 5(five) consecutive years.

Auditors' Report:

Your Company's Directors have examined the Statutory Auditors' Report issued by M/s U. Shanker & Associates, Chartered Accountants on the Annual Accounts of the Company for the financial year ended 31st March, 2019. There is no reservation, qualification or adverse remark made by the Statutory Auditors in their Report and their clarifications, wherever necessary, have been included in the Notes to the Accounts section as mentioned elsewhere in this Annual Report. During the period under consideration, no incident of frauds was reported by the Statutory Auditors pursuant to Section 143(12) of the Companies Act, 2013.

Secretarial Auditors and their Report

Your Directors have appointed M/s Sanjay Grover & Associates, a Practicing Company Secretaries, in accordance with the provisions of Section 204 read with Section 179 of the Companies Act, 2013 and rule 8 of the Companies (Meetings of Board and its Powers), Rules, 2014 for the financial year 2018-19 for conducting the Audit of secretarial records of the Company and issue their report.

The Secretarial Audit Report in respect of secretarial records of the Company for the Financial Year ended March 31, 2019 has been submitted by M/s Sanjay Grover & Associates and taken on record by the Board of Directors of the Company. The Report of the Secretarial Auditors in Form MR-3 for the financial Year ended 31st March, 2019 is enclosed to this Report. The Board members have examined the above said report and observed that there is no reservation, qualification and adverse remark made by the Secretarial Auditors. However while issuing said report the Secretarial Auditors have given their comments on the below compliance:

Sr. No.	Requirement/relevant provisions	Company's remarks on the compliance
1	Passing of Special Resolution under the provisions of Regulation 17 (1A) of SEBI LODR Regulations for continuation of Directorship of Sh. Raghubar Dayal who has attained the age of 75 years.	The Board of Directors of the Company in their meeting held on 14th February, 2019 has observed the contents of Regulation 17 (1A) of SEBI LODR Regulations effective from 1st April, 2019 and accorded their approval for continuation of directorship of Sh. Raghubar Dayal w.e.f. 1st April, 2019 even after he has attained the age of 75 years, subject to the approval of the shareholders by way of Special Resolution which is being placed in the forthcoming Annual General Meeting in compliance of the said Regulations.
2	One of the Shareholders who belong to the Promoters group of the Company sold 19,656 and 21,413 equity shares of the Company on 29.08.2018 and 30.08.2018 respectively. In respect thereto, Form(s) C were received by the Company on 29.08.2018 & 30.08.2018 respectively. However, the Company intimated the receipt of Form(s) C to the stock exchanges on 30.11.2018 which is beyond the 2 working days as prescribed under Regulation 7(2)(b) of SEBI Insider Trading Regulations, 2015.	The reason for delay in filing of form(s) C was informed to the BSE and NSE while filing of forms with the Stock Exchanges along with request for condonation of delay. The said forms have been taken on record by the Stock Exchanges. Thereafter the Company has not received any correspondence from the above Stock Exchanges.
3	Two shareholders who belong to the Promoters group of the Company sold equity shares of the Company in open market without seeking pre-clearance(s) as required under the Company's code of prevention of Insider Trading for certain transactions entered into Quarter ended June 30, 2018 and Quarter ended September 30, 2018 having value exceeding the limit prescribed under PIT Regulations.	At the time of entering in to the transaction(s) the shareholders were not having any Unpublished Price Sensitive Information (UPSI) and the trading window was opened. However despite this the Compliance Officer has issued warning letters to the shareholders as regard to seeking pre-clearances and submission of undertaking with the Company in compliance of PIT Regulations and Company's codes for prevention of Insider Trading.

Internal Auditors and their Report

Your Directors in their meeting held on 25th May, 2017 have appointed Sh. Rajesh Gupta as internal Auditor of the Company, in accordance with terms of the provisions of Section 138 read with Section 179 of the Companies Act, 2013 and rule 8 of the Companies (Meetings of Board and its Powers), Rules, 2014 and rule 13 of the Companies (Accounts) Rules, 2014 for the financial year 2017-18 onwards for conducting the Internal Audit of the books of accounts and reviewing and ensuring the Internal Control system of the Company and to issue their report.

The Internal Audit Report in respect of books of accounts and Internal Control system of the Company for the Financial Year ended March 31, 2019 has been submitted by Sh. Rajesh Gupta, which has been duly considered and requisite actions were taken by Audit Committee and reports thereon were also taken on record by the Board of Directors of the Company. The Board members have examined the above said report and observed that there is no reservation, qualification and adverse remark made by the Internal Auditors.

Particulars of Loans, Advances, Guarantees and Investments

The Company has not granted any loan, guarantee or made any

investments during the year ended 31st March, 2019 under Section 186 of the Companies Act, 2013 and Rules made there under. Pursuant to Section 186 (4) read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), disclosure on particulars relating to Loans, advances and investments are provided as part of the financial statements.

Significant and material orders

During the year under consideration, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Transactions with Related Parties

During the year 2018-19, all transactions entered by the Company with related parties as defined under the Companies Act, 2013, Rules made there under, were in the Ordinary Course of Business and at Arm's Length basis. The Audit Committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and the Board of

Directors on quarterly basis. Your Company does not have a material unlisted subsidiary as defined under Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Directors shall formulate a Policy to determine Material Unlisted Subsidiary as and when the relevant provisions for the same are applicable on it in future.

There were no materially significant transactions with related parties during the financial year 2018-19 which were in conflict with interest of the Company. Since all the related party transactions entered in to by your Company were in the ordinary course of business and also on an arm's length basis, therefore details required to be provided in the prescribed Form AOC-2 is not applicable to the Company. However, the Company has been undertaking transactions for last so many years in respect of payment of Royalty/ Franchise fees to few of the related parties after obtaining the prior approval of shareholders and Central Government under the provisions of erstwhile Companies Act, 1956. All the related party transactions have been disclosed in the Notes to financial statements as required under IND AS-24 of the Accounting Standard.

In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board had approved and adopted policies on Related Party Transactions which has been uploaded on the Company's website www.libertyshoes.com under the "investor relations section".

Particulars of Directors and Employees

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subsequent amendments thereto, is given in Annexure II and the same forms part of this report.

A statement containing the Information of top ten employees in terms of remuneration drawn as provided under Section 197 (12) of the Companies Act, 2013 read with rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subsequent amendments thereto, is given in Annexure III and the same forms part of this report. During the financial year 2018-19, no employee, whether employed for whole or part of the year, was drawing remuneration exceeding the limits mentioned under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subsequent amendments thereto.

Extract of Annual Return

As provided under Section 92(3) of the Companies Act, 2013, the extract of annual return is given in Annexure IV in the prescribed Form MGT-9, which forms part of this report. The Annual return for the financial year ended 31st March, 2019 is available on the website of the Company www.libertyshoes.com.

Corporate Social Responsibility (CSR)

Your Company has been involved in social initiatives for last three

decades and engaged in various activities in the field of education, primary healthcare, communities, ecology and environment etc. It believes in long lasting impact towards creating a just, equitable, humane and sustainable society. In Liberty, CSR initiatives were being undertaken, long before the provisions of the Companies Act, 2013 and with the implementation of new provisions of Section 135 of the Companies Act, 2013, Liberty is committed to further strengthen its effort and activities by demonstrating care for the community through its focus on education and development of skills, health and wellness including treatment for poor, needy & uninsured people, environment sustainability including promoting of green initiatives and Improvement of the living conditions of inhabitants and support to disaster relief efforts etc. The various CSR initiatives undertaken by your Company during the year under consideration are as under:-

1. Promoting Education and Skill development

Liberty has identified schools and institutions around its Plant/Offices and made contributions/sponsorships for providing education to children who can't afford it. It has sponsored quality education and healthcare, providing of balanced nutrition to under privileged children for their holistic development so that they can lead better life and can contribute to the society as responsible citizens etc. In addition to this, it has provided free of cost footwear to various school/institutions for distribution amongst the children/students who can't afford it.

2. Promotion of Sports

Liberty contributed to registered Sports Associations in Karnal for providing training to youth athletes of Haryana for preparing them to participate in National Games and Olympics.

3. Contribution to approved relief funds

Liberty has provided contributions to the various approved relief funds set up by Central and State Governments.

4. Environmental sustainability

Liberty is ensuring environmental sustainability through tree plantation, conservation of natural resources and maintaining of quality of soil, air and water in the places around its Plants/Offices.





Inauguration of Check Dam by Sh. Shammi Bansal, Executive Director in Village Neem Ka Thana, Rajasthan which is supposed to provide benefits to approx. 10000 villagers and 20000 Animals within the vicinity of the village.

5. Other CSR activities and initiatives:

Liberty has contributed for the promotion of religious activities by contributing to temples/Pooja/various registered Kalyankari Sabhas and societies and also contributed to the Association incorporated with the objective of development of trade to which your Company belongs.

During the year under consideration the Company has complied with the provisions of Companies Act, 2013 by making the required contribution on the activities as stated in Schedule VII of the Act. The Annual Report on Corporate Social Responsibility activities as required under Sections 134 and Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is provided in Annexure V of this report. The policy is also available on the website of the Company at www.libertyshoes.com.

Disclosure under the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Liberty's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace and has complied with the provisions as regard to constitution of Internal Complaints Committee (ICC). The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. The said Committee has its presence at corporate office as well as at plants.

During the year ended 31st March, 2019 the Committee did not receive any complaint pertaining to sexual harassment.

Corporate Governance and Ethics

Your Company believes in adopting best practices of corporate governance. Corporate Governance principles are enshrined in the spirit

of Liberty, which form the core values of Liberty. These guiding principles are also articulated through the Company's Code of Conduct, Corporate Governance guidelines, Charter of various Sub-Committees and disclosure policy.

As per regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from Statutory Auditors M/s U. Shanker & Associates, Chartered Accountants, on compliance with corporate governance norms under the Listing Regulations, is given at page no. 78 to page no 105 of this Annual report.

Management Discussion and Analysis Report

In terms of Regulation 34 of the Listing Regulations, the Management Discussion and Analysis report on your Company's performance, industry trends and other material changes with respect to your Company, wherever applicable, are presented at page no. 108 to page no. 110 of this Annual report. The Management Disclosure and Analysis Report provides a consolidated prospective of economic, social and environmental aspects material to our strategy and our ability to create and sustain value to our key stakeholders.

Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and outgo:

Information in accordance with the provisions of Section 134 (1) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 in relation to conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo is given in the "Annexure VI", which forms part of this report.

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Outstanding Share Capital and its Listing:

Your Company has outstanding Share Capital of ₹17,04,00,000/- (Previous Year ₹17,04,00,000/-) consisting of 1,70,40,000 (Previous Year 1,70,40,000) Equity Shares of ₹10/- each and these Equity Shares are presently listed and available for trading at National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE).

Acknowledgments and Appreciation:

Your Directors take this opportunity to place on record their sincere gratitude for the consistent cooperation and support received from the shareholders, Bankers, Channel Partners and the Government Authorities.

Your Directors also place on record their deep appreciation to the employees at all levels for their hard work and dedication.

For and on behalf of the
Board of Directors

Adesh Kumar Gupta
Chairman of the Meeting
DIN: 00143192

Place: New Delhi
Dated: Wednesday, 24th July, 2019

ANNEXURE-I TO DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY

OBJECTIVE AND GUIDING PRINCIPLES

The objective of Liberty Shoes Limited's (the Company) remuneration policy is to ensure that:

- ❖ the level and composition of remuneration is reasonable to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives;
- ❖ the relationship of remuneration to performance is clear and meets appropriate performance benchmark; and
- ❖ the remuneration to Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) and other employees, wherever applicable, involves a balance between fixed and incentive pay and also reflects the short and long term performance objectives appropriate to the working of the Company and its goals.
- ❖ the Company has a compensation mix of fixed pay, benefits, allowances, perquisites, performance linked incentives, wherever applicable, and retirement benefits for its Executive Directors, KMP, SMP and other Employees.
- ❖ the remuneration and payment of advances/loans to the employees other than Directors/KMPs/SMPs.

THE NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178 of the Companies Act, 2013 and rules made there under, a listed Company is required to constitute a Nomination & Remuneration Committee which is responsible for formulating a policy related to the remuneration for the director, key managerial personnel and other employees and recommend the same to the Board for their approval and making the necessary amendments to the above policy from time to time.

DEFINITIONS

- ❖ "Board" means Board of Directors of the Company.
- ❖ "Company" means "Liberty Shoes Limited."
- ❖ "Employees' Stock Option" means the option given to the directors, officers or employees of a Company or of its holding Company or subsidiary Company or Companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.
- ❖ "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- ❖ "Key Managerial Personnel" (KMP) means
 - (i) Chief Executive Officer or the Managing Director or the Manager,
 - (ii) Company Secretary,

- (iii) Whole-time Director,
- (iv) Chief Financial Officer; and
- (v) Such other officer as may be prescribed.
- "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- "Policy or This Policy" means, "Nomination and Remuneration Policy."
- "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- "Senior Management Personnel" (SMP) means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.
- "Other Employees" means Employee of the Company other than Directors/KMP/SMP.

INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) To carry out evaluation of every Director's/KMP's performance.
- e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel, Senior Management Personnel and other Employees of the Company.
- g) Ensure that level and composition of remuneration is

reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- h) To devise a policy on Board diversity.
- l) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.
- k) To define the Policy and criteria for payment of advances/loans to Directors/KMPs/SMPs/ other employees.

MEMBERSHIP

- a. The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d. Membership of the Committee shall be disclosed in the Annual Report.
- e. Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Diversity

The Company recognizes and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions among Directors. The Committee will periodically review board diversity to bring in expertise and experience in diverse areas and disciplines to improve the standards of corporate governance, transparency, operational efficiency and risk management. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Committee will discuss succession planning and board diversity at the time of nominating Directors. It will be the Committee's endeavor to have Board members from diverse backgrounds/ disciplines including the following:

- ✦ Corporate Finance and Accounting;
- ✦ Corporate laws and Legal;
- ✦ Engineering and Information Technology
- ✦ Business Strategy and Administration;
- ✦ And any other background/discipline as deemed necessary by the Committee.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- Appointment criteria and qualifications:
 1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
 2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient /satisfactory for the concerned position.

3. The Company shall not appoint or continue the employment of any person as Managing Director/Whole time Director/ Manager who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- Term/Tenure:

1. Managing Director/Whole-time Director/Manager (Managerial Person):

- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company for another term and disclosure of such appointment shall be made in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole time Director of a listed Company.

- Evaluation:

Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

- i. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under

any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- ii. Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- iii. General:

1. The remuneration/ compensation/ commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under and SEBI LODR Regulations, amended from time to time.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Unless otherwise decided by the Board of Directors & Committee thereof, Shareholders and other respective approving authority of the Company, the increments will be effective from the date of re-appointment in respect of Managerial Person and 1st April in respect of other KMP and Senior Management of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

iv. Remuneration to Managerial Person, KMP and Senior Management:

1. Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under and SEBI LODR Regulations, amended from time to time. The break-up of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior approval of the shareholders, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Company shall not waive recovery of such sum refundable to it unless approved by the Shareholders.

v. Remuneration to Non-Executive/Independent Director:

1. Remuneration / Commission:

The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee.

3. Limit of Remuneration /Commission:

The Non- Executive / Independent Director may receive

remuneration by way of commission or otherwise. Provided that the amount of such remuneration or commission, as the case may be, shall not exceed the maximum amount as may be provided in the Companies Act, 2013 and SEBI LODR Regulations, amended from time to time.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

vi. REMUNERATION TO OTHER EMPLOYEES

The Remuneration including loans and advances to other employees will be decided as per the discretion and approval by the respective HODs/Directors of the Company.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

For and on behalf of the
Board of Directors

Adesh Kumar Gupta
Chairman of the Meeting
DIN: 00143192

Place: New Delhi

Dated: Wednesday, 24th July, 2019

ANNEXURE-II TO DIRECTORS' REPORT

Particulars of employees

Information as per Section 197 of the Companies Act, 2013 read with rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Executive Directors	Ratio to median Remuneration
Sh. Adesh Kumar Gupta	40.00
Sh. Shammi Bansal	40.00
Sh. Sunil Bansal	40.00
Sh. Adish Kumar Gupta	40.00
Sh. Ashok Kumar	11.00

* During the FY 2018-19, no Remuneration has been paid to Sh. Sunil Bansal, Executive Director of the Company.

- b) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year:**

Directors, Chief Financial Officer, Chief Executive officer, and Company Secretary	% increase in remuneration in the Financial year (%)
Sh. Adesh Kumar Gupta, CEO & Executive Director	NIL
Sh. Shammi Bansal, Executive Director	NIL
Sh. Sunil Bansal, Executive Director	NIL
Sh. Adish Kumar Gupta, Executive Director	NIL
Sh. Ashok Kumar, Executive Director	NIL
Sh. Munish Kakra, CFO & Company Secretary	NIL

* During the FY 2018-19, no Remuneration has been paid to Sh. Sunil Bansal, Executive Director of the Company.

- c) **The percentage increase in the median remuneration of employees in the financial year: 2%**
- d) **The number of permanent employees on the rolls of the Company: 2163**
- e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there any exceptional circumstances for increase in the managerial remuneration:**
Average Percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 7%, whereas the increase in the managerial remuneration was NIL. The average increase of remuneration every year is an outcome of Company's market competitiveness as against similar Companies.
- f) **Affirmation that the remuneration is as per the remuneration policy of the Company:**
The Company affirms that remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Place: New Delhi
Dated: Wednesday, 24th July, 2019

Adesh Kumar Gupta
Chairman of the Meeting
DIN: 00143192

ANNEXURE- III TO DIRECTORS' REPORT

Information of top 10 Employees in terms of remuneration drawn as per Section 197 (12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

S. No.	Name	Designation	Remuneration (₹ in Lakh)	Nature of Employment, Whether Contractual or otherwise	Qualification	Experience (In Years)	Date of Appointment	Age	Last employment Designation	Employee is a relative of any director or manager of the Company and if so, name of such director or manager
1.	Sh. Adesh Kumar Gupta	CEO & Executive Director	48.00	Permanent	BSC Engg. (Mechanical) with Hons.	34	28th September, 1990	59	NA	NA
2.	Sh. Adish Kumar Gupta	Executive Director	48.00	Permanent	Graduate	27	12th August, 2011	55	NA	NA
3.	Sh. Shammi Bansal	Executive Director	48.00	Permanent	Graduate	32	28th September, 1990	58	NA	Brother of Sh. Sunil Bansal, Executive Director of the Company
4.	Sh. Ramesh Kumar Sadhu	CEO - Retail	47.98	Permanent	Graduate, CA Inter	39	1st April, 2004	64	Super House - Sr. Vice President	NA
5.	Sh. Munish Kakra	CFO & Company Secretary	42.61	Permanent	M com, CS, LLB	34	28th September, 2001	55	NA	NA
6.	Sh. Raman Bansal	Head Sales & Distribution	30.00	Permanent	Graduate	30	1st April, 2005	57	Partner, Liberty Group Marketing Division and Liberty Enterprises	Brother of Sh. Sunil Bansal and Sh. Shammi Bansal, Executive Directors of the Company
7.	Sh. Vivek Bansal	Head Production PVC & non Leather Division	30.00	Permanent	Graduate	27	1st April, 2005	54	Partner, Liberty Group Marketing Division and Liberty Enterprises	Brother of Sh. Sunil Bansal and Sh. Shammi Bansal, Executive Directors of the Company
8.	Sh. Anupam Bansal	Head Retail	30.00	Permanent	Graduate & Diploma in Shoes Designing from Italy	22	1st April, 2013	47	M.D., Liberty Retail Revolutions Ltd.	Brother of Sh. Sunil Bansal and Sh. Shammi Bansal, Executive Directors of the Company
9.	Sh. Ram Parkash	Head -Information Technology	27.00	Permanent	BCA	16	15th June, 2009	44	Retail I.T. Principal Consultant, Birla Soft	NA
10.	Sh. Satish Kumar Saini	CFO-Retail	24.24	Permanent	M.B.A. Finance	25	1st August, 2007	50	Vice President, Amartex Industries Ltd. Panchkula	NA

For and on behalf of the
Board of Directors

Adesh Kumar Gupta
Chairman of the Meeting
DIN: 00143192

Place: New Delhi
Dated: Wednesday, 24th July, 2019

ANNEXURE-IV TO DIRECTORS' REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2019
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
i. CIN:	L19201HR1986PLC033185
ii. Registration Date:	September 3, 1986
iii. Name of the Company:	Liberty Shoes Limited
iv. Category/Sub Category of the Company:	Company Limited by shares/Indian Non-Government Company
v. Address of the Registered office and contact details:	Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal-132114, Haryana Tel.: (91)-1748-251101-03 Fax: (91)-1748-251100 E-mail: lpm@libertyshoes.com Website: www.libertyshoes.com
vi. Whether listed Company:	Yes
vii. Name, Address and contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. Noble Heights, 1st Floor, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 Tel.: (91)-11-41410592-94 Fax: (91)-11-41410591 E-mail: delhi@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products/services	NIC Code of the Product/services	% of total turnover of the Company
1	Manufacturing and Trading of Footwear and Fashion Accessories	1520	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)										
I. Category-wise Share Holding										
I.	Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
a.	Individuals/Hindu Undivided Family	5901992	83360	5985352	35.13	5548778	83360	5632138	33.05	(2.07)
b.	Central Government	-	-	-	-	-	-	-	-	-
c.	State Government(s)	-	-	-	-	-	-	-	-	-
d.	Bodies Corporate	4472517	-	4472517	26.25	4472517	-	4472517	26.25	-
e.	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
f.	Others	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)		10374509	83360	10457869	61.37	10021295	83360	10104655	59.30	(2.07)
2	Foreign									
a.	Non-Resident Individuals	-	-	-	-	-	-	-	-	-
b.	Other Individuals	-	-	-	-	-	-	-	-	-
c.	Bodies Corporate	-	-	-	-	-	-	-	-	-
d.	Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-
e.	Others	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)		-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)		10374509	83360	10457869	61.37	10021295	83360	10104655	59.30	(2.07)
B.	Public Shareholding									
1	Institutions									
a.	Mutual Funds	-	-	-	-	-	-	-	-	-
b.	Financial Institutions/ Banks	6720	700	7420	0.04	16653	700	17353	0.10	0.06
c.	Central Government	-	-	-	-	-	-	-	-	-
d.	State Government(s)	-	-	-	-	-	-	-	-	-
e.	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f.	Insurance Companies	-	-	-	-	-	-	-	-	-
g.	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h.	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i.	Any Other (specify) Alternate Investment Fund	197000	-	197000	1.16	131745	-	131745	0.77	(0.39)
Sub-Total (B) (1)		203720	700	204420	1.20	148398	700	149098	0.87	(0.32)
2	Non-Institutions									
a.	Bodies Corporate	343021	2700	345721	2.03	425982	2700	428682	2.52	0.49
b.	Individuals									
i.	Individual Shareholders holding nominal share capital upto ₹1 Lakh	3020473	188022	3208495	18.83	3435929	177658	3613587	21.21	2.38
ii.	Individual Shareholders holding nominal share capital in excess of ₹1 Lakh	2138648	-	2138648	12.55	1274333	-	1274333	7.48	(5.07)
c.	Any Other (specify)									
i.	Trusts	700	-	700	0.00	300	-	300	-	(0.00)
ii.	Foreign Companies	-	-	-	-	-	-	-	-	-
iii.	Clearing Members/Clearing Houses	67186	-	67186	0.39	148562	-	148562	0.87	0.48
iv.	Hindu Undivided Families	162526	-	162526	0.95	872227	-	872227	5.12	4.16
v.	Non-Resident Indians (Non Repat)	118494	200	118694	0.70	132662	200	132862	0.78	0.08
vi.	Non-Resident Indians (Repat)	335541	-	335541	1.97	313113	-	313113	1.84	(0.13)
vii.	Directors and their relatives	200	-	200	0.00	200	-	200	0.00	-
viii.	NBFCs registered with RBI	-	-	-	-	2381	-	2381	0.01	-
Sub-Total (B) (2)		6186789	190922	6377711	37.43	6605689	180558	6786247	39.83	2.40
Total Public Shareholding (B)=(B)(1) + (B) (2)		6390509	191622	6582131	38.63	6754087	181258	6935345	40.70	2.07
Total (A) + (B)		16765018	274982	17040000	100.00	16775382	264618	17040000	100.00	-
C.	Shares held by Custodians & against which Depository Receipts have been issued									
GRAND TOTAL (A) + (B)+(C)		16765018	274982	17040000	100.00	16775382	264618	17040000	100.00	-

ii. Shareholding of Promoters								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018			Shareholding at the end of the year 31.03.2019			% change in the shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Sh. Adesh Kumar Gupta (Karta)	680000	3.99	-	680000	3.99	-	0.00
2	Sh. Adish Kumar Gupta (Karta)	660000	3.87	-	660000	3.87	-	0.00
3	Sh. Arpan Gupta Karta of Sh. Dinesh Kumar Gupta (HUF)	640000	3.76	-	366012	2.15	-	(1.61)
4	Sh. Arpan Gupta	552400	3.24	-	509250	2.99	-	(0.25)
5	Sh. Anupam Bansal	478640	2.81	-	478640	2.81	-	0.00
6	Sh. Ayush Bansal	300000	1.76	-	300000	1.76	-	0.00
7	Sh. Pulkit Bansal	300000	1.76	-	300000	1.76	-	0.00
8	Smt. Ruchir Bansal	300000	1.76	-	300000	1.76	-	0.00
9	Sh. Shammi Bansal	259640	1.52	-	259640	1.52	-	0.00
10	Sh. Pranav Gupta	180633	1.06	-	139564	0.82	-	(0.24)
11	Sh. Akshat Gupta	241660	1.42	-	241660	1.42	-	0.00
12	Sh. Vivek Bansal	233640	1.37	-	233640	1.37	-	0.00
13	Sh. Raman Bansal	232640	1.37	-	232640	1.37	-	0.00
14	Sh. Sunil Bansal	232640	1.37	-	232640	1.37	-	0.00
15	Sh. Adish Kumar Gupta	189360	1.11	-	189360	1.11	-	0.00
16	Sh. Manan Bansal	150000	0.88	-	150000	0.88	-	0.00
17	Sh. Vaibhav Bansal	150000	0.88	-	150000	0.88	-	0.00
18	Sh. Adesh Kumar Gupta	95000	0.56	-	95000	0.56	-	0.00
20	Smt. Rehti Devi	83360	0.49	-	83360	0.49	-	0.00
21	Smt. Kamlawati	13600	0.08	-	13600	0.08	-	0.00
22	Sh. Adarsh Gupta	11000	0.06	-	11000	0.06	-	0.00
23	Sh. Anmol Gupta	1139	0.01	-	6132	0.04	-	0.03
24	M/s GEOFIN INVESTMENTS PVT. LTD.	4472517	26.25	-	4472517	26.25	-	0.00
	Total	10457869	61.37	-	10104655	59.30	-	(2.07)

iii. Change in Promoters' Shareholding (please specify, if there is no change)					
Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Sh. Pranav Gupta				
	At the beginning of the year	180633	1.06	180633	1.06
	Sale of Shares on 29th August, 2018	(19656)	(0.12)	160977	0.94
	Sale of Shares on 30th August, 2018	(21413)	(0.13)	139564	0.82
	At the end of the year			139564	0.82
2	Sh. Anmol Gupta				
	At the beginning of the year	1139	0.01	1139	0.01
	Purchase of Shares on 5th June, 2018	4017	0.02	5156	0.03
	Purchase of Shares on 6th June, 2018	976	0.01	6132	0.04
	At the end of the year			6132	0.04
3	Sh. Arpan Gupta				
	At the beginning of the year	552400	3.24	552400	3.24
	Sale of Shares on 3rd April, 2018	(3500)	(0.02)	548900	3.22
	Sale of Shares on 4th April, 2018	(6000)	(0.04)	542900	3.19
	Sale of Shares on 6th April, 2018	(1500)	(0.01)	541400	3.18
	Sale of Shares on 6th April, 2018	(1355)	(0.01)	540045	3.17
	Sale of Shares on 9th April, 2018	(3195)	(0.02)	536850	3.15
	Sale of Shares on 11th April, 2018	(2850)	(0.02)	534000	3.13
	Sale of Shares on 13th April, 2018	(1500)	(0.01)	532500	3.13
	Sale of Shares on 18th April, 2018	(1000)	(0.01)	531500	3.12
	Sale of Shares on 19th April, 2018	(500)	(0.00)	531000	3.12
	Sale of Shares on 20th April, 2018	(6500)	(0.04)	524500	3.08
	Sale of Shares on 23rd April, 2018	(8500)	(0.05)	516000	3.03
	Sale of Shares on 24th April, 2018	(6750)	(0.04)	509250	2.99
	At the end of the year			509250	2.99
4	Arpan Gupta Karta Dinesh Kumar Gupta HUF				
	At the beginning of the year	640000	3.76	640000	3.76
	Sale of Shares on 27th April, 2018	(300)	(0.00)	639700	3.75
	Sale of Shares on 30th April, 2018	(2600)	(0.02)	637100	3.74
	Sale of Shares on 3rd May, 2018	(2700)	(0.02)	634400	3.72
	Sale of Shares on 4th May, 2018	(300)	(0.00)	634100	3.72
	Sale of Shares on 8th May, 2018	(3500)	(0.02)	630600	3.70

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Sale of Shares on 10th May, 2018	(502)	(0.00)	630098	3.70
	Sale of Shares on 11th May, 2018	(300)	(0.00)	629798	3.70
	Sale of Shares on 13th June, 2018	(1500)	(0.01)	628298	3.69
	Sale of Shares on 19th June, 2018	(6500)	(0.04)	621798	3.65
	Sale of Shares on 26th June, 2018	(3000)	(0.02)	618798	3.63
	Sale of Shares on 5th July, 2018	(2143)	(0.01)	616655	3.62
	Sale of Shares on 6th July, 2018	(400)	(0.00)	616255	3.62
	Sale of Shares on 9th July, 2018	(3800)	(0.02)	612455	3.59
	Sale of Shares on 10th July, 2018	(1300)	(0.01)	611155	3.59
	Sale of Shares on 23rd July, 2018	(11376)	(0.07)	599779	3.52
	Sale of Shares on 13th August, 2018	(7533)	(0.04)	592246	3.48
	Sale of Shares on 14th August, 2018	(12902)	(0.08)	579344	3.40
	Sale of Shares on 16th August, 2018	(3528)	(0.02)	575816	3.38
	Sale of Shares on 21st August, 2018	(45689)	(0.27)	530127	3.11
	Sale of Shares on 21st August, 2018	(6000)	(0.04)	524127	3.08
	Sale of Shares on 23rd August, 2018	(72250)	(0.42)	451877	2.65
	Sale of Shares on 24th August, 2018	(11877)	(0.07)	440000	2.58
	Sale of Shares on 28th August, 2018	(15000)	(0.09)	425000	2.49
	Sale of Shares on 29th August, 2018	(2069)	(0.01)	422931	2.48
	Sale of Shares on 30th August, 2018	(7000)	(0.04)	415931	2.44
	Sale of Shares on 3rd September, 2018	(3500)	(0.02)	412431	2.42
	Sale of Shares on 4th September, 2018	(220)	(0.00)	412211	2.42
	Sale of Shares on 5th September, 2018	(4383)	(0.03)	407828	2.39
	Sale of Shares on 6th September, 2018	(2750)	(0.02)	405078	2.38
	Sale of Shares on 7th September, 2018	(900)	(0.01)	404178	2.37
	Sale of Shares on 10th September, 2018	(5000)	(0.03)	399178	2.34
	Sale of Shares on 19th September, 2018	(599)	(0.00)	398579	2.34
	Sale of Shares on 20th September, 2018	(11247)	(0.07)	387332	2.27
	Sale of Shares on 21st September, 2018	(3540)	(0.02)	383792	2.25
	Sale of Shares on 27th September, 2018	(12780)	(0.08)	371012	2.18
	Sale of Shares on 5th November, 2018	(2000)	(0.01)	369012	2.17
	Sale of Shares on 17th December, 2018	(3000)	(0.02)	366012	2.15
	At the end of the year			366012	2.15

*Except above there is no change in Promoters' shareholding between 01.04.2018 to 31.03.2019

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):						
Sr. No	For each of the Top Ten Shareholders		Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	SATISH KUMAR GUPTA					
	At the beginning of the year		866202	5.083		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	01 Mar 2019'	Sale	(36052)	(0.212)	830150	4.872
	08 Mar 2019	Sale	(476466)	(2.796)	353684	2.076
	22 Mar 2019'	Sale	(8000)	(0.047)	345684	2.029
	At the end of the year				345684	2.029
2	HARISH KUMAR GUPTA					
	At the beginning of the year		675816	3.966		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	10 Aug 2018	Sale	(25000)	(0.147)	650816	3.819
	21 Sep 2018	Buy	20000	0.117	670816	3.937
	05 Oct 2018	Buy	7980	0.047	678796	3.984
	12 Oct 2018	Buy	20	0.000	678816	3.984
	At the end of the year				678816	3.984
3	SACHIN GUPTA					
	At the beginning of the year		0	0		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	08 Mar 2019'	Buy	250000	1.467	250000	1.467
	At the end of the year				250000	1.467
4	EQ INDIA FUND					
	At the beginning of the year		197000	1.156		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	30 Nov 2018	Sale	(50255)	(0.295)	146745	0.861
	07 Dec 2018'	Sale	(15000)	(0.088)	131745	0.773
	At the end of the year				131745	0.773
6	AKARSH GUPTA					
	At the beginning of the year		145000	0.851		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	27 Jul 2018	Buy	23	0.000	145023	0.851
	03 Aug 2018	Sale	(23)	(0.000)	145000	0.851
	01 Mar 2019	Sale	(2870)	(0.017)	142130	0.834
	08 Mar 2019	Sale	(12000)	(0.070)	130130	0.764
	22 Mar 2019'	Buy	795	0.005	130925	0.768
	29 Mar 2019	Sale	(19695)	(0.116)	111230	0.653
	At the end of the year				111230	0.653

Sr. No	For each of the Top Ten Shareholders		Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7	ELSAMMA JOSEPH					
	At the beginning of the year		125000	-		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	15 Feb 2019	Sale	(15000)	(0.088)	110000	0.646
	AT THE END OF THE YEAR				110000	0.646
5	KANISHK GUPTA					
	At the beginning of the year		100000	0.587		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	22 Mar 2019	Sale	15000	0.088	115000	0.675
	29 Mar 2019	Sale	10000	0.059	125000	0.734
	AT THE END OF THE YEAR				125000	0.734
8	DHEERAJ GUPTA					
	At the beginning of the year		74850	0.439		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	01 Jun 2018	Buy	11890	0.070	86740	0.509
	10 Aug 2018	Sale	(10000)	(0.059)	76740	0.450
	31 Aug 2018	Sale	(10000)	(0.059)	66740	0.392
	29 Sep 2018	Buy	5000	0.029	71740	0.421
	05 Oct 2018	Buy	13500	0.079	85240	0.500
	At the end of the year				85240	0.500
9	SRIKANTH DHULIPALA					
	At the beginning of the year		65000	0.381		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	08 Jun 2018	Buy	10000	0.059	75000	0.440
	09 Nov 2018	Sale	(75000)	(0.440)	0	0
	14 Dec 2018	Buy	75000	0.440	75000	0.440
	At the end of the year				75000	0.440
10	EDELWEISS CUSTODIAL SERVICES LTD.					
	At the beginning of the year		63533	0.373		
	Date wise increase(+)/decrease(-) with reasons, during the year:					
	Date	Reason				
	06 Apr 2018	Sale	(465)	(0.003)	63068	0.3701
	13 Apr 2018	Buy	128	0.001	63196	0.3709
	20 Apr 2018	Sale	(249)	(0.001)	62947	0.3694
	27 Apr 2018	Buy	160	0.001	63107	0.3703
	04 May 2018	Buy	425	0.002	63532	0.3728
	11 May 2018	Sale	(205)	(0.001)	63327	0.0215
	18 May 2018	Buy	1467	0.009	64794	0.3802
	25 May 2018	Sale	(9886)	(0.058)	54908	0.3222
	01 Jun 2018	Sale	(13202)	(0.077)	41706	0.2448

Sr. No	For each of the Top Ten Shareholders		Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	08 Jun 2018	Sale	(4004)	(0.023)	37702	0.2213
	15 Jun 2018	Buy	125	0.001	37827	0.2220
	22 Jun 2018	Buy	1505	0.009	39332	0.2308
	30 Jun 2018	Buy	1888	0.011	41220	0.2419
	06 Jul 2018	Buy	9785	0.057	51005	0.2993
	13 Jul 2018	Buy	129	0.001	51134	0.3001
	20 Jul 2018	Sale	(68)	(0.000)	51066	0.2997
	27 Jul 2018	Buy	1688	0.010	52754	0.3096
	03 Aug 2018	Buy	645	0.004	53399	0.3134
	10 Aug 2018	Buy	74	0.000	53473	0.3138
	17 Aug 2018	Sale	(72)	(0.000)	53401	0.3134
	24 Aug 2018	Sale	(2733)	(0.016)	50668	0.2973
	31 Aug 2018	Buy	416	0.002	51084	0.2998
	07 Sep 2018	Buy	3785	0.022	54869	0.3220
	14 Sep 2018	Sale	(536)	(0.003)	54333	0.3189
	21 Sep 2018	Buy	1045	0.006	55378	0.3250
	29 Sep 2018	Sale	(3626)	(0.021)	51752	0.3037
	05 Oct 2018	Buy	347	0.002	52099	0.3057
	12 Oct 2018	Sale	(770)	(0.005)	51329	0.3012
	19 Oct 2018	Buy	235	0.001	51564	0.3026
	26 Oct 2018	Buy	199	0.001	51763	0.3038
	02 Nov 2018	Sale	(224)	(0.001)	51539	0.3025
	09 Nov 2018	Sale	(1678)	(0.010)	49861	0.2926
	16 Nov 2018	Buy	1050	0.006	50911	0.2988
	23 Nov 2018	Sale	(9045)	(0.053)	41866	0.2457
	30 Nov 2018	Buy	385	0.002	42251	0.2480
	07 Dec 2018	Buy	874	0.005	43125	0.2531
	14 Dec 2018	Buy	347	0.002	43472	0.2551
	21 Dec 2018	Sale	(1392)	(0.008)	42080	0.2469
	28 Dec 2018	Buy	1750	0.010	43830	0.2572
	31 Dec 2018	Buy	150	0.001	43980	0.2581
	04 Jan 2019	Buy	1934	0.011	45914	0.2694
	11 Jan 2019	Buy	951	0.006	46865	0.2750
	18 Jan 2019	Sale	85	0.000	46950	0.2755
	25 Jan 2019	Buy	210	0.001	47160	0.2768
	01 Feb 2019	Buy	229	0.001	47389	0.2781
	08 Feb 2019	Sale	(1728)	(0.010)	45661	0.2680
	15 Feb 2019	Sale	(148)	(0.001)	45513	0.2671
	22 Feb 2019	Sale	(2019)	(0.012)	43494	0.2552
	01 Mar 2019	Buy	300	0.002	43794	0.2570
	08 Mar 2019	Buy	130	0.001	43924	0.2578
	15 Mar 2019	Buy	1340	0.008	45264	0.265
	22 Mar 2019	Sale	(1090)	(0.006)	44174	0.2592
	29 Mar 2019	Buy	6241	0.037	50415	0.2959
	30 Mar 2019	Sale	(500)	(0.003)	49915	0.2929
	At the end of the year				49915	0.2929

v. Shareholding of Directors and Key Managerial Personnel:								
Sr. No.	Folio/Beneficiary Account no.	Name of the Director/ Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
					No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	IN30115127865430	Sh. Adesh Kumar Gupta CEO & Executive Director	01.04.2018	At the beginning of the year	95,000	0.56	95,000	0.56
			31.03.2019	At the end of the year			95,000	0.56
2	IN30154918000382	Sh. Shammi Bansal Executive Director	01.04.2018	At the beginning of the year	2,59,640	1.52	2,59,640	1.52
			31.03.2019	At the end of the year			2,59,640	1.52
3	IN30115128197297	Sh. Sunil Bansal Executive Director	01.04.2018	At the beginning of the year	2,32,640	1.37	2,32,640	1.37
			31.03.2019	At the end of the year			2,32,640	1.37
4	IN30115127865552	Sh. Adish Kumar Gupta Executive Director	01.04.2018	At the beginning of the year	1,89,360	1.11	1,89,360	1.11
			31.03.2019	At the end of the year			1,89,360	1.11

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year			-	-
i Principal Amount	10,729.92	779.14	-	11,509.06
ii Interest due but not paid	-	103.94	-	103.94
iii Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10,729.92	883.08	-	11,613.00
Change in indebtedness during the financial year				
i Addition	147.47	1,461.80	-	1,609.27
ii Reduction	-	(2,344.88)	-	(2,344.88)
Net Change	147.47	(883.08)	-	(735.61)
Indebtedness at the beginning of the financial year				
i Principal Amount	10,877.39	0.00	-	10,877.39
ii Interest due but not paid	-	0.00	-	-
iii Interest accrued but not due	-	0.00	-	-
Total (i+ii+iii)	10,877.39	-	-	10,877.39

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL								
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:								
Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager					(₹ in Lakh)	
		Sh. Adesh Kumar Gupta	Sh. Shammi Bansal	Sh. Sunil Bansal*	Sh. Adish Kumar Gupta	Sh. Ashok Kumar	Total Amount	
1	Gross Salary							
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	48.00	48.00	48.00	48.00	13.20		205.20
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-		-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-		-
2	Stock Option	-	-	-	-	-		-
3	Sweat Equity	-	-	-	-	-		-
4	Commission- as % of profit	-	-	-	-	-		-
5	Others, Allowances	-	-	-	-	-		-
	Total (A)	48.00	48.00	48.00	48.00	13.20		205.20
	Ceiling as per the Act (@10% of profits calculated under Section 198 of the Companies Act, 2013)							152.22

*He has expressed his unwillingness to withdraw the Remuneration during the year under consideration.

(₹ in Lakh)

B. Remuneration to other Directors					
Sr. No.	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission	Others, please specify	Total Amount
1	Independent Directors				
	Sh. Raghubar Dayal	1.10	-	-	1.10
	Sh. Ramesh Chandra Palhan	1.10	-	-	1.10
	Sh. Pushpinder Singh Grewal	0.35	-	-	0.35
	Sh. Vivek Bansal	-	-	-	-
	Smt. Lovelena Mody	0.35	-	-	0.35
	Total (1)	2.90	-	-	2.90
2	Other Non-Executive Directors				
	Total (2)	-	-	-	-
	Total (B)= (1+2)	2.90	-	-	2.90
	Total Managerial Remuneration (B)	2.90	-	-	2.90
	Ceiling as per the Act (@1% of profits calculated under Section 198 of the Companies Act, 2013)				15.22

C. Remuneration to Key Managerial Personnel (KMP) other than MD/Manager/WTD			(₹ in Lakh)
Sr. No.	Particulars of Remuneration	Name of KMP	Total Amount
		Sh. Munish Kakra, CFO & Company Secretary	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	42.61	42.61
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit	-	-
5	Others, Allowances	-	-
	Total	42.61	42.61

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENSES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019

For and on behalf of the
Board of Directors

Adesh Kumar Gupta
Chairman of the Meeting
DIN: 00143192

Place: New Delhi
Dated: Wednesday, 24th July, 2019

ANNEXURE- V TO DIRECTORS' REPORT

ANNUAL REPORT ON
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects and programs:**

Liberty has always been a frontrunner in contributing to the society at large. In Liberty, CSR initiatives are being undertaken long before the implementation of new provisions of Section 135 of the Companies Act, 2013. Liberty is committed to further strengthen its effort and activities by demonstrating care for the community through its focus on education and development of skills, health and wellness including treatment for poor, needy & uninsured people, making efforts for environment sustainability including promotion of green initiatives and Improvement of the living conditions of inhabitants and supporting to disaster relief efforts etc. The CSR Committee constituted under the Act provides oversight of CSR policy execution to ensure that the CSR objective of the Company are met and it reviews and looks after the activities of CSR including identifying the areas of CSR as per the provisions of the Act. The projects to be undertaken are within the broad framework of schedule VII of the Companies Act, 2013. Details of the CSR policy and projects or programs proposed to be

undertaken by the Company are available on the website of the Company viz. www.libertyshoes.com.

2. Composition of CSR Committee:

The Board of Directors of your Company has constituted a CSR Committee of Directors in terms of the requirement of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 to identify, approve and monitor proper execution and implementation of the CSR projects and CSR activities undertaken by the Company.

The CSR Committee of the Directors comprises of Sh. Shammi Bansal, Executive Director as Chairman and Sh. Adish Kumar Gupta, Executive Director Sh. Raghubar Dayal, Sh. Ramesh Chandra Palhan and Smt. Lovelena Mody, Independent Directors as members of the Committee.

3. Detail of the CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹27.59 Lakh (Being 2% of the Average net profit of last three financial years viz ₹1,379.60 Lakh).

(b) Amount unspent: Not Applicable.

(c) Manner in which the amount is spent during the financial year is detailed below:

Sr. No.	CSR Projects or Activity identified	Sector in which the projects are covered	Projects or programs (1) Local Area or other (2) specify the state and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise (₹ in Lakh)	Amount spent on the projects or programs Subheads: (1) Direct Expenditure (2) Overheads (₹ in Lakh)	Cumulative Expenditure up to the reporting period (₹ in Lakh)	Amount spent: Direct or through implementing agency
1	(a) Contributions/sponsorships to Schools for providing education/ healthcare to children who can't afford it and to ensure the holistic development of underprivileged children by providing them quality education, healthcare and balanced nutrition.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Local Area	20.00	18.67	18.67	Direct

	(b) Provided free of cost footwear to various school/institutions to further provide to the children/students who can't afford it.						
2	Contributed to registered Sports Associations in Karnal, for providing training to youth/young athletes of Haryana to prepare and make them ready to participate in National Games/Olympics.	Promotion of Sports	Local Area	2.00	1.60	1.60	Direct
3	Contribution to approved Relief Fund	Contribution to various approved relief funds set up by Central and State Governments	Local Area	28.00	25.10	25.10	Direct
	Sub-total			50.00	45.37	45.37	
	Overhead			-	-	-	
	Total CSR spend			50.00	45.37	45.37	

4. Reason for not spending the prescribed amount of 2% of the three years' average net profit in terms of the provisions of Companies Act, 2013 and Rules made there under: Not Applicable.

5. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company: We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Adesh Kumar Gupta
CEO & Executive Director
(DIN: 00143192)

Shammi Bansal
Executive Director & Chairman- CSR Committee
(DIN: 00138792)

Place: New Delhi
Dated: Wednesday, 24th July, 2019

ANNEXURE VI TO DIRECTORS' REPORT

Annexure 'A'

Disclosure of particulars under Section 134 (1) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the financial year ended 31st March, 2019, are given as under:

A) CONSERVATION OF ENERGY:**I. Energy Conservation measures taken**

Liberty is committed for sustainable business ethics through its contribution towards environment protection. Conservation of energy is a thrust area for your Company. Few of the energy conservation measures implemented during the financial year ended 31st March, 2019 are given below:

- i. Replacement of low efficiency motors to high efficiency in pumps wherever required.
- ii. Replacement of CFL lamps with LED lights at manufacturing units at Libertypuram & Poanta Sahib plants.
- iii. Focus on energy conservation through maximum utilization of natural lights wherever possible at the manufacturing plants.

II. Additional Investments and proposals, if any, being implemented for reduction of consumption of energy

Liberty would continue with its efforts towards effective utilization of energy across its manufacturing units and Offices.

III. Impact of the measures at (I) & (II) above for reduction of energy consumption and consequent impact in the cost of production of goods

The measures listed above have resulted in saving in consumption of energy without hampering the process.

The savings are as under:

- i. Total energy saving in the year 2018-19: ₹30 Lakh
- ii. Energy saving per manufacturing pair during the year 2018-19: ₹0.34 per pair
- iii. Energy saving against total cost of consumption of energy in the year 2018-19: 3.44%

IV) Steps taken by the Company for utilizing alternate sources of energy

The Company has already installed solar power plant at its Libertypuram manufacturing facilities to reduce energy cost and contribute towards environment protection.

V) Capital Investment on energy conservation equipment

The Company for the year under consideration has not made any major capital investment on energy conservation equipments.

B) TECHNOLOGY ABSORPTION:**I. Efforts made in technology absorption**

Liberty Research & Development team focused its substantial efforts on understanding of consumer needs in terms of designing & its pricing.

II. Specific areas in which R & D carried out by the Company and Benefits derived as a result of R&D

1. R&D efforts were directed mainly towards core areas of footwear manufacturing techniques and innovations relating to develop footwear with the aim of premiumisation.
2. New footwear designs offering value for money for its consumers.
3. Introduction of alternative raw materials and other inputs to reduce the costs of production.
4. Strengthening knowledge of its Research & Development team to develop new offerings and innovative ideas.

III. Technology Imported during last three years: None in the near future.**IV. The future plan of action**

No plans are envisaged to import any new technology for footwear development.

V. Expenditure in R & D

The Company has not incurred any major capital expenditure towards its research and development activities, however, has spent ₹32.50 Lakh as recurring expenditures towards its development activities.

This expenditure constitutes 0.05% of the turnover of the Company for the year under consideration.

VI. Technology absorption, adaptation and innovation Efforts & benefits to the Company

The implementation of innovative technologies in various manufacturing processes has helped Liberty to improve the quality of its footwear and its presence in the footwear market.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**I) Efforts and initiative in relation to the exports:**

The Company in order to improve its export performance and for the better understanding of international trends has participated in various leading international trade exhibitions and also emphasized its efforts for improving the quality of its footwear considering the requirement of overseas customers.

II) Total foreign exchange used and earned:

During the year, the Company has earned foreign exchange of ₹3,256.03 Lakh (previous year ₹2,990.30 Lakh) and used foreign exchange of ₹2,301.68 Lakh (previous year ₹2,156.99 Lakh).

For and on behalf of the
Board of Directors

Adesh Kumar Gupta
Chairman of the Meeting
DIN: 00143192

Place: New Delhi
Dated: Wednesday, 24th July, 2019

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Liberty Shoes Limited

(CIN: L19201HR1986PLC033185)

Liberty Puram, 13 Milestone,

GT Karnal Road, Kutail,

P.O. Bastara, Karnal, Haryana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Liberty Shoes Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that

- a) Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion;
- c) We have not verified the correctness and appropriateness of the financial statements of the Company;
- d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.;
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis;
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct

of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (wherever applicable);
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations");
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & 2018;
 - (d) *The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (i) The Securities and Exchange Board of India (Listing

obligations and Disclosures requirements) Regulations, 2015 ("SEBI LODR Regulations").

*No event took place under these regulations during the Audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India, with which the Company has generally complied with.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above, except that:-

- The Company has not passed special resolution under the provisions of Regulation 17(1A) of SEBI LODR Regulations for continuance of directorship of Sh. Raghubar Dayal, Independent Director of the Company who has attained the age of 75 years as on 31.03.2019;
- One of the Shareholders who belong to the Promoters group of the Company sold 19,656 and 21,413 equity shares of the Company on 29.08.2018 and 30.08.2018 respectively. In respect thereto, Form(s) C were received by the Company on 29.08.2018 & 30.08.2018 respectively. However, the Company intimated the receipt of Form(s) C to the stock exchanges on 30.11.2018 which is beyond the 2 working days as prescribed under Regulation 7(2)(b) of SEBI Insider Trading Regulations, 2015;
- Two shareholders who belongs to the Promoters group of the Company sold equity shares of the Company in open market without seeking pre-clearance(s) as required under the Company's code of prevention of Insider Trading for certain transactions entered into Quarter ended June 30, 2018 and Quarter ended September 30, 2018 having value exceeding the limit prescribed under PIT Regulations.

(vi) The Company is engaged in the business of manufacturing and trading of footwear and lifestyle products through its retail and wholesale network and is having its plants at Karnal, Libortypuram & Gharounda in Haryana, Roorkee in Uttrakhand and Ponta Sahib in Himachal Pradesh. As informed by the Management, there is no sector specific law applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except that one independent director of the Company resigned from the board w.e.f. March 15, 2019 and minimum number of Independent Directors was not there as on the date.

Adequate notices were given to all directors of the Board

Meetings; agenda and detailed notes on agenda are sent in advance of the meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with majority consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines which needs to be strengthened.

We further report that:-

- Members of the Company in their Annual General Meeting held on August 24, 2018 inter-alia passed the following special resolution(s):-
 - ❖ for alteration/ substitution of the Memorandum of Association of the Company;
 - ❖ for alteration of the Liability clause of the Memorandum of Association of the Company;
 - ❖ for discontinuation of wholly owned subsidiary of the Company Liberty Foot Fashions Middle East, FZE (LFF).
- The Company had filed Annual Return on Foreign Liabilities and Assets with Reserve bank of India for the financial year ended March 31, 2018 which is yet to be approved. he Company had filed Annual Return on Foreign Liabilities and Assets with Reserve bank of India for the financial year ended March 31, 2018 which is yet to be approved.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No. P2001DE052900

Sanjay Grover
Managing Partner
CP No. 3850

Place: New Delhi
Dated: Friday 24th May, 2019

CORPORATE GOVERNANCE REPORT

[In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the said Regulations]

1. Company's philosophy on Code of Governance

Liberty's governance philosophy is not just a mere compliance of legal obligation but is based on trusteeship, transparency and accountability with a vision to create long term sustainable value for its stakeholders. The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a leader in its product category while upholding the core values of Quality, Trust, Leadership and Excellence.

Your Company confirms compliance to the applicable Corporate Governance prescribed under law.

Liberty continues to follow the best Corporate Governance practices and continuously reviews them to further strengthen for the enhancement of stakeholders' confidence.

2. Board of Directors

(a) Composition and Category of Directors

The Board of Directors is entrusted with the overall responsibility of the management, affairs and performance of the Company and has been authorised with the requisite powers. Liberty Board is a balanced Board, comprising Executive and Non Executive Directors. The Non Executive Directors include independent professionals and entrepreneurs having understanding of diversified Industries and the overall administration. Your Company has also a woman Director which brings diversity on the Board.

As on date of this report, the Board of Directors of the Company comprises of 9 (nine) Directors including (1) one woman Director, out of which 5 (Five) are Executive Directors and 4 (Four) are Non Executive Independent Directors. Out of the said 5 Executive Directors, 4 are representing Promoter group of the Company.

We have Audit, Nomination and Remuneration, Management, Stakeholders Relationship and Corporate Social Responsibility Committees, which comprise Non Executive-Independent Directors and Executive Directors in compliance with applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

Sh. Adesh Kumar Gupta, CEO & Executive Director of the Company, acted as Chairman of all the Board meetings held during the financial year 2018-19.

Executive Directors perform their duties within the powers and key role areas fixed under respective Service Contracts and discharge their responsibilities in the manner approved by the Members of the Company in terms of the Corporate Governance practices followed by the Company to conduct the authorized business.

Accordingly, Board of the Company draws the annual operating plans, budgets/policies in accordance with the Company's vision to its productivity and profitability.

None of the Directors of the Company has any other material pecuniary relationship with the Company.

The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Sr. No.	Name of the Director(s)	Director Identification No. & Category of Directorship	Expertise in specific functional area
1	Sh. Adesh Kumar Gupta	00143192 /Promoter & ED	Being CEO he is instrumental in formulating Company's strategies, having management and leadership skill, having over three decades of experience in footwear
2	Sh. Shammi Bansal	00138792 /Promoter & ED	He has been credited with various initiatives in the field of leather and footwear technology including use of E.P Polymers, introduction of E.V.A. compound in Indian Footwear industry, having over three decades of experience in footwear
3	Sh. Sunil Bansal	00142121 /Promoter & ED	Looking after the production development operations and ensuring manufacturing of higher qualitative products by heading the quality department of the Company, having over three decades of experience in footwear
4	Sh. Adish Kumar Gupta	00137612/ Promoter & ED	He has been associated with the Company in different capacity for last several years and having vast experience in the field of Human Resource Management and supervision of leather finishing unit, having over three decades of experience in footwear
5	Sh. Ashok Kumar	06883514 /ED	He possesses a vast wealth of knowledge and has a proven record of providing indispensable legal advice to the Company and delivering of positive outcomes for the Company
6	Sh. Raghubar Dayal	00481803 /NED (I)	He is having over 34 years of administrative & Managerial experience by working with the various Government department
7	Sh. Ramesh Chandra Palhan	05241019 /NED (I)	Administration and Management skill, overall functional experience of more than 30 years with Government departments.
8	Sh. Pushpinder Singh Grewal	06364475 /NED (I)	Financial and strategic management with overall 30 years of experience
9	Smt. Lovelena Mody	01279148 /NED	She is a renowned Business personality and she actively participates in State level CII activities, having vast experience of managing the hospitality sectors

The name and categories of the Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) together with particulars of their Directorship and Chairmanship/ Membership of Board Committees in various other Companies as on 31st March, 2019 are given as under:

Sr. No.	Name of the Director(s)	Director Identification No. & Category of Directorship	No. of Board Meetings held & attended	Attendance at the last AGM	No. of other Directorship as on 31st March, 2019	No. of Committee		List of Directorship held in other Listed Company & Category
						Member-ship	Chairman-ship	
1.	Sh. Adesh Kumar Gupta	00143192 Promoter & ED	4(4)	Yes	5	-	-	-
2	Sh. Shammi Bansal	00138792 Promoter & ED	4(3)	No	1	-	-	-
3	Sh. Sunil Bansal	00142121 Promoter & ED	4 (4)	Yes	1	-	-	-
4	Sh. Adish Kumar Gupta	00137612 Promoter & ED	4(3)	Yes	3	-	-	-
5	Sh. Ashok Kumar	06883514 ED	4(3)	Yes	-	-	-	-
6	Sh. Raghubar Dayal	00481803 NED (I)	4(4)	Yes	-	-	-	-
7	Sh. Amitabh Taneja*	00031257 NED (I)	4(1)	No	5	-	-	-
8	Sh. Ramesh Chandra Palhan	05241019 NED (I)	4(4)	Yes	-	-	-	-
9	Sh. Pushpinder Singh Grewal	06364475 NED (I)	4(2)	No	-	-	-	-
10	Smt. Lovelena Mody	01279148 NED	4(2)	Yes	1	-	-	-

• ED (Executive Director)/ NED (I) (Non Executive Independent)

• *Resigned on 15th March, 2019

(b) Board's Process

In accordance with the legal requirements and to review/analyze the performance of the Company at regular intervals, the Board of Directors frequently meet for a minimum of four pre scheduled Meetings during each year as per the directions of the management of the Company. Additional Meetings of the Board are held when deemed necessary by the Board to address the specific needs of the Company, if any.

Apart from the Board of Directors, the various Heads of Departments, Internal Auditors and Statutory Auditors of the Company are also invited at the Board Meeting to oversee the related matters requiring discussion/approval/decision of the Board. Detailed agenda papers along with explanatory

notes and necessary documents and information, in defined Agenda format, are timely circulated to the Board of Directors in advance for facilitating meaningful and focused decision at the Meeting of the Board and Committees thereof. All material information is incorporated in the Agenda papers in order to have an overview of the business proposed to be considered at the Meeting(s). If it is not feasible to send the each and every document along with the Agenda, the same are placed before Members present at the Meeting with specific reference to this effect in Agenda. All the additional or supplementary item(s), not referred in Agenda, are considered after obtaining the due permission at the Meeting.

However, in case of business exigencies or urgencies, the resolutions are passed by way of circulation, except those which are required to be passed only at a Board meeting(s) in terms of the provisions of Companies Act, 2013.

Apart from statutory matters, all major policy decisions, evaluation of internal management procedures, budgetary decisions, business strategies and risk management practices are placed before the Board. Further, the information as required under Regulation 17 (7) read with Schedule-II, Part-A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is periodically placed before the Board /Board Committees. The Board has also constituted 5(five) standing committees namely Audit Committee, Management Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee which function as per the terms of references decided by the Board from time to time.

Company Secretary & Compliance Officer of the Company conducts all the Meetings of Board/Board Committees and records the Minutes of the proceedings of each Board and Committee Meeting and final Minutes are entered in the respective Minutes Book(s) within the stipulated period, if any, in compliance with the provisions of the Companies Act, 2013, Secretarial Standards-1 on Board Meetings and other regulatory enactments. In addition to above, all the actions taken in respect of important matter(s) discussed in the previous Meetings are placed at the immediately succeeding Meetings for the purpose of follow up and reviews. The draft minutes are circulated to the Directors for their comments, if any on the same and after incorporating their comments, copy of signed minutes are provided to the directors for their confirmation in compliance with applicable provisions of Secretarial Standards on Board meetings.

c) Board Meetings

During the financial year 2018-19, 4 (Four) Board Meetings were held viz. on 26th May, 9th August, 25th October 2018 and 14th February 2019. The maximum interval between any two Board Meeting(s) was not more than 120 Days prescribed under the Listing Regulations. The annual calendar of meetings is broadly determined at the beginning of the year. The Board periodically reviews the compliance reports of all laws applicable to the Company.

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited Companies, foreign Companies and Companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than

5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Necessary disclosures regarding committee positions in other public Companies as on March 31, 2019 have been made by the directors.

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed Companies. Further, any of the Whole Time Directors of the Company does not serve as an Independent Director in any listed entity.

The Board periodically reviews compliance reports of all applicable laws to the Company, prepared by the Company.

Post - Meeting Follow up system

After the Board meeting, we have formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and sub committees of the Board.

(d) Independent Directors and Familiarization Programme

In the opinion of the Board of Directors, all the Independent Directors of the Company are satisfying the conditions as specified in the Regulation 25, Regulation 16 (1) (b) and any other Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to qualify to act as Independent Directors of the Company and actively participate in the Meetings held from time to time for providing the necessary guidance/suggestions for protecting the interest of investors/stakeholders. The suggestions received from the Independent Directors are suitably observed by the management for its beneficial implementation. All the Non Executive Independent Directors propose to be appointed/existing on the Board have given a declaration under Section 149 (7) that he/she meets the criteria of Independence as provided in Section 149 (6) of the Companies Act, 2013 and also under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Non-Executive Independent Directors do not have any pecuniary relationships or transactions either with the Company, other than sitting fees drawn by the Non Executive Independent Director for attending the meetings of the Board and its Committees with the Promoters/Directors/Senior Management that may affect their judgment in any manner.

The terms and conditions of appointment of the Independent directors are disclosed on the website of the Company. During the year under consideration a separate meeting of the Independent directors was held on 14th February, 2019 inter-alia to evaluate the performance of the Board, its Committees, Chairman, individual Directors of the Company and to assess the quality, quantity and timeliness of flow of information between the company management and the Board. The meeting was attended by all the independent Directors except Sh. Amitabh Taneja.

Familiarization Programme for Independent Directors

In order to encourage active participation of Independent Directors and in order to understand the business environment, the Company has been familiarizing the Independent Directors on its Board with detailed presentations by its business functional heads on the Company operations, strategic business plans, new products and technologies, including significant aspects of the Industry and its future outlook. Once appointed, the Non Executive & Independent Directors undergo the familiarization program of the Company. The Non executive & Independent Directors are also provided with financial results, internal audit findings and other specific documents as sought from time to time. They are also made aware of the various Policies and Code of Conduct and business ethics adopted by the Board. Details of familiarization programs extended to the Non Executive & Independent Directors during the year are disclosed on the Company website www.libertyshoes.com. Further at the time of appointment of an Independent Director, the Company

issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The template of the letter of appointment is available on Company's website at www.libertyshoes.com.

(e) Non-Executive Directors' compensation and disclosures

Non - Executive Independent Directors are eligible for sitting fees & commission not exceeding the limits prescribed under the Companies Act 2013. During the financial year 2018-19, ₹2,90,000/- has been paid as sitting fees to Non executive Independent Directors for attending the Meeting of the Board and Audit Committee Meeting. Further, no sitting fees has been paid to Executive Directors for attending the Board/Committee thereof, in accordance with the respective Service Agreement entered in to with them. Further, the Company till date has not offered Equity Shares under stock option scheme to the Directors/Employees of the Company.

(f) Code of Conduct

The Board of Directors of the Company has adopted the 'Code of Conduct' for all the Board Members and designated members of Senior Management of the Company. All the members of the Board and designated members of Senior Management have complied with the Code of Conduct. The duties of independent Directors of the Company were incorporated in the Code to make it more robust.

Details of the Code are available on the website of the Company viz. www.libertyshoes.com.

Annual Declaration by the Chief Executive Officer (CEO) pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the said Regulations:-

To,

The Members

Liberty Shoes Ltd.

As the Chief Executive Officer (CEO) of Liberty Shoes Ltd. and as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said Regulations, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2019.

Adesh Kumar Gupta
Chief Executive Officer (CEO)
DIN: 00143192

(g) Brief particulars of the Directors, whose candidature are proposed for appointment/re-appointment in the forthcoming Annual General Meeting:

(a) Brief particulars of Sh. Adesh Kumar Gupta and Sh. Sunil Bansal, who will be retiring by rotation and being eligible, offers themselves for the re-appointment in the ensuing Annual General Meeting.

Sh. Adesh Kumar Gupta (CEO & Executive Director)

Sh. Adesh Kumar Gupta, aged about 59 years, a graduate in B.SC. (Engineering), has been working as Director of the Company since 1990 and Executive Director since 2001. He has been looking after the overall affairs of the Company as a CEO since 2004. As a CEO, he has been instrumental in formulating Company's strategies and providing his vital contribution for the effective functioning of the Company. He has been embraced by many prestigious awards and in the past, he has been a key functionary of Confederation of Indian Industry. He is active Chairman of Council for Footwear Leather and Accessories (CFLA) and has been instrumental since its inception to strategies the various initiatives and in formulating the policies for the sector and making representations to the Central and State Governments and other Departments for elevating the Sector. He belongs to the Promoters Group of the Company and presently holds 95000 Equity Shares (other than HUF) in the Company.

Sh. Sunil Bansal (Executive Director)

Sh. Sunil Bansal, aged 59 years, has been acting as Director of the Company since 1990. He has been looking after the product development operations and ensuring the manufacturing of higher qualitative products by heading the quality department of the Company. He has over three decades of rich experience in footwear industry. He is also guiding the leather shoes production team with his appreciable expertise. He belongs to the Promoters Group of the Company and presently holds 232640 Equity Shares in the Company.

Brief profile of above Directors, nature of their expertise in specific functional areas and names of Companies in which they holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, are provided in the Annexure A to the Notice.

(b) Brief particulars of Sh. Sunil Bansal, Executive Director, whose candidature are proposed for re-appointment as an Executive Director in the ensuing Annual General Meeting:

Sh. Sunil Bansal, aged 59 years, has been acting as Director of the Company since 1990. He has been looking after the product development operations and ensuring the manufacturing of higher qualitative products by heading the quality department of the Company. He has over three decades of rich experience in footwear industry. He is also guiding the leather shoes production team with his appreciable expertise. He was elevated to the position of Executive Director at 23rd Annual General Meeting of the Company for a period of 5 years w.e.f. 1st January, 2009. The said tenure of his appointment expired on 31st December, 2013 as per the terms of his appointment. He was then re-appointed as Executive Director of the Company for a further period of five years w.e.f. 1st January, 2014 to 31st December, 2018.

Further, as per the terms of last re-appointment the tenure of Sh. Sunil Bansal as Executive Director has expired on 31st December, 2018 and in view of his valuable contribution and considering his expertise, the Board of Directors at their Meeting held on 14th February, 2019 have proposed the re-appointment of Sh. Sunil Bansal as Executive Director for a further period from 1st January, 2019 to 31st March, 2021, subject to the approval of the Members of the Company in the Annual General Meeting.

Brief profile of Sh. Sunil Bansal, nature of his expertise in specific functional areas and names of Companies in which he holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, is provided in the Annexure A to the Notice.

(c) Brief particulars of Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan, whose candidatures are proposed for re-appointment as Independent Directors in the ensuing Annual General Meeting:

Sh. Raghubar Dayal (Non-Executive Independent Director)

Sh. Raghubar Dayal, a very senior & eminent personality on the Board of the Company, is having 34 years of administrative & managerial experience by working with various Government departments and has been associated with German Export Promotion Project, UNTCD and many other venture of Government of India. Sh. Raghubar Dayal does not belong to the Promoters group of the Company and does not hold any Equity Share in the Company.

Sh. Ramesh Chandra Palhan (Non-Executive Independent Director)

Sh. Ramesh Chandra Palhan is a Bachelor in Mechanical Engineering and Fellow Member of Institute of Standards

Engineers. He is former Additional Director in Charge of Export Inspection Agency, Ministry of Commerce, Government of India and having vast experience and core competency of different industries. Sh. Ramesh Chandra Palhan does not belong to the Promoters group of the Company and is holding 200 Equity Shares in the Company jointly with his wife.

Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan have been associated with the Company as Non Executive Directors before enforcement of the provisions of Companies Act, 2013 and they were appointed as Independent Directors for a period of 5 years from 29th September, 2014 to 28th September, 2019 for their first term, not liable to retire by rotation, by members of the Company in their meeting held on 29th September, 2014 pursuant to the provisions of Companies Act, 2013. The Nomination and Remuneration Committee of the Board, considering their long association with the Company and their expertise, qualification, experience and contribution they have made to the Company, has recommended for the re-appointment of above Directors as Independent Directors of the Company for a second term of 2 consecutive years w.e.f. 29th September, 2019 to 28th September, 2021.

Sh. Raghubar Dayal is an active member of the Board and the Board Committees of which he is a Chairman/Member. He brings independent judgement on the Board of the Company and his continued association will be valuable and positive. He is having over 34 years of administrative & managerial experience by working with the various Government departments. With his expertise, skills and knowledge, particularly in the field of administration, management and finance, he articulates and provides his valuable guidance and inputs in all matters pertaining to the administration, management, and financial statement of the Company.

Sh. Ramesh Chandra Palhan is an active member of the Board and the Board Committees of which he is a Chairman/Member. He was former additional Director In charge of Export Inspection Agency. He has extensive knowledge in the field of product development and manufacturing of higher qualitative products etc. He has been advising and providing valuable suggestions to the management as regard to the market trend, customer's perception and choices, competition mapping, manufacturing and development of the higher qualitative products. With his in-depth knowledge, he ensures the contribution of his pluralistic viewpoints to debate on various items discussed in the meetings of the Board and its Committees. He brings independent judgement on the Board of the Company and his continued association will be

valuable and positive.

The Board of Directors of the Company, on the basis of the recommendation of Nomination and Remuneration Committee of the Board, considers that, given their background, expertise, experience and contributions made during their tenure, the continued association of above Directors would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly it is proposed to re-appoint them as Independent Directors of the Company, not liable to retire by rotation, for a second term of 2 consecutive years on the Board of the Company.

Brief profile of above Directors, nature of their expertise in specific functional areas and names of Companies in which they holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, are provided in the Annexure A to the Notice.

In terms of provisions of Regulation 17 (1A) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 as amended from time to time, Sh. Raghubar Dayal and Sh. Ramesh Chandra Palhan have attained the age of 75 years before the date of this report. The Board of Directors considering the qualification, experience and long association with the Company in their respective meetings held on 14th February, 2019 have proposed the continuation of directorship of Sh. Raghubar Dayal w.e.f. 1st April, 2019 and Sh. Ramesh Chandra Palhan w.e.f. 19th April, 2019 with the approval of the members in the forthcoming Annual General Meeting of the Company. The respective Special Resolution(s) along with justification for the continuation of directorship of above directors are being placed before the members in the ensuing Annual General meeting for the approval of the members in compliance with the provisions of above Listing Regulations.

(d) Brief particulars of Sh. Aditya Khemka and Sh. Shailendra Kumar Gupta, whose candidature(s) are proposed for appointment as Independent Director(s) in the ensuing Annual General Meeting:

Sh. Aditya Khemka

Sh. Aditya Khemka aged about 44 years is a renowned business personality. He is having more than two decades of experience in diverse business and has been associated with Aditya Group. He played an instrumental role in building video surveillance security market in India and enjoys the credit of bridging change in decision making of different sectors towards security related issues.

Considering the requirement of Regulation 17 of SEBI LODR Regulations as regard to have optimum combination of Executive and Non-executive directors and minimum number of Independent Director on the Board, the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meeting(s) held on 24th July, 2019 have proposed the appointment of Sh. Khemka as Independent Director of the Company for the 5 consecutive years w.e.f. 27th September, 2019 to 26th September, 2024.

While proposing the name of Sh. Khemka the Nomination and Remuneration Committee of the Board and the Board of Directors in their above meeting(s) have also considered that Sh. Khemka is having Independent relationship with the Company, its directors, KMPs and promoters and given his expertise, qualification and experience and it is desirable to avail his services as Independent Director. Brief profile of Sh. Khemka, nature of his expertise in specific functional areas and names of Companies in which he holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, is provided in the Annexure-A to the Notice of AGM.

Sh. Shailendra Kumar Gupta

Sh. Shailendra Kumar Gupta aged about 76 years is Electrical engineer and was holding board level positions in various Indian Telecom Companies. Post completion of academics he was absorbed by IIT Roorkee as Lecturer and thereafter he served to Department of Communication Govt. of India by holding various positions at highest level. He was appointed as Advisor Telecom in Tata Group besides holding position as Chairman and Managing Director in VSNL post acquisition of VSNL by Tata Group. He has been embraced with various prestigious awards by Govt. of India for his excellence performances in telecom sectors including National Award, Rashtriya Rattan Award, Udyog Rattan Award and Best Chief Executive (PSU). Considering the requirement of Regulation 17 of SEBI LODR Regulations as regard to have optimum combination of Executive and Non-executive directors and minimum number of Independent Director on the Board, the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meeting(s) held on 24th July, 2019 have proposed the appointment of Sh. Shailendra Kumar Gupta as Independent Director of the Company for the 5 consecutive years w.e.f. 27th September, 2019 to 26th September, 2024.

While proposing the name of Sh. Gupta the Nomination and

Remuneration Committee of the Board and the Board of Directors in their above meeting(s) have also considered that Sh. Gupta is having Independent relationship with the Company, its directors, KMPs and promoters and given his expertise, qualification and experience and it is desirable to avail his services as Independent Director.

In terms of provisions of Regulation 17 (1A) of SEBI Listing Regulations as amended from time to time, Sh. Shailendra Kumar Gupta has attained the age of 75 years before the date of this Annual Report and his appointment as Independent Director is being proposing in the forthcoming Annual General Meeting on the premise that Sh. Gupta is having wealth of knowledge by working with public sector and private sector undertakings at highest level. With his expertise, skills and knowledge, particularly in the field of administration, management and extensive international exposure, the Company will be benefitted. He brings independent judgement on the Board of the Company and his association with the Company will be valuable and positive.

Brief profile of Sh. Gupta, nature of his expertise in specific functional areas and names of Companies in which he holds directorships/chairmanships of Board committees, shareholding and relationships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, is provided in the Annexure-A to the Notice of AGM.

During the year under consideration Sh. Amitabh Taneja, Independent Director of the Company has resigned from the directorship of the Company before the expiry of his term due to his preoccupation and there is no other material reason other than provided as above and confirmed by director.

3. Committee(s) of the Board

The Board of the Company has constituted different Committees of the Board to have the focused attention on the business of each aspect of the Company's working. The Minutes of the Meetings of respective Committees are timely placed before the Members of the Committees and before the Members of the Board of Directors of the Company for their information and consideration. The terms of reference of the Board committees are determined by the Board from time to time. The role and composition of these Committees, including the number of meetings held during the financial year 2018-19 and the related attendance, are prescribed below:

(a) Audit Committee

The Board of Directors of the Company has constituted

an Audit Committee in the year 2001 in compliance with the provisions of Listing Agreement & Section 292A of the Companies Act, 1956 and reconstituted from time to time. The Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The brief description of the terms of reference of the Audit Committee as approved by the Board from time to time is as under:

- Review the annual financial statements with the management with primary focus on matters required to be included in the Directors' Responsibility Statement, changes, if any in accounting policies and practices and reasons thereof, compliance with accounting standards and guidelines of stock exchange(s), major accounting entries & related party transactions;
- Review of the quarterly and annual financial results/statements before submission to the Board for their approval together with quarterly and annual financial results of the subsidiary company.
- Review and assessment of the effectiveness of systems of internal financial control, risk management and compliance control with management and auditors.
- Recommendation of appointment, re-appointment, replacement and removal of the internal auditors, cost auditors and statutory auditors of the Company, fixation of audit fees and approving payments for any other services.
- Assessment of the independence and performance of the auditors and effectiveness of audit process.
- Review of the management discussions and analysis of financial conditions and results of the operations.
- Valuation of undertakings or assets of the Company, wherever necessary.
- Scrutiny of inter-corporate loans and investments.
- Reviewing the adequacy of internal audit function including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Reviewing, with the management, performance of the statutory and internal auditors, adequacy of the internal control systems.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter.
- Review of the reports of statutory and internal auditors and discussion about their findings with the management and suggesting corrective measures wherever necessary.
- Reviewing the findings of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults, if any, in the payment of creditors of the Company and any substantial defaults, if any, made by the debtors of the Company along with the reasons thereof.
- Review of prevailing accounting policies and compliances with regard to statutory requirements.
- Periodical review of related party transactions carried out by the Company and approval or any subsequent modification of transactions of the Company with related party.
- Approving the appointment of the CFO before finalization of the same by the management. Further while approving the appointment, it shall assess the qualifications, experience and background etc. of the candidate.
- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Ensuring the compliance of the provisions of Listing Regulations laid down by the Stock exchange(s)/SEBI and legal requirements concerning financial statements.
- Discussing with external auditors before audit is commenced the nature and scope of audit as well as having post-audit discussions to ascertain areas of concern, if any.
- To review the functioning of the Whistle Blower mechanism.

- To approve and review the related party transactions of the Company and to make criteria for approving the same.
- To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary existing and future exceeding the threshold limits as provided under the SEBI Guidelines.
- Any other matter referred to the Audit Committee by the Board of Directors of the Company.

In addition, the Audit Committee also mandatorily reviews the following:

- Management Discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of Internal control

weakness, if any, issued by the Statutory Auditors;

- Internal audit reports relating to internal control weakness; and
- The appointment, removal and terms of remuneration of the Internal Auditor.

Composition, Name of Members and Chairman and Attendance during the year

The Members of Audit Committee of the Board comprise of one Executive Director and two Non Executive Independent Directors.

Sh. Raghubar Dayal, Independent Director, acts as Chairman of the Audit Committee Meetings held during the year.

Sh. Munish Kakra, CFO & Company Secretary has been appointed as Secretary of the Audit Committee in pursuance to provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Members of the Audit Committee are "financially literate" as defined under Regulation 18(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Present composition of the Audit Committee and attendance at the meeting(s) held during the year are as under:-

Sr. No	Name of the Committee Member	Position	Category	No. of Meeting(s) Held (Attended)
1.	Sh. Raghubar Dayal	Chairman	NED(I)	5(5)
2.	Sh. Sunil Bansal	Member	ED	5(5)
3.	Sh. Ramesh Chandra Palhan	Member	NED(II)	5(5)
4.	Sh. Munish Kakra	Company Secretary	Secretary	5(5)

Meetings held during the year

During the financial year 2018-19, 5 (Five) Audit Committee meetings were held on 26th May, 9th August, 25th October 2018, 14th February and 28th March 2019. The gap between two committee meetings was not more than one hundred and twenty days. The Annual Audited Financial Results of the Company for the year ended 31st March, 2019 were reviewed by the Audit Committee in its Meeting held on 24th May, 2019. Necessary Quorum was present in the Audit Committee Meetings.

The Statutory Auditors and Internal Auditors of the Company were invariably invited to attend the Meetings and also to participate in the deliberation(s) on the crucial issues wherever required.

(b) Nomination and Remuneration Committee

The Company has a duly constituted Nomination & Remuneration Committee, which among others is responsible for identifying and recommending persons who

are qualified to become Directors or appointed as KMPs of the Company and laying down remuneration policy for the Directors, KMPs and other employees of the Company. Further, the Company seeks the expertise of the outside consultants as and when needed for analyzing the policies of the Company in relation to appointment and payment of remuneration to Senior Level Executive(s) and Staff. Sh. Raghubar Dayal, Independent Director, has been heading the Nomination and Remuneration Committee of the Board as its Chairman.

The terms of reference of the Nomination and Remuneration Committee are stated as under and in lines with Regulation 19(4) read with Schedule-II, Part-D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

- 1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and

- recommend to the Board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - 3) devising a policy on diversity of Board of directors;
 - 4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their

appointment and removal;

- 5) recommend that whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 6) recommend to the board, all remuneration, in whatever form, payable to senior management of the Company.

Present Composition, Name of Members & Chairman and Attendance during the year

The following is the Constitution of the Nomination and Remuneration Committee:-

Sr. No	Name of the Committee Member	Position	Category	Meetings Held (Attended)
1.	Sh. Raghubar Dayal	Chairman	Independent	2(2)
2.	Sh. Ramesh Chandra Palhan	Member	Independent	2(2)
3.	Sh. Pushpinder Singh Grewal	Member	Independent	2(2)
4.	Sh. Munish Kakra	Company Secretary	Secretary	2(2)

Meetings held during the year:

During the financial year 2018-19, the meetings of the members of the Nomination and Remuneration Committee were held on 26th May, 2018 and 14th February, 2019.

Performance Evaluation of Directors and Performance Evaluation criteria for Independent Directors.

The details of methodology and criteria adopted for the evaluation of Board, Committees thereof, Individual Directors including Independent Directors have been provided in the Board's Report on page no. 50.

During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the SEBI Circular on "Guidance Note on Board Evaluation". Based on the Performance Evaluation process and on the recommendation of the Nomination and Remuneration Committee, your Board of Directors have proposed the re-appointment of Sh. Sunil Bansal as Executive Director for further period from 1st January, 2019 to 31st March, 2021 and also re-appointment of Sh. Raghubar Dayal, Sh. Ramesh Chandra Palhan and Sh. Pushpinder Singh Grewal as the Independent Directors of the Company for a second term of five (5) consecutive years at the ensuing AGM for the approval of the Members by way of Special resolution(s).

Nomination and Remuneration policy

The Board of Directors, on the recommendation of Nomination and Remuneration Committee of the Board, has approved and adopted a Nomination and Remuneration Policy for Directors, KMPs and other employees. The Nomination and Remuneration Policy of the

Company review by Nomination and Remuneration Committee of the Board as and when the need arises. Remuneration and Nomination Policy has been formulated by the Committee by taking into account the financial position of the Company, trend in the Footwear Industry, appointee's qualification & experience including past performance & remuneration paid to the appointee(s). The above said Nomination and Remuneration Policy is available on the website of the Company viz. www.libertyshoes.com and set out in Annexure I of the Director's Report and is forming part of this report. The brief terms of reference for appointment/re-appointment, evaluation of performance and fixation of remuneration of directors and KMPs are as under:

- i. The appointment of Directors and KMPs of the Company and remuneration of new Directors on Board, Key Managerial Personnel and other employees shall be made on the basis of core competency, expertise, experience, qualification etc. and/or subject to the approval of the approving authority, wherever applicable.
- ii. Evaluation of the performance of the Executive Directors shall be based on the parameters such as accomplishment of assigned goals, their professional contributions towards the Company and the overall performance. On the basis of the evaluation, the remuneration of the Executive Directors will be determined.
- iii. Evaluation of the overall performance of the Non executive & Independent Directors of the Company shall be determined by the terms of the policy.

- iv. Remuneration of the Senior Management employees and Key Managerial Personnel will be fixed annually considering performance of the Company as well as their individual performance and achievements corresponding to their goals set during the year.

Remuneration to Directors

- **Criteria for payment to Non-Executive Directors (NEDs)**
The Non-executive Directors receives remuneration by way of sitting fee for attending meetings of the Board and Audit Committee thereof. The sitting fee to Non Executive Directors as determined by the Board is presently ₹25,000/- for attending each meeting of the Board and Audit Committee thereof. The Board of Directors may review the amount of sitting fee and decide the same from time to time in terms of the provisions of Companies Act, 2013 and Listing Regulations. In terms of the provisions of Section 197 of the Companies Act, 2013, a Company may pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by other to the maximum of 1% or 3% of the net profits, as the case may be.

Thus, the basis of payment to the NEDs is the net profit of the Company. The Company is however not obligated to remunerate its NED.

- **Pecuniary relationship or transactions of the Non Executive Directors vis-à-vis the Company:-**

The Company has not carried out any transactions, whether material in nature or not, with the Non Executive Directors of the Company. Accordingly, no remuneration has been paid to Non Executive Directors during the year.

- **Criteria for payment to Executive Directors (EDs) and All elements of remuneration package of individual Director:**

The remuneration paid to Executive Directors are recommended by the Nomination and Remuneration

Committee and approved by the Board in the Board Meeting, subject to the subsequent approval by the shareholders at the General Meeting and such authorities, as the case may be. The remuneration is fixed considering the various factors such as qualification, experience, expertise, prevailing remuneration in the industry and financial position of the Company. All the Executive Directors have been paid by way of remuneration on the basis of Company's policy in respect of payment of remuneration which involves the following elements of remuneration package:

- **Salary:**

Consolidated monthly remuneration of ₹4,00,000/- per month to three Executive Directors each and ₹1,10,000/- per month to Sh. Ashok Kumar as an Executive Director.

- **Perquisites:**

In addition to the aforesaid salary, Executive Directors are also entitled to perquisites like furnished accommodation, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self in accordance with the rules of the Company. However, the monetary value of such perquisites being limited to the Monthly remuneration of ₹4,00,000/- and ₹1,10,000/- respectively. Perquisites are evaluated as per Income Tax Act Rules, 1962 wherever applicable, and in the absence of any such rules, perquisites are evaluated at actual cost; And Use of chauffeur driven car for official purpose and telephone at residence (including payment for local calls and long distance calls on telephone) and use of car for private purpose are billed by the Company to the Executive Directors.

- **Company's contribution to the provident fund and superannuation fund in accordance with the rules of the Company.**

Accordingly, during the financial year 2018-19, the following remuneration was paid to the Executive Directors of the Company:

S. No.	Name of the Director	Designation	Salary (In ₹)	Perquisites (In ₹)	Others (In ₹)	Sitting Fees Paid (In ₹)
1.	Sh. Adesh Kumar Gupta	CEO & Executive Director	48,00,000	NIL	NIL	NIL
2.	Sh. Shammi Bansal	Executive Director	48,00,000	NIL	NIL	NIL
3.	Sh. Sunil Bansal*	Executive Director	NIL	NIL	NIL	NIL
4.	Sh. Adish Kumar Gupta	Executive Director	48,00,000	NIL	NIL	NIL
5.	Sh. Ashok Kumar	Executive Director	13,20,000	NIL	NIL	NIL

*During the FY 2018-19, no Remuneration has been paid to Sh. Sunil Bansal, Executive Director of the Company as he has expressed his unwillingness to accept the same.

Notes:

- No incentives, whether fixed or performance linked, were given to the Executive Directors during the year under consideration.
- The Company has so far not offered Equity Shares under stock option scheme to its Director(s)/Employee.
- None of the Non - Executive Directors of the Company holds any Equity Shares in the Company except Sh. Ramesh Chandra Palhan who is holding 200 Shares (jointly with his wife).

Service Contracts, Severance Fee and Notice period

The appointment of the executive director is governed by the resolutions passed by the Board and the shareholders of the Company which cover the terms and conditions of such appointment. The Nomination and Remuneration Committee satisfies itself with regard to the experience, qualification, past relationship/association of the Director with the Company etc.

The Committee also ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013. On the recommendation of Committee, the Board and shareholders approve the appointment of the Directors. At the time of appointment of Director, the Company executes a separate service agreement defining the remuneration, tenure, roles, responsibilities, duties, functions, obligations and other terms and conditions of service of Directors.

In case of appointment of Independent Director, the Nomination and Remuneration Committee and Board ensure the below attributes/ criteria, while recommending/ appointing the Independent Directors:

- Qualification, expertise and experience of the directors in their respective fields,
- Personal, professional or business standing
- Diversity of the Board

The Committee/Board, while recommending/appointing an Independent Director, also ensures the criteria and tenure for which the Independent Director may be appointed as stated in the Companies Act, 2013 and the Listing Regulations including independent relationship of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions

and duties effectively. At the time of appointment of Independent Director, the Company issues letter of appointment to the Independent Directors incorporating their roles, duties, responsibilities etc.

In case of re-appointment of the Directors, the Committee/ Board, besides above, also takes in to consideration the performance evaluation of the directors and their engagement level.

Each of our Executive Directors has signed service agreement containing the terms of their employment. There is no separate provision for payment of severance fee under the resolution and service agreement governing the appointment of Executive Directors. With respect to notice period of directors, besides the provisions of service agreement, the statutory provisions will also apply. The Service agreement may be terminated by either party after giving three months' notice in writing duly served on the other party.

c) Stakeholders Relationship Committee

Stakeholders Relationship Committee had been constituted by the Board of Directors and was delegated with the powers to handle all the shares related issues including timely redressal of shareholders' and investors complaints like non-receipt of balance sheet, non-receipt of declared dividends etc. The Committee performs all its duties and discharges its responsibilities as per its charter fixed by the Board, which includes review of the performance of the Registrar and Share Transfer Agent of the Company and recommend measures to the Board for overall improvements in the quality of investors' services wherever required.

The terms of reference of the Stakeholders Relationship Committee is in lines with the provisions of Regulation 20(4) read with Part-D of the Schedule II of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 as amended and the brief of the same is as under:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.

- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of

unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, the Committee met Four times on 26th May, 9th August and 24th October 2018 and 14th February, 2019.

Composition & Name of Non-Executive Director heading the Committee as of now is as under:

Sr. No	Name of the Committee Member(s)	Position	Category	Meetings Held (Attended)
1.	Sh. Ramesh Chandra Palhan	Chairman	NED(II)	4(4)
2.	Sh. Adish Kumar Gupta	Member	ED	4(4)
3.	Sh. Sunil Bansal	Member	ED	4(4)

Name and designation of Compliance Officer

Sh. Munish Kakra, CFO & Company Secretary is the Compliance Officer of the Company and he acts as Secretary of the Committee. He was present in all the meetings of the Committee held during the year under consideration. His contact details are as follows:

Liberty Shoes Ltd.

Ground Floor, Building No. 8, Tower A, DLF Cyber City, Phase II, Gurugram - 122002, Haryana,

Ph.: 91-0124-4616200, Fax: 91-0124-4616222,

Email Id: munish@libertyshoes.com

Status of investor reference/complaints/requests received by the Company during the year ending 31st March, 2019 stood as under:

Nature of References / Requests	No. of Grievances/ Requests/ Complaints Received	No. of Grievances/ Requests/ Complaints Resolved	No. of Grievances/ Requests/ Complaints not resolved to the satisfaction of shareholders	No. of Grievances/ Requests/ Complaints Pending
Non receipt of Share Certificate(s) & Non receipt of electronic Credit	NIL	NIL	NIL	NIL
Non receipt of Bonus, Dividend & Annual Report	1	1	NIL	NIL
Issue of duplicate / Loss of Certificate	6	6	NIL	NIL
Revalidation of Dividend	NIL	NIL	NIL	NIL
Transfer /Transmission of Shares	4	4	NIL	NIL
Issue of Physical Annual Report	NIL	NIL	NIL	NIL
Change of address, Name correction, Non receipt of Rejected DRF & others	4	4	NIL	NIL
Received from regulatory bodies such as Ministry of Corporate Affairs, SEBI (SCOREs) and Stock Exchanges etc.	2	2	NIL	NIL
Dividend through ECS	NIL	NIL	NIL	NIL
Non- receipt of Dividend	NIL	NIL	NIL	NIL
Total	17	17	NIL	NIL

All the references/complaints received from the shareholders or from regulatory bodies during the year under review were resolved to their entire satisfaction. Apart from these queries/complaints, there is one pending case relating to dispute over title to shares in which the Company has been made a party. However the aforesaid case is not material in nature. There are 7 (Seven) cases (involving 900 Equity Shares) concerning dispute over titles to Shares, are pending with the Company as on 31st March, 2019.

The following is the constitution of the Committee as of now:-

Sr. No	Name of the Committee Member	Position	Category	Meetings Held (Attended)
1.	Sh. Adesh Kumar Gupta	Chairman	ED	0(0)
2.	Sh. Shammi Bansal	Member	ED	0(0)
3.	Sh. Adish Kumar Gupta	Member	ED	0(0)
4.	Sh. Raghubar Dayal	Member	NED(II)	0(0)
5.	Sh. Ramesh Chandra Palhan	Member	NED(II)	0(0)

(e) Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and rules made there under, the Corporate Social Responsibility Committee was constituted by the Board of Directors in their meeting held on 29th May, 2014 which initially comprised Four Directors viz. Sh. Shammi Bansal (ED) as the Chairman and Sh. Adish Kumar Gupta, (ED) Sh. Raghubar Dayal & Sh. Ramesh Chandra Palhan {(NED)(II)} as members of the Committee. Subsequently, the Board of Directors in their meeting held on 30th May, 2016 reconstituted the composition of CSR Committee by inducting Smt. Lovelena Mody {(NED)(II)} as its member.

The Board has defined the terms of reference of the

(d) Management Committee

For facilitation of various decisions relating to day to day operational matters and matters relating to finance, the Management Committee of the Board was constituted by the Board of Directors in the year 2007 and has been reconstituted from time to time depending upon the requirements of the Company.

During the year, the Members of the Management Committee did not meet any time.

Corporate Social Responsibility Committee as under:

- formulating and recommending to the Board, Corporate Social Responsibility Policy and the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- recommending the amount of expenditure to be incurred on the activities undertaken;
- reviewing the performance of the Company in the area of Corporate Social Responsibility;
- monitoring Corporate Social Responsibility policy of the Company from time to time;
- such other functions as the Board may deem fit.

The following is the constitution of the Committee:-

Sr. No	Name of the Committee Member	Position	Category	Meetings Held (Attended)
1.	Sh. Shammi Bansal	Chairman	Executive Director	2(2)
2.	Sh. Adish Kumar Gupta	Member	Executive Director	2(1)
3.	Sh. Raghubar Dayal	Member	Non-Executive Independent Director	2(2)
4.	Sh. Ramesh Chandra Palhan	Member	Non-Executive Independent Director	2(2)
5.	Smt. Lovelena Mody	Member	Non-Executive Independent Director	2(1)

During the year, two meetings of the CSR Committee were held on 26th May, 2018 & 14th February, 2019 respectively.

CSR Policy

The Board of Directors on the recommendation of the CSR Committee

has approved the CSR policy of the Company during the financial year 2014-15. The detailed CSR policy is available on the website of the Company viz. www.libertyshoes.com.

4. Governance through Management process

Name of the policy	Brief description	Web link
Code of Conduct	The Board of Directors has adopted Code of Conduct for all the Board Members and designated members of Senior Management of the Company.	http://investor.libertyshoes.com/doc/Code_of_Conduct.pdf
Code for prevention of Insider Trading	The Company has adopted a code of conduct to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This code of conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information and has been made available on the Company's website.	http://investor.libertyshoes.com/doc/Code_of_Conduct.pdf
Whistleblower Policy (Policy on vigil mechanism)	The Company has adopted the Whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company code of conduct.	http://investor.libertyshoes.com/doc/Whistle_Blower_Policy.pdf
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive /non-executive Director) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees.	http://investor.libertyshoes.com/doc/NOMINATION_AND_REMUNERATION_POLICY.pdf
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, education, health care and environment.	http://investor.libertyshoes.com/doc/CSR_Policy.pdf
Related Party Transactions Policy	The policy regulates all transactions between the Company and its related parties.	http://investor.libertyshoes.com/doc/Related_party_transaction.pdf
Policy on determination of materiality of events	The policy applies to disclosures material events affecting the company. This policy is in addition to the Company's corporate policy statement on investor relations, which deals with the dissemination of unpublished, price-sensitive information.	http://investor.libertyshoes.com/doc/Liberty_Policy_on_Determination_of_Materiality_of_Events.pdf
Website Archival Policy	The Policy deals with the archival of Corporate records of the Company.	http://investor.libertyshoes.com/doc/Liberty_Archival_Policy.pdf

Name of the policy	Brief description	Web link
Risk Management Policy	This policy is approved by the Board to build and establish the process and procedure for identifying, assessing, quantifying, minimizing, mitigating and managing the associated risk. It aims to develop an approach to make assessment and management of risks in financial, operational and project based areas in timely manner.	http://investor.libertyshoes.com/doc/Risk_Management_Policy.pdf
Policy for preservation of Documents	This policy obligates the Company or preservation of documents in order to prevent from being altered, damaged or destroyed	http://investor.libertyshoes.com/doc/Prservation_of_Transaction_Policy.pdf
Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at workplace	The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company always provide an equal employment opportunity to employees and is committed to provide a safe and conducive work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment.	http://investor.libertyshoes.com/doc/Sexual_HarrassementPolicy_LibertyShoesLtd.pdf

5. Subsidiary Monitoring Framework

The Company had one Wholly Owned Overseas Subsidiary M/s Liberty Foot Fashion Middle East FZE (LFF), Dubai and during the year ended 31st March, 2018, the Company has initiated the steps to liquidate/dispose of its Assets without diminution/reduction of investments till the above date. As required under the applicable provisions of Listing Regulations and management practices adopted by the Company and its subsidiary Company, the Company were monitoring, till the discontinuation, the performance of its subsidiary Company, inter alia, by the (a) Periodic Financial

statements (b) Minutes of the Board Meetings and/or requisite information of the subsidiary Company (c) Periodic review by the Audit Committee of the statement of all significant transactions & arrangement entered into by the subsidiary Company.

6. General Body Meetings

I. General Meeting

a. Annual General Meeting: Location and time, where the last three Annual General Meetings were held as under:

Meeting	Year	Venue	Day & Date	Time
32nd Annual General Meeting	2018	Registered Office	Friday, 24th August, 2018	11:00 AM
31st Annual General Meeting	2017	Registered Office	Thursday, 24th August, 2017	11:00 AM
30th Annual General Meeting	2016	Registered Office	Monday, 19th September, 2016	11:00 AM

b. Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2018-19.

ii. **Special Resolutions/Special Businesses:** Special Resolutions/Special Businesses transacted at the last three Annual General Meetings are as under:

32 nd Annual General Meeting on 24 th August, 2018	31 st Annual General Meeting on 24 th August, 2017	30 th Annual General Meeting on 19 th September, 2016
Nos. of Special Business: 8	Nos. of Special Business: NIL	Nos. of Special Business: 1
1. Re-appointment of Sh. Adesh Kumar Gupta (DIN: 00143192) as CEO & Executive Director 2. Re-appointment of Sh. Shammi Bansal (DIN: 00138792) as Executive Director 3. Re-appointment of Sh. Ashok Kumar (DIN: 06883514) as Executive Director 4. Re-appointment of Sh. Adish Kumar Gupta (DIN: 00137612) as Executive Director 5. Re-appointment of Smt. Lovelena Mody (DIN: 01279148) as Independent Director 6. Alteration/Substitution of Memorandum of Association of the Company 7. Alteration of the liability Clause of the Memorandum of Association of the Company 8. Discontinuation of Wholly Owned Subsidiary of the Company Liberty Foot Fashion Middle East, FZE (LFF)		1. Re-appointment of Sh. Adish Kumar Gupta (DIN:00137612) as an Executive Director

Sh. Sukesh Gupta, Chartered Accountant was appointed as scrutinizer by the Board and present at the above 32nd, 31st and 30th Annual General Meeting for supervising and monitoring the voting through Remote E-voting and voting by Ballot form facilities on the above agenda items and to issue his report on the same.

- i. Detail of special resolution passed by the Company through postal ballot exercise, the persons who conducted the postal ballot exercise and detail of the voting pattern, detail of special resolution proposed to be conducted through postal ballot and procedure for postal ballot. During the year under review, no special resolution has been passed through the exercise of postal ballot. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot exercise.**

Further there is no special resolution proposed to be conducted through postal ballot in the Annual General Meeting.

- ii. Group As on 31st March, 2019:**

Arpan Gupta (Karta), Sh. Arpan Gupta, Sh. Adesh Kumar Gupta, Adesh Kumar Gupta (Karta), Sh. Adarsh Gupta,

Sh. Anmol Gupta, Sh. Adish Kumar Gupta, Adish Kumar Gupta (Karta), Sh. Pranav Gupta, Sh. Akshat Gupta, Smt. Kamlavati, Sh. Sunil Bansal, Smt. Rehti Devi, Sh. Ayush Bansal, Sh. Shammi Bansal, Sh. Manan Bansal, Sh. Vaibhav Bansal, Sh. Raman Bansal, Sh. Ruchir Bansal, Sh. Vivek Bansal, Sh. Pulkit Bansal, Sh. Anupam Bansal and Geofin Investments Pvt. Ltd.

7. Disclosures

- i) Disclosure on materially significant related party transactions**

The Company did not have any material significant related party transaction having a potential conflict with the interest of the Company at large. The Company has already in place policy on related party transactions to regulate the transactions of the Company with its related parties and the same being reviewed and amended as and when required.

The policy has been uploaded on the website of the Company www.libertyshoes.com. As per the policy, all the related party transactions require prior approval of the Audit Committee and Board of Directors of the

Company. Prior approval of the shareholders of the Company is also required for certain related party transactions as prescribed under Companies Act, 2013 and SEBI Listing Regulations.

All related party transactions that were entered in to during the financial year were on arm's length basis. There were no material individual transactions with related parties which may have a potential conflict with the interest of the Company at large. The transactions that entered in to with the related parties during the year under review were in the normal course of business. All the details of related party transactions carried out by the Company during the year under review can be observed from the disclosures made in the Notes on Accounts to the financial statements for the year ended 31st March, 2019 as specified in Ind

AS 24 of the Companies (Accounting Standards) Rules, 2015.

ii) Detail of non-compliances, penalties, strictures by Stock Exchanges/SEBI/Statutory Authorities on any matter related to Capital Markets during the last three years.

The Company has complied with the requirements of Stock Exchange(s), SEBI and other statutory Authorities during the preceding three financial year(s) on all matters related to Capital Market and no penalty/strictures have been imposed on the Company in any matter.

iii) Inter-se relationships between Directors and Key Managerial Personnel of the Company Directors:

Sr. No.	Name of Director	Relationship with other Directors/KMPs
1.	Sh. Adesh Kumar Gupta	None
2.	Sh. Shammi Bansal	Brother of Sh. Sunil Bansal
3.	Sh. Sunil Bansal	Brother of Sh. Shammi Bansal
4.	Sh. Adish Kumar Gupta	None
5.	Sh. Ashok Kumar	None
6.	Sh. Raghubar Dayal	None
7.	Sh. Ramesh Chandra Palhan	None
8.	Sh. Pushpinder Singh Grewal	None
9.	Smt. Lovelena Mody	None

ii) Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel	Relationship with other Directors/KMPs
1.	Sh. Munish Kakra	None

iv) Detail of establishment of Vigil Mechanism and Whistle Blower Policy

The Company has adopted a Whistle Blower Policy (Vigil Mechanism) and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the link www.libertyshoes.com. No personnel in the Company have been denied access to the Audit Committee.

v) Compliance with Mandatory requirements

The Company has complied with all the mandatory corporate governance requirements under Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (l) of sub regulation (2) of regulation 46 of the Listing Regulations. The Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 To 27 and Regulation 46(2).

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2) & (3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related Party	23(1),(5),(6),(7) & (8)	Transaction Policy for Related Party Transaction	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions.	N.A.
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	N.A.

9	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1) & (2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2) (c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(l)	Details of familiarisation programmes imparted to Independent Directors	Yes

vi) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable**

vii) **A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate**

Affairs or any such statutory authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report at page no. 107 of this Annual Report.

viii) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable**

ix) **Total fees for all services paid by the listed entity**

and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note no. 26 to the Financial Statements.

- x. **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any**

scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.
Not Applicable

- xi. **Detail of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**
Not Applicable

- xii. **Disclosures in relation to the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013:**

Particulars	Status
Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on the end of during the financial year	NIL

Compliance Report on Non-mandatory requirements under Regulation 27 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Board

As per para A of Part E of schedule II of the Listing Regulations, a non-executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. Since there is no permanent Chairman in the Company, hence this provision is not applicable.

2. Shareholding Rights

We display our quarterly, half yearly and annually results on our website www.libertyshoes.com and also publish our results in widely circulated newspapers. We have communicated the payment of dividend through e-mail to shareholders in addition to dispatch of letters to all shareholders. We publish the voting results of shareholders' meetings and make it available on our website www.libertyshoes.com and report the same to Stock Exchanges in terms of regulation 44 of the Listing Regulations. Significant events are also posted on this website under "Investor Relations" section. Complete Annual Report is sent to every shareholder through e-mail whose E-mail ID has been updated with the depositories/ Company/RTA and also to those who make request for providing the same. Notice of General Meeting along

voting instructions is sent to all the shareholders and also made available on the website of the Company under Section "Investor Relations" in addition to submission of the same with Stock Exchanges. Shareholders' grievances/ complaints/ queries have been addressed and resolved at most priorities to the satisfaction of the shareholders.

3. Modified opinion(s) in audit report

It has always been the Company's endeavor to present financial statements with unmodified audit report. The Statutory Auditors have issued an unmodified opinion on the financial statements of the Company for the financial year ended 31st March, 2019.

4. Reporting of Internal Auditor

The Internal Auditor of the Company submits their reports directly to the Audit Committee and is a permanent invitee to all the Audit Committee Meetings.

5. Means of Communication

Financial Results Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has regularly furnished Quarterly and half - yearly unaudited and annual audited results of the Company to both the Stock Exchanges i.e. BSE and NSE where the Equity Shares of the Company are listed. The above results are also published in leading English and vernacular newspapers viz. Financial Express

English daily and in Janasatta, Hindi Daily. Additionally, the Company from time to time also furnished the required documents and information to both the stock exchange(s) NSE and BSE in terms of the applicable provisions of Listing Regulations. All our financial results, news releases and presentation made, if any, at investor conferences and to analysts are posted on the Company's website at www.libertyshoes.com

Website

Pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's website www.libertyshoes.com contains a dedicated functional segment called "Investor Relations" where all the information needed by the shareholders is available including Results, Press Releases, Shareholding pattern, Management Information, Announcements & General Meeting's results & information etc.

NSE Electronic Application Processing System (NEAPS) & BSE Listing Centre

The Company also files information through NEAPS-a web based application provided by NSE & on BSE Listing Centre which facilitates online filing of Corporate Governance Report, Shareholding Pattern and other Reports and Statements etc. by Companies.

Extensive Business Reporting Language (XBRL) XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information

which aids better analysis and decision making.

Ministry of Corporate Affairs (MCA) vide its circular No. 37/2011 dated June 7, 2011 had mandated certain companies to file their Annual Accounts vide this mode. The Company, in compliance, has filed its Annual Accounts on MCA through XBRL for the previous financial year ended on 31st March, 2018.

Ministry of Corporate Affairs (MCA)

The Company has periodically filed all the necessary documents with the MCA.

SEBI Complaints Redress System (SCORES)

A centralized web based complaints redress system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned Companies and online viewing by the investors of action taken on the complaint and its current status.

Annual Report

The Annual Report containing inter-alia the Audited Accounts, Cash Flow Statement, Directors' Report, Auditors' Report and other important information is circulated to the investors. Pursuant to the green initiative launched by the MCA, the Company also sends e-copies of the Annual Report to Members who have registered for the same. The Annual Reports are also available in the Investor Relations section on the Company's website www.libertyshoes.com.

7. General Shareholder Information:

i. Annual General Meeting:

Day, Date & Time	: Friday, 27th September, 2019 at 11.00 A.M.
Venue	: Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Dist. Karnal-132 114 (Haryana)
Books Closure Date	: Saturday, 21st September, 2019 to Friday, 27th September, 2019

ii. Financial Year & Financial Calendar (Tentative):

Financial Results for the Quarter ended 30th June, 2019	: 24th July, 2019
Financial Results for the Quarter ended 30th September, 2019	: By 14th November, 2019
Financial Results for the Quarter ended 31st December, 2019	: By 14th February, 2020
Financial Results for the Quarter ended 31st March, 2020	: By 30th May, 2020
Annual General Meeting for the year ended 31st March, 2020	: By August / Sept. 2020

The financial year of the Company starts on 1st day of April and ends on 31st day of March of next year.

iii Commodity Price Risk or Foreign Exchange Risk and hedging activities and Disclosure:

Commodity Price Risk and hedging activities:

The Company does not have commodity price risk nor does the Company engage in hedging activities thereof. Foreign Exchange Risk and hedging activities:

The Company, during the financial year under consideration, has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The aim of the Company's approach to manage currency risk is to leave the Company with the no material residual risk. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to firm commitment. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time. There are no materially uncovered exchange rate risks in the context of the Company's imports and exports. The Company does not enter into any derivative instruments for trading or speculative purposes.

The details of foreign exchange exposures as on 31st March,

2019 are disclosed in Notes to the financial statements.

iv. Dividend Payment Date:

Considering the financial requirement of the Company, the Board of Directors has not recommended/approved payment of Dividend for the financial year ended 31st March, 2019.

v Listing on Stock Exchanges with their Trading Codes:

At present the Equity Shares of the Company are listed on the following Stock Exchange(s):

National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai- 400 051

NSE: LIBERTSHOE.

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

BSE: 526596

ISIN of Equity Shares of the Company:

INE557B01019

The Annual Listing fee for the financial year 2019-20 has since been paid to both the Stock Exchange(s).

v. Stock Market Data:

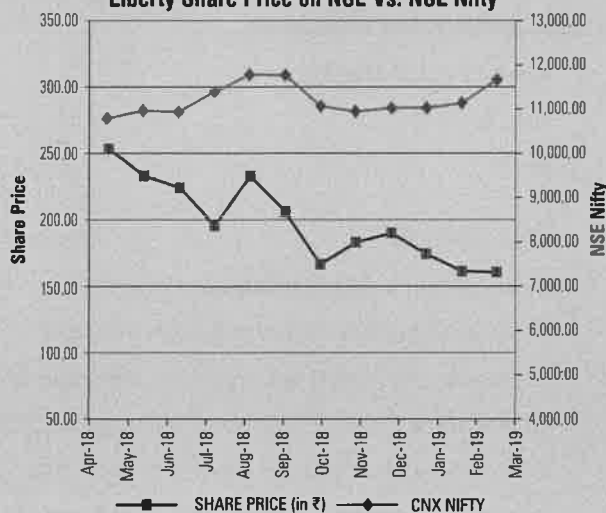
The Comparison of the share price of the Company with the broad based indices are provided herein under:

Performance in Comparison to S & P Nifty

Index vs. Share Price

S. No.	Year (2018 - 19)	S & P CNX Nifty	Share Price (IN ₹)
1	Apr-18	10,759.00	251.70
2	May-18	10,929.20	231.50
3	Jun-18	10,893.25	223.70
4	Jul-18	11,366.00	195.10
5	Aug-18	11,760.20	231.70
6	Sep-18	11,751.80	204.90
7	Oct-18	11,035.65	165.65
8	Nov-18	10,922.45	182.00
9	Dec-18	10,985.15	189.60
10	Jan-19	10,987.45	172.80
11	Feb-19	11,118.10	160.10
12	Mar-19	11,630.35	159.40

Liberty Share Price on NSE Vs. NSE Nifty

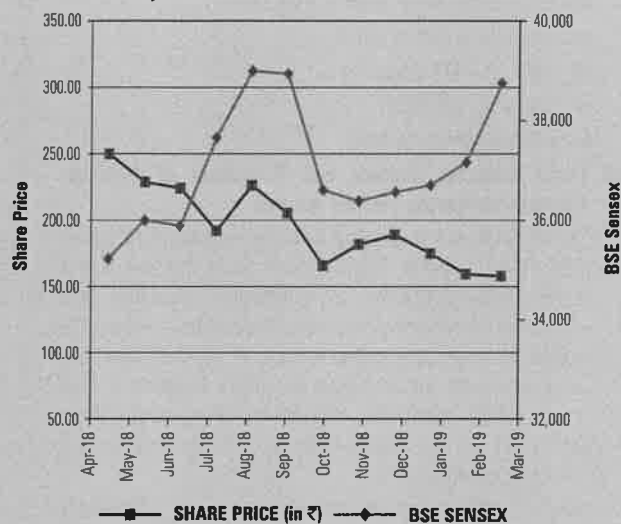


Performance in Comparison to Sensex

Sensex vs. Share Price

S. No.	YEAR (2018-19)	BSE SENSEX	SHARE PRICE (IN ₹)
1	Apr-18	35,213	250.45
2	May-18	35,994	228.90
3	Jun-18	35,877	223.70
4	Jul-18	37,645	192.00
5	Aug-18	38,990	226.40
6	Sep-18	38,934	205.00
7	Oct-18	36,616	165.00
8	Nov-18	36,389	182.10
9	Dec-18	36,555	189.00
10	Jan-19	36,701	174.85
11	Feb-19	37,172	159.10
12	Mar-19	38,749	157.40

Liberty Share Price on BSE Vs. BSE SENSEX



The monthly high low quotations as well as the volume of shares traded at National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) for the financial year ended 31st March, 2019 are as under:

KEY INDICATORS:

EQUITY SHARE PRICE MOVEMENT ON NSE & BSE (APRIL 2018- MARCH 2019)

Year (2018-19)	(Price in ₹)				Volume (In No. of Shares)	
	High		Low		NSE	BSE
NSE	BSE	NSE	BSE			
April-18	251.70	250.45	190.30	191.70	1942672	180400
May-18	231.50	228.90	185.00	184.95	967334	131549
June-18	223.70	223.70	156.60	160.25	9547493	1274090
July 18	195.10	192.00	168.60	167.80	3157532	404498
August-18	231.70	226.40	186.35	186.05	7927706	927068
September-18	204.90	205.00	163.00	162.00	2357255	385756
October-18	165.65	165.00	129.35	129.05	1777023	243666
November-18	182.00	182.10	150.30	150.00	2813377	385279
December-18	189.60	189.00	145.75	145.00	2892967	366164
January-19	172.80	174.85	150.00	150.50	1347702	242208
February-19	160.10	159.10	134.40	134.00	1274487	170119
March-19	159.40	157.40	135.00	134.95	4986266	683024
Total					40991814	5393821

vii. Registrar and Share Transfer Agent:

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No.
NH 2, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
Tel.: (91) - 11- 41410592 -94
Fax: (91) - 11- 41410591
E-mail: delhi@linktime.co.in

viii. Share Transfer System and Redressal of Investor Grievances/complaints and queries:

The Company has made arrangements with M/s Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA). After completion of preliminary formalities and verification of genuineness of the Shareholders, documents lodged by them and authentication of signatures on the documents with the specimen signatures available in their records, RTA sends the documents along with Share Certificates to the Company for approval/endorsement of transfers/ transmissions.

However, the objections/deficiencies in the documents lodged by shareholders are sent to them immediately within a reasonable time period. With a view to expedite the process of Share transfer/ transmission etc. on fast track basis, the Board has empowered the CFO & Company Secretary of the Company for approval/endorsement of the Share certificates etc. The details of the transfer/ transmission of shares are placed before the Board and Stakeholders Relationship Committee periodically.

Confirmations in respect of the requests for dematerialization of shares are being sent to the respective depositories i.e. NSDL & CDSL expeditiously.

The Company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent to the Shareholders usually within 7 -10 days except in case of legal impediments and non availability of documents.

The Company endeavors to implement suggestions as and when received from the Shareholders.

The Company/RTA takes adequate steps for expeditiously redress the investors' complaints/grievances/queries. In compliance with the provisions of Listing Regulations, the Company has been registered on the SCORES platform and monitors and handles the investor complaints electronically.

A statement giving number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter have been filed on quarterly basis with the Stock Exchanges in compliance with the Regulation 13 of the Listing Regulations. These statements are also available on the website of the Company viz. www.libertyshoes.com.

Pursuant to the Regulation 7 (3) of the Listing Regulations, Certificate(s) on half yearly basis have been issued by M/s Sanjay Grover & Associates, Practicing Company Secretary of New Delhi for due Compliance of Share Transfer formalities by the Company. As per SEBI (Depositories & Participants) Regulations, 1996, certificate(s) have been received from M/s Sanjay Grover & Associates, Practicing Company Secretary of New Delhi for timely dematerialization of shares and in respect of Secretarial Audit on quarterly basis for reconciliation of the Share Capital of the Company.

ix. Distribution of Shareholding**Distribution Summary as on 31st March, 2019:**

Shareholding of nominal value of	Number of Shareholders		Number of Shares		Amount (in ₹)
	Number	% of total	Number	% of total	
Up to 500	20975	93.03	2089403	12.26	20894030
501-1000	820	3.63	663091	3.89	6630910
1001-2000	410	1.82	612287	3.59	6122870
2001-3000	131	0.58	334562	1.96	3345620
3001-4000	59	0.26	209634	1.23	2096340
4001-5000	39	0.17	184300	1.08	1843000
5001-10000	48	0.21	351380	2.07	3513800
10000-50000	31	0.15	584451	3.43	5844510
50000-100000	5	0.03	373204	2.19	3732040
Above 100001	27	0.12	11637688	68.30	116376880
Total	22545	100	17040000	100	170400000

Category wise List of Shareholders as on 31st March, 2019

Category	No. of Shares held	Voting Strength (%)
Promoters Holding:		
A. Individual Promoters	56,32,138	33.05
B. Bodies Corporate(s)	44,72,517	26.25
Total promoters holding	1,01,04,655	59.30
Public Holding		
A. FIIs, NRI's & Banks etc.	4,63,328	2.72
B. Indian public including Private corporate bodies	64,72,017	37.98
Total Public Holding	69,35,345	40.70
Grand Total	1,70,40,000	100

x. Shares held in physical and dematerialized form and Liquidity:

The Company's Shares are traded compulsorily in dematerialized form and are available for trading in depository

system of both NSDL and CDSL through their depository participants. As on 31st March, 2019, the status of Shares in physical and dematerialized form stood as under:

S. No	Mode of Equity Share Holding(s)	Number of Shares	Percentage of total capital
1	Demat	1,67,75,382	98.45
2	Physical	2,64,618	1.55
Total		1,70,40,000	100

xi. The Company has complied with the requirements as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance. A certificate to this effect obtained from M/s U. Shanker & Associates., Chartered Accountants, the Statutory Auditors of the Company, has been attached to this Annual Report. The Company's shares are among the liquid and actively traded shares on Indian Stock Exchanges.

xii. Plant Locations:

The Company's plants are located at Gharaunda, Libertypuram and Karnal in Haryana, at Roorkee in Uttarakhand and at Ponta Sahib in Himachal Pradesh.

xiii. Outstanding Global deposits receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have outstanding Global deposits receipts or American depository receipts or warrants or any convertible instruments, therefore the above provisions are not applicable in our case.

xiv. Policy for determination of a material subsidiary:

There is no material subsidiary of the Company; therefore the Company has not adopted the Policy so far.

xv. Policy on Related Party Transactions:

The Company has in place policy on Related Party Transactions and the same may be accessed on the Company's website at www.libertyshoes.com.

xvi. Disclosure with respect to demat suspense account/unclaimed suspense account (unclaimed shares):

Pursuant to Regulation 39 of the Listing Regulations, reminders letters have been sent to shareholders whose shares remain unclaimed from the Company. Based on response, such shares will be transferred to "unclaimed suspense account" as per the provisions of schedule VI of the Listing Regulations. The disclosure as required under schedule V of the Listing Regulations is given below:

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- Nil

- (b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year- Nil
- (c) Number of shareholders to whom shares were transferred from suspense account during the year- Nil
- (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- Nil
- (e) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- NA

xvii. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the same.

xviii. Code for prevention of Insider Trading

As on date, the Company has also in place code based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Promoters, Directors, designated employees and other connected person. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information. The Code has been circulated to all the Promoters, members of the Board, Senior Management and other connected persons and majority of them have affirmed compliance with the code. The code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of Company and cautioning them of the consequences of violations. The code clearly specifies that the Promoters, Directors, designated employees and other connected persons of the Company can trade in the shares of the Company only during the period when 'trading window' is open and when there is no unpublished price sensitive information is in possession of the above persons. The trading window, amongst others, is closed during the time of declaration of

financial results and occurrence of any material events as per the code. Two of the Members of the Promoters Group, who were not having Unpublished Price Sensitive Information (U PSI), have sold their Equity Shares in the open market when the Trading Window was opened without complying with the other provisions of the Code. They were served warning letter by the Compliance Officer. The above Codes were also adopted by the Board of Directors of the Company and thereafter the same have been posted on Company's website www.libertyshoes.com and also submitted with the Stock Exchanges for their records in compliance with the SEBI guidelines.

xix. Transfer of unclaimed amount to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 205A, 205C and other relevant rules of the Companies Act, 1956 and now as per Section 125 of the Companies Act, 2013, the dividend declared by the Company which remain unclaimed for a period of seven years shall be transferred by the Company to Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has transferred all unclaimed/ unpaid amount of dividend to IEPF. During the year under review, the Company was not required to transfer any amount of unclaimed/unpaid dividend to IEPF.

xx. CIN: L19201HR1986PLC033185

xxi. CEO/CFO certification

In compliance with Regulations 17(8) of the SEBI (Listing Regulations and Disclosure Requirement) Regulations, 2015, a certificate from Chief Executive Officer & Chief Financial Officer of the Company to the Board of Directors specified in Part B of Schedule II of the said Regulations is annexed to this report.

xxii. Address for Correspondence:

For any query related to Annual report, transfer/dematerialization of shares, dividend, and any other matter related to shares, please contact at either of the following address:

Link Intime India Pvt. Ltd.

(Registrar and Share Transfer Agent)
Noble Heights, 1st Floor, Plot No.
NH 2, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
Tel.: (91) - 11- 41410592 -94
Fax: (91) - 11- 41410591
E-mail: delhi@linktime.co.in

Liberty Shoes Ltd.

Department of Investors' Relations
Ground Floor, Tower A, Building No: 8,
DLF Cyber City, Phase-II,
Gurugram - 122 022, Haryana
Tel : (91) 124-4616200
Fax : (91) 124-4616222
Email: investorcare@libertyshoes.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

To,

The Members of,

Liberty Shoes Ltd.

1. The accompanying Corporate Governance Report prepared by Liberty Shoes Ltd. (hereinafter the "Company") contains details as required by the provisions of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the Members of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Specific Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t. executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on March 31, 2019

and verified that atleast one women director was on the Board during the year;

- iv. Obtained and read the Minutes of the following meetings held during the period from April 1, 2018 to March 31, 2019:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Nomination and Remuneration Committee;
 - (d) Stakeholders Relationship Committee; and
 - (e) Corporate Social Responsibility Committee;
- v. Obtained necessary representations and declarations from directors of the Company including directors; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from the management. The above mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2019, referred to paragraph 1 above. Other matters and Restriction on Use
9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
10. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For U. Shanker & Associates.
Firm Registration No. 014497N
Chartered Accountants

Uma Shanker Gupta
Partner
Membership No. 089919

Place: New Delhi
Dated: Wednesday, 24th July, 2019

CEO/CFO CERTIFICATION PURSUANT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA

(Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors

Liberty Shoes Ltd.

We, the undersigned, in the representative capacity of Chief Executive Officer and CFO & Company Secretary respectively, hereby certify to the best of our knowledge and belief that :

- a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2019 and that :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) During the year ended 31st March, 2019, no transactions were entered into by the Company, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:

- i. there have not been any significant changes in internal control over financial reporting during the financial year ended March 31, 2019;
- ii. there have not been any significant changes in accounting policies as disclosed in the financial statements of the Company during the financial year ended March 31, 2019; and
- iii. there are no instances of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Adesh Kumar Gupta
Chief Executive Officer
DIN-00143192

Munish Kakra
CFO &
Company Secretary
M. No. ACS 6262

Place : New Delhi
Dated: Friday, 24th May, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS OF LIBERTY SHOES LIMITED

**(pursuant to Regulation 34(3) read with Schedule V Para C clause (10) (i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members of
LIBERTY SHOES LIMITED
Liberty Puram, 13th Milestone, GT Karnal Road, Kutail
P.O. Bastara, Karnal, Haryana - 132114160

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of LIBERTY SHOES LIMITED having CIN: L19201HR1986PLC033185 and having Registered Office at Liberty Puram, 13th Milestone, GT Karnal Road, Kutail, P.O. Bastara, Karnal, Haryana - 132114, (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal - www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Government of India or any such Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Sh. Adesh Kumar Gupta	00143192	28/09/1990
2	Sh. Shammi Bansal	00138792	28/11/1990
3	Sh. Sunil Bansal	00142121	28/11/1990
4	Sh. Adish Kumar Gupta	00137612	12/08/2011
5	Sh. Ashok Kumar	06883514	23/01/2015
6	Sh. Raghubar Dayal	00481803	17/12/2005
7	Sh. Ramesh Chandra Palhan	05241019	28/03/2012
8	Sh. Pushpinder Singh Grewal	06364475	28/08/2012
9	Smt. Lovelena Mody	01279148	23/01/2015

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jyoti Sharma & Associates
Company Secretaries

Place: New Delhi
Date: 24th July, 2019

Jyoti Sharma
CP No.: 10196
Membership No.: FCS-8843

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economy and market outlook

The Indian economy started the fiscal year 2018-19 with a healthy 8.2 percent growth in the first quarter on the back of domestic buoyancy. Growth eased to 7.3 percent in the subsequent quarter due to rising global volatility, normalized monetary policy in advanced economies and investment rerouting. Further, the Indian rupee depreciated because of the crude price shock and increase in investment outflows. In the current financial year 2019, the economic growth in India slowed to 7.0% despite the fact that industry and investments strengthened.

Indian economy in fact remains one of the fastest growing and possibly the least affected by global turmoil primarily due to its strong macroeconomic fundamentals and paradigm shift in certain policies including amendments to the policy related to insolvency and bankruptcy, ease of doing business and foreign direct investment.

In spite of the positive outlook, the economy remains exposed to domestic and geopolitical risks, especially economic and political changes that can affect relative prices and impair current and fiscal account deficit.

Liberty is also upbeat that with the improvement in Indian economy coupled with Govt. initiatives and its focus on Make In India theme, the Indian manufacturers will have a better opportunities to grow further.

The Indian Footwear Industry-Structure and Development

The Indian footwear industry holds a pivotal place in the Indian economy for its potential for employment and for supporting the economy through foreign exchange earnings. India is the second largest footwear producer in the world, with footwear production accounting for approximately 9% of the global annual production of 22 billion pairs, as compared to China, which produces over 60% of the global production.

On consumption side, India's annual footwear consumption stands at 21 billion pairs and it is the third largest globally after China and USA and has recorded a healthy growth over the last decade, driven by the rise in disposable income, growing fashion awareness and increasing discretionary spending. From a bare necessity, today Indian footwear industry has become a growing fashion and style category.

Present Indian footwear market, due to change in consumer preferences and their affordability to buy different footwear for different occasions, is well placed to further improve its position in the Indian economy.

India's demographic pattern in the form of higher youth population with rising incomes is likely to have a significant impact on retailing and consumption of many categories including footwear. The growing thrust on branded products is likely to help organized footwear companies to increase its share in the growing footwear market and also to improve its Average Selling Price.

The leading overseas brands have also entered Indian Footwear Market due to increasing demand for premium footwear and their study suggesting change in preferences of Indian consumers. The domestic players have also been offered opportunities to introduce

new variants in the premium categories to cater to the growing needs of the Indian consumers. The trend of increasing demand for premium footwear is visible from rising sales of branded premium footwear players having premium positioning in casual footwear, sandals and sports shoes categories during the last two years. The domestic players in view of the potential available and after witnessing the growth in Women and kids category have introduced new variants in these two segments to cater to the increasing demand for the same.

Opportunities and Threats

Opportunities:

Indian footwear industry has been experiencing a rapid expansion and witnessing a significant growth, primarily due to increased demand for trendy and comfortable footwear and availability of premium footwear products. Rapid urbanization, demographic changes including ever increasing demand of middle class population with the rising disposable income, changing lifestyles, health awareness, etc., are now leading to men and women both wearing a variety of footwear in their daily lives. Additionally, increasing demand for sports shoes and branded footwear among all age groups is likely to generate higher demand for athletic footwear with higher demand from branded category. At the same time, a steady rise in number of working women and their growing fashion consciousness is likely to drive higher demand of women footwear segment in the coming time. The outlook for the Indian footwear market is quite positive due to improving market dynamics resulting into higher demand for variety as well as branded footwear coupled with increasing demand from women and kids segment which currently contributes a smaller portion of the pie as compared to its men counterpart.

Combining the facts that India's economic performance continues to grow, the Indian government continues to provide strong support, while the global footwear demand continues to rise, the Indian footwear industry is forecasted to flourish going forward, so do the business opportunities with top shoe companies in India. The Indian footwear market is likely to drive more by the rising fashion consciousness among the young generation and growing consumer preference to their lifestyles. Moreover, the improvement in the footwear retail sector, as well as the growing e-commerce market in India are also expected to further boost the performance of India's footwear industry in future. The boom of online shopping has opened a new opportunities for the brands to monitor trending fashion, preferences and consumption.

The government support is another crucial factor for the future development of India's footwear industry. The Indian government has announced during the Financial Year 2017-18 a ₹2,600cr special package for fuelling the leather and footwear industry. The special package includes the implementation of the central sector scheme 'Indian Footwear, Leather & Accessories Development Programme (IFLADP)'. Under the scheme, a further 300,000 workers will be trained and 20-30% subsidy/grant will be offered to MSMEs on the capital expenditure for building a plant and buying machinery.

Liberty believes such opportunities are likely to bring about a rapid growth in footwear consumption going ahead.

Threats:

Indian footwear Industry has been facing significant snags due to challenging internal and external environment like challenge of cheap import from China and other low cost markets, unorganised industry structure, fast changing fashion trends which are difficult to adapt by the Indian footwear industry with stiff competitions from the International players entered in the Indian market.

Besides above the sector is also facing headwinds due to present Tax and Trade Regulations in India. The two GST slabs of 5% and 18% have divided the industry and created an uncertainty and confusion.

Risk and Concern and Contingent Liabilities

The identified risk and concern before your Company are competitive business environment, changing consumer preferences, cheap and under invoiced imports, inadequate infrastructure, foreign currency fluctuation, large unorganized sector in comparison to organized, increase in environmental issues and inadequate investment.

During the normal course of business operations, your Company has been subjected to several legal cases in connection with or incidental thereto. These litigations include civil and criminal cases, excise and custom related cases, old labour matters and infringement of intellectual properties like Trade Mark and Designs etc. filed by and against the Company. These cases are being pursued with due importance and in consultation with outside legal experts in respective areas.

Your Directors believes that the outcome of these cases is unlikely to cause a materially adverse effect on the Company's profitability or business performance. Your Company has a Contingent Liability of ₹2,935.32 Lakh as on 31st March, 2019 as compared to the previous year ₹2,634.58 Lakh as on 31st March, 2018.

Internal Control System and its Adequacy.

Liberty's has a well created and comprehensive internal control structures across all functions to ensure that all assets are protected, to prevent and detect frauds and errors to maintain accuracy and completeness of its accounting records and to further enable it in timely preparation of reliable financial information. These controls have been integrated with the Company's risk management policy to ensure that control measures for the effective mitigation of risks identified are in place. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Liberty has an independent Audit committee which acts in accordance with the terms of reference specified in writing by the Board including evaluation of internal financial controls and risk management system.

The Company has in place a strong and independent Internal Audit Department which is responsible for assessing and improving the effectiveness of internal financial control and governance. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee.

The Audit Committee, on behalf of the Board, assesses the adequacy

and effectiveness of the internal control system in detecting fraud, irregularities or infringement of laws, rules and regulations or material control failures on a regular basis by reviewing the work and findings of Internal Audit Department.

The CEO/CFO certification provided elsewhere in the Annual Report confers the adequacy of internal control systems and procedures followed by the Company.

Financial Performance:

The highlights of the financial performance of the Company during the year ended 31st March, 2019 have been stated in the Directors' Report for the year ended 31st March, 2019, which appears separately in the Annual Report.

The brief details of the performance of the Company during the year under consideration are given as under:

Tangible and Intangible Assets: In the year 2018-19, Liberty's Fixed Assets Gross Block (including tangible and intangible assets) has increased by ₹1,301.66 Lakhs mainly because of purchase of furniture & fixtures for new retail stores, new moulds and supporting machinery at plants as well as towards other normal capital expenditure in furtherance to the business operations of the Company and has decreased by ₹691.68 Lakhs due to sale/writing off of old non-usable assets.

Non-Current Investments: At the year end, Liberty's non-current investments in its erstwhile overseas Wholly Owned Subsidiary (WOS) M/s Liberty Foot Fashion Middle East FZE, Dubai, has reported no change and has stood at ₹121.93 Lakhs (Previous Year ₹121.93 Lakhs). Further as reported earlier also, the Board of Directors had decided to discontinue the same and had initiated the process for liquidation of its Assets for which requisite resolution by the Shareholders of the Company was also passed in previous Annual General Meeting. Further, considering no likely diminution in the realizable value of the investment made, it has been reported in the financial statements at cost.

Long Term Loans & Advances: Long term loans & advances amounting to ₹1,265.95 Lakh (Previous year ₹1,567.06 Lakh) consists of security deposits of ₹882.84 Lakh (Previous year ₹833.55 Lakh), receivable from its Erstwhile WOS of ₹180.49 Lakh (Previous year ₹180.49 Lakh) and MAT Credit Entitlement ₹188.21 Lakh (Previous year ₹562.71 Lakh). During the year, the Company has kept the provision for the security deposits considered as doubtful at ₹13.65 Lakhs (Previous year ₹24.52 Lakh).

Inventories: Inventories, comprising finished goods, raw materials, work in process etc. as at 31st March, 2019 stood at ₹17,436.30 Lakh as against previous year's ₹16,939.02 Lakh. The Inventory turnover ratio for the year ended 31st March, 2019 was 106 days as against 112 days in the previous year.

Trade Receivables: Trade Receivables, with an average realization period of 63 days (67 days in the previous year) stood at ₹10,395.92 Lakh in 2018-19 as against the previous year's ₹10,116.00 Lakh. Out of the trade receivables, ₹1609.11 Lakh as

against the previous year's ₹1,537.31 Lakh were due from overseas customers. The trade receivables having outstanding for more than 180 days as on 31st March, 2019 stood at ₹1924.33 Lakhs (Previous year ₹1239.45 Lakhs) and are due against Government Tender Supplies and some of Overseas and Domestic Customers dealing with the Company since long and are recoverable in nature.

The Company after considering the collection process has made a provision of ₹Nil Lakh against previous year's ₹NIL for doubtful debts. During the year, the Company has written off its book debts of ₹416.48 Lakh as against previous year's ₹444.96 Lakh. Further, the Company has recovered its Bad Debts of ₹NIL as against previous year's ₹NIL.

Short Term Loans & Advances: The Short Term Loans and Advances amounting to ₹3088.07 Lakhs (Previous year ₹2660.92 Lakhs) given by the Company includes unutilized amount of Input Tax Credit of the GST paid on inputs/services amounting to ₹1486.37 Lakhs as against the previous year's ₹1084.60 Lakhs, export benefit receivables of ₹113.76 Lakh as against the previous year's ₹103.45 Lakh and prepaid expenses of ₹163.82 Lakh as against the previous year's ₹232.32 Lakh.

Capital Structure: During the year, there has been no change in the Capital Structure of the Company and Paid up Capital of the Company was ₹1,704 Lakh as on 31st March, 2019.

Reserves & Surplus: The Company's reserves and surplus has increased from ₹15,125.89 Lakh to ₹15,810.16 Lakh in 2018-19.

Long Term Borrowings: During the year under review, the Company availed Term Loan of ₹29.62 Lakhs as against previous year's ₹156.97 Lakh. The outstanding amount of the Term Loan (Non Current and Current maturities) as on 31st March, 2019 was ₹591.96 Lakh as against previous year's ₹1,021.17 Lakh.

Other Long Term Liabilities: During the year under review, the other long term liabilities, which consists of securities received from channel partners, increased by ₹852.69 Lakh and stood at ₹2,073.60 Lakh (Previous year ₹1,220.92 Lakh).

Short Term Borrowings: The amount of working Capital loan secured through the Company's current assets has increased by ₹576.68 Lakh and stood at ₹10,285.43 Lakh as compared to ₹9,708.75 Lakh in the previous year. Further, for short term requirements, the Company has availed unsecured short term loans from the related party from time to time and the outstanding balance as on 31st March 2019 remained at ₹NIL (Previous year ₹883.07 Lakh).

Trade Payables: The Trade Payable of ₹9,576.55 Lakh (Previous year ₹10,204.14 Lakh) included an amount of ₹NIL (as against the previous year's ₹46.17 Lakh) & ₹2.54 Lakh (as against the previous year's ₹28.93 Lakh) due towards Liberty Footwear Co. & Liberty Group Marketing Division, the partnership firm(s) respectively in which few of the Directors and their relatives are interested, under the terms of the agreement.

Other Current Liabilities & Provisions: Other current liabilities & provisions amounting to ₹2,033.23 Lakh (Previous year ₹1,888.18 Lakh) consists of long term debts from banks and others due within 12 months from the date of reporting, advances from customers, expenses payables, other liabilities, provision for taxation (net of MAT credit entitlement and taxes paid including advance income tax).

Revenue from Operations and Profits: Liberty's total Income, comprising sales and other Income, Increased from ₹55,138.33 Lakh to ₹60,278.18 Lakh in 2018-19. Profit before tax, after making a provision for depreciation, increased from ₹1,089.67 Lakh to ₹1,346.59 Lakh in 2018-19. The Company's net profit, after considering a tax provision of ₹287.83 Lakh as against the previous year's ₹232.55 Lakh, MAT Credit Set off of ₹324.21 Lakh (Previous year's ₹279.84 Lakh), a deferred tax reversal of ₹NIL Lakh as against previous year's ₹66.54 and earlier year adjustment on account of payment of Income tax of ₹50.28 Lakh (Previous year's refund of ₹16.28 Lakh) stood at ₹684.27 Lakh in 2018-19 as against the Previous year's ₹660.11 Lakh.

Finance Costs: Liberty's finance costs stood at ₹1,480.57 Lakh in 2018-19 (Previous year's ₹1,560.75 Lakh), comprising interest on term loans, working capital loans, other loans and bank charges.

Human Resource Developments: Liberty considers its brands and its people strength as its major assets. Liberty HR structure has been designed to support the business in achieving sustainable growth and also groom the employee's talents considering the future requirements. Liberty has a formulated uniform HR Policies for all employees/ workers to define the HR functions and to make Liberty such a place or institution where the people working has defined role and responsibilities with a sense of belongingness amongst them. During the year under consideration, several initiatives through training & motivational programmes were taken to improve employees' knowledge, skills and effectiveness to improve productivity and to establish better inter se relations amongst themselves. The relationship with the employees has been cordial and they have extended their support to the financial performance of the Company.

As on 31st March, 2019, the total employees' strength of the Company stood at 2163 as compared to previous year's 2198.

Cautionary Statement: Statements in the Management's discussion and analysis, describing the Company's objectives, expectations and industrial outlook, may constitute forward looking statement within the meaning of applicable laws. The actual results might differ materially from those either expressed or implied.

INDEPENDENT AUDITORS' REPORT

To
The Members of
Liberty Shoes Ltd.

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of Liberty Shoes Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under

those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Addressing the Key Audit Matters
(i)	Trade Receivables – Outstanding for more than 180 days	<p>Principal Audit Procedures followed:</p> <p>Our audit procedures based on which we arrived at the conclusion regarding reasonableness of trade receivables outstanding for more than 180 days:</p> <ul style="list-style-type: none"> • Obtained the detail of parties having outstanding for more than 180 days • Evaluated the facts, terms & conditions, status of legal proceedings wherever initiated and management's rationale for the recoverability of the outstanding dues; • Meeting with the management.
(ii)	<p>Recoverability of Input Tax Credit receivables & MAT Recoverable – under the account head 'Loans & Advances – recoverable in cash or kind or for the value to be received' – Note No. 4 & 9</p> <p>As at March 31, 2019, Long Term Advances (Note No. 4) and Short Term Advances (Note No. 9) consist of MAT Credit Entitlement for ₹ 188.21 Lakhs and Balance with Excise and other Statutory Authorities amounting ₹ 1573.77 Lakhs including unutilized amount of Input Tax Credit of GST of ₹ 1486.37 Lakhs.</p>	<p>Principal Audit Procedures followed:</p> <p>We reviewed the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p>

(iii)	<p>Contingent Liabilities – relating to VAT, Service Tax, EPCG, Labour and TDS (Note 38 [(III) to (VII)])</p> <p>There are certain pending matters relating to VAT for the financial year 2005-06, 2006-07, 2007-08 & 2008-09 on account of classification of goods at different rate of tax, service tax on GTA services for the period from January 2005 to March 2007, pending compliances relating to EPCG licenses, few labour matters pertaining to earlier years and demand on a/c of non-deduction of tax at source.</p> <p>These are pending before various judicial forums and consequential and possible impact thereof and provisions/disclosure required have been based on the management's assessment of the probability of the occurrence of the liability.</p>	<p>Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the related Contingent Liabilities include the following:</p> <ul style="list-style-type: none"> • Obtained the status of the cases from the related department and their view on the matter; • Evaluated the facts and terms and conditions and management's rationale for the adequacy of the provision so far made and the amount remaining unprovided against the demands made against the Company; • Meeting with management and reading/ reviewing the correspondences Memos and Notes on related matters. • Reliance has been placed on the legal views and decisions on similar matters and probability of the liability arising therefrom pending final judgement/ decisions; • Reviewed the appropriateness and adequacy of the disclosure by the management as required in terms of the requirement of IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets".
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Information Other than the Financial Statements and Auditor's Report Thereon.

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013

(the Act) with respect to the preparation and presentation of these Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's

ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use

of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in

our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For U. Shanker & Associates.
Firm Registration No. 014497N
Chartered Accountants

Uma Shanker Gupta
Partner
Membership No. 089919

Place: New Delhi
Dated: Friday, 24th May, 2019

Annexure - A to Independent Auditors' Report

(Referred to in paragraph 1(f) under the heading "Report on other legal and regulatory requirements" of our report of even date on the Financial Statements of Liberty Shoes Ltd.)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Liberty Shoes Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For U. Shanker & Associates,
Firm Registration No. 014497N
Chartered Accountants

Uma Shanker Gupta
Partner
Membership No. 089919

Place: New Delhi
Dated: Friday, 24th May, 2019

Annexure - B to Independent Auditors' Report

(Referred to in paragraph 2 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Reg.: Liberty Shoes Limited (the Company)

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All fixed assets have not been physically verified by the management during the year but there exists a regular programme of verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanation given by the management, the title deeds of the immovable properties included in the property, plant and equipment/ fixed assets are held in the name of the Company.
- 2) The management has conducted the physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- 3) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and

- explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- 5) The Company has not accepted any deposits from the public.
 - 6) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013, for the products of the Company.
 - 7) According to the information and explanations given to us in respect of statutory dues:
 - a) The Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues applicable to it with appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - c) According to the records of the Company, the dues outstanding of Income Tax, Goods & Service Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess on account of any dispute, are as follows:

Nature of Statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where the dispute is pending
Service Tax Act, 1994	Service Tax on GTA Services	2,33,486	January 2005 to March 2007	Customs, Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax Act, 1994	Service Tax on GTA Services	2,95,112	April 2005 to March 2007	Customs, Excise and Service Tax Appellate Tribunal, Chandigarh
Punjab Value Added Tax, 2005	Value Added Tax on account of classification of goods at different rate of tax	19,13,016	Financial Year 2006-07	Deputy Commissioner (Appeals)
Punjab Value Added Tax, 2005	Value Added Tax on account of classification of goods at different rate of tax	22,30,998	Financial Year 2007-08	Deputy Commissioner (Appeals)
Income Tax	Non/shot-deduction of Tax at source	1,06,24,897	Financial Year 2016-17	Commissioner (Appeals)

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) According to the information and explanations given by the management, the Company during the year has not raised any money by way of initial public offer/ further public offer/ debt instruments except by way of term Loans from the bank and the same were applied for the purposes for which it was raised.
- 10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us by the management, we report that no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- 11) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the notes to the Financial Statements as required by the applicable accounting standards.
- 14) According to information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3 (xiv) of the Order are not applicable to the Company and not commented upon.
- 15) According to the information and explanations given by the management, the Company has not entered into

any non cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

- 16) According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For U. Shanker & Associates.
Firm Registration No. 014497N
Chartered Accountants

Uma Shanker Gupta
Partner
Membership No. 089919

Place: New Delhi
Dated: Friday, 24th May, 2019

BALANCE SHEET

as at 31st March, 2019

(Amount in ₹)

PARTICULARS	NOTE NO.		31.03.2019		31.03.2018
Assets					
Non-current Assets					
Tangible Assets					
Property, Plant & Equipments	2(a)	87,45,81,615		89,56,14,623	
Capital Work in Progress	2(c)	31,73,127		24,50,364	
Intangible Assets	2(b)	78,19,927		1,01,93,317	
Financial Assets					
Non-current Investments	3	1,22,38,091		1,22,38,091	
Loans & Advances	4	12,65,95,013		15,67,06,260	
Other Non-current Assets	5	-		-	
Total Non-current Assets			1,02,44,07,773		1,07,72,02,655
Current Assets					
Inventories	6	1,74,36,30,354		1,69,39,01,717	
Financial Assets					
Trade Receivables	7	1,03,95,92,144		1,01,15,99,863	
Cash and Bank Balances	8	7,94,01,254		8,75,64,515	
Loans & Advances	9	30,88,06,789		26,60,92,464	
Total Current Assets			3,17,14,30,541		3,05,91,58,559
Total Assets			4,19,58,38,314		4,13,63,61,214
Equity & Liabilities					
Equity					
Equity Share Capital	10	17,04,00,000		17,04,00,000	
Other Equity					
Reserves and Surplus	11	1,58,10,16,199		1,51,25,89,305	
Total Equity			1,75,14,16,199		1,68,29,89,305
Liabilities					
Non-current Liabilities					
Financial Liabilities					
Long Term Borrowings	12	3,99,75,351		5,64,89,944	
Deferred Tax Liability (Net)	13	-		-	
Other Long Term Liabilities	14	20,73,60,388		12,20,91,858	
Long Term Provisions	15	75,65,332		63,74,925	
Total Non-current Liabilities			25,49,01,071		18,49,56,727
Current Liabilities					
Financial Liabilities					
Short Term Borrowings	16	1,02,85,43,226		1,05,91,82,937	
Trade Payables	17	95,76,55,196		1,02,04,14,542	
Other Current Liabilities	18	18,58,81,821		17,98,20,450	
Short Term Provisions	19	1,74,40,801		89,97,253	
Total Current Liabilities			2,18,95,21,044		2,26,84,15,182
Total			4,19,58,38,314		4,13,63,61,214
Significant Accounting Policies	1				
Notes on Financials Statements	2 to 52				
The notes are an integral part of these Financial Statements					

Signed in terms of our Audit Report of even date.

For U. Shanker & Associates

Firm Registration No. 014497N

Chartered Accountants

for and on behalf of the Board

Uma Shanker Gupta
Partner
Membership No. 089919

Adesh Kumar Gupta
CEO & Executive Director
DIN-00143192

Shammi Bansal
Executive Director
DIN - 00138792

Raghubar Dayal
Director
DIN-00481803

Munish Kakra
CFO & Company Secretary
M. No. ACS 6262

Place: New Delhi

Dated: Friday, 24th May, 2019

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2019

(Amount in ₹)

PARTICULARS	NOTE NO.		31.03.2019		31.03.2018
Continuing Operations					
Revenue from Operations					
Sales		6,01,17,15,699		5,50,30,84,914	
Other Operating Revenues	20	1,18,30,320		70,47,250	
Less:					
Excise Duty		-	6,02,35,46,019	7,02,26,830	5,43,99,05,334
Other Income	21		42,72,420		37,00,703
Total Income			6,02,78,18,439		5,44,36,06,037
Expenses					
Cost of Materials Consumed	22(a)	1,96,18,03,098		1,66,14,79,431	
Purchase of Stock-in-trade	22(b)	1,16,58,82,932		1,24,33,10,591	
Change in Inventories of Finished Goods, Goods in Process and Stock-in-Trade	23	(5,97,17,998)		(3,71,89,985)	
Excise Duty		-		(1,56,33,078)	
Employee Benefit Expenses	24	83,75,35,544		76,79,64,509	
Depreciation & Amortisations	2	13,46,88,582		13,45,70,182	
Other Expenses	25	1,70,34,44,445		1,41,75,18,314	
Finance Cost	26	14,80,56,705		15,60,75,207	
Total Expenses			5,89,16,93,308		5,32,80,95,171
Profit before exceptional items and tax			13,61,25,131		11,55,10,866
Exceptional Items	27		14,65,656		65,43,602
Profit before Tax from Continuing Operations			13,46,59,475		10,89,67,264
Income Tax Expense					
Current tax		2,87,83,199		2,32,55,362	
MAT Credit Set-off/(Entitlement)		3,24,21,078		2,79,83,748	
Income tax for earlier years		50,28,304		(16,28,438)	
Deferred Tax			6,62,32,581	(66,54,250)	4,29,56,422
Profit from Continuing Operations			6,84,26,894		6,60,10,842
Discontinued Operations					
Profit from discontinued operations before tax					
Tax expense of discontinued operations					
Profit from discontinued operations					
Profit for the year			6,84,26,894		6,60,10,842
Other Comprehensive Income					
Items that will not be reclassified to profit or loss in subsequent period					
Other Comprehensive Income for the year					
Total Comprehensive Income for the year, net of Income Tax			6,84,26,894		6,60,10,842
Earnings per Equity Share, of ₹10 each, for profit from continuing operations					
Basic earning per share			4.02		3.87
Diluted earning per share			4.02		3.87
Earnings per Equity Share, of ₹10 each, for profit from discontinued operations					
Basic earning per share			-		-
Diluted earning per share			-		-
Earnings per Equity Share, of ₹10 each, for profit from continuing and discontinued operations					
Basic earning per share			4.02		3.87
Diluted earning per share			4.02		3.87
Significant Accounting Policies	1				
Notes on Financials Statements	2 to 52				
The notes are an integral part of these Financial Statements					

Signed in terms of our Audit Report of even date.

For U. Shanker & Associates

Firm Registration No. 014497N

Chartered Accountants

for and on behalf of the Board

Uma Shanker Gupta
Partner
Membership No. 089919

Adesh Kumar Gupta
CEO & Executive Director
DIN-00143192

Shammi Bansal
Executive Director
DIN - 00138792

Raghubar Dayal
Director
DIN-00481803

Munish Kakra
CFO & Company Secretary
M. No. ACS 6262

Place: New Delhi

Dated: Friday, 24th May, 2019

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Equity Share Capital	Other Equity					Total
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at April 1, 2017	17,04,00,000	3,99,500	11,27,20,644	1,13,70,09,364	19,64,48,955	-	1,61,69,78,463
Profit for the year					6,60,10,842	-	6,60,10,842
Other Comprehensive Income					-	-	-
Total Comprehensive Income for the year	-	-	-	-	6,60,10,842	-	6,60,10,842
Transfer to General Reserve				3,00,00,000	(3,00,00,000)		-
Balance as at March 31, 2018	17,04,00,000	3,99,500	11,27,20,644	1,16,70,09,364	23,24,59,797	-	1,68,29,89,305
Profit for the year					6,84,26,894		6,84,26,894
Other Comprehensive Income							-
Total Comprehensive Income for the year	-	-	-	-	6,84,26,894	-	6,84,26,894
Dividend							-
Dividend Distribution Tax							-
Transfer to General Reserve				3,00,00,000	(3,00,00,000)		-
Balance as at March 31, 2019	17,04,00,000	3,99,500	11,27,20,644	1,19,70,09,364	27,08,86,691	-	1,75,14,16,199

Signed in terms of our Audit Report of even date.
For U. Shanker & Associates
Firm Registration No. 014497N
Chartered Accountants

for and on behalf of the Board

Uma Shanker Gupta
Partner
Membership No. 089919

Adesh Kumar Gupta
CEO & Executive Director
DIN-00143192

Shammi Bansal
Executive Director
DIN - 00138792

Raghubar Dayal
Director
DIN-00481803

Munish Kakra
CFO & Company Secretary
M. No. ACS 6262

Place: New Delhi
Dated: Friday, 24th May, 2019

CASH FLOW STATEMENT

for the year ended 31st March, 2019

(Amount in ₹)

PARTICULARS	31.03.2019	31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Income Tax from		
Continuing Operations	13,46,59,475	10,89,67,264
Discontinued Operations	-	-
Profit before Income Tax including discontinued operations	13,46,59,475	10,89,67,264
Adjustments for:		
Depreciation and amortisation expense	13,46,88,582	13,45,70,182
Loss/(Gain) on sale of Non-current Assets	14,65,656	65,43,602
Bank & Other Interest classified as investing cash flows	(42,72,420)	(37,00,703)
Finance Cost	14,80,56,705	15,60,75,207
Unrealised Foreign Exchange Difference	(53,33,097)	3,29,435
Changes in operating assets and liabilities		
(Increase)/Decrease in Trade Receivables	(2,79,92,281)	19,01,39,861
(Increase)/Decrease in Inventories	(4,97,28,637)	(5,24,33,038)
Increase/(Decrease) in Trade & Other Payables	(2,72,33,019)	(12,21,42,687)
(Increase)/Decrease in other non-current assets	1,09,96,848	(7,52,35,444)
Cash generated from operations	31,53,07,812	34,31,13,679
Direct Taxes Paid	2,86,28,231	2,11,43,526
Net Cash Flow from Operating Activities	28,66,79,581	32,19,70,153
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Purchase of Non-current Assets	(12,78,54,157)	(12,17,40,787)
Proceeds from Sale of Non-current Assets	1,43,83,555	1,26,06,292
Bank and Other Interest	42,72,420	37,00,703
Net Cash outflow from Investing Activities	(10,91,98,183)	(10,54,33,792)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	29,62,498	1,56,97,000
Repayment of long term borrowings	(4,58,83,550)	(6,67,36,318)
Interest paid	(14,80,56,705)	(15,60,75,207)
Net Cash inflow/outflow from Financing Activities	(19,09,77,757)	(20,71,14,525)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,34,96,358)	94,21,836
Cash & Cash Equivalents (Opening Balance)	8,75,64,515	7,84,72,114
Unrealised Foreign Exchange Difference	53,33,097	(3,29,435)
Cash & Cash Equivalents (Closing Balance)	7,94,01,254	8,75,64,515
Components of Cash & Cash Equivalents		
Cash in hand including imprest	1,43,95,934	2,20,38,077
Balance with Scheduled Banks		
Current Accounts	1,35,24,348	1,15,07,821
Cheques on hand	37,59,672	2,01,72,847
Fixed Deposits	4,77,21,300	3,38,45,770
Total	7,94,01,254	8,75,64,515

Notes: 1) Purchase of Tangible & Intangible Assets includes movements of capital work in progress between the beginning & at the end of the year 2) The Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 - Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Signed in terms of our Audit Report of even date.

For U. Shanker & Associates
Firm Registration No. 014497N
Chartered Accountants

for and on behalf of the Board

Uma Shanker Gupta
Partner
Membership No. 089919

Adesh Kumar Gupta
CEO & Executive Director
DIN-00143192

Shammi Bansal
Executive Director
DIN - 00138792

Raghubar Dayal
Director
DIN-00481803

Munish Kakra
CFO & Company Secretary
M. No. ACS 6262

Place: New Delhi
Dated: Friday, 24th May, 2019

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**CORPORATE INFORMATION**

Liberty Shoes Ltd is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 3rd September, 1986. The shares of the Company are listed on two stock exchanges in India i.e National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is engaged in the business of manufacturing and trading of footwear and accessories and lifestyle products through its retail and wholesale network. The Registered Office of the Company is situated at Libertypuram, Karnal, Haryana.

1. SIGNIFICANT ACCOUNTING POLICIES**a) Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Schedule III to the Companies Act, 2013.

b) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

c) Revenue Recognition

- Sales revenue is recognized when the significant risks and rewards of ownership of goods have passed to the buyer on dispatch or delivery of goods, net of sales returns, trade discount and VAT/Sales tax/GST but inclusive of excise duty and do not include the cost of materials used for captive consumption.
- Export Incentives are accounted on accrual basis and include the estimated value of incentives receivable under the DEPB Scheme, the Duty Drawback Scheme, the Focus Product Scheme and the Merchandise Export from India Scheme. Any difference at the time of actual receipt is accounted for in the year of receipt. The amount of export incentives has been adjusted with the cost of raw materials consumed.
- Gain/Loss on transfer of Duty Credit Entitlements received under the DEPB Scheme is accounted for in the year of transfer.

d) Inventory Valuation

Inventories are valued at the lower of cost and net realisable value. Cost of inventories, other than for manufactured finished goods and goods in process, is determined on Weighted Average Cost Method (net of CENVAT/Input Tax credit availed) of stock accounting. Cost of manufactured finished goods and goods in process include cost of raw materials consumed on weighted average basis and appropriate portion of allocable overheads and Excise Duty and Taxes, wherever applicable. Scrap, if any, at the year end does not form part of the closing inventory.

e) Fixed Assets and Capital work in progress

Fixed assets are stated at original cost (net of CENVAT/Input Tax credit availed, wherever eligible) but including freight inward, duties, taxes and other incidental expenses relating to acquisition and installation thereof. Capital work in progress includes cost of fixed assets under installation and other incidental expenses. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains and losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

f) Depreciation

The useful lives of the assets are based on technical estimates approved by the Management and lower than or the same as the useful lives prescribed under schedule II of the Companies Act, 2013 in order to reflect the period over which depreciable assets are expected to be used by the Company. Depreciation is provided on a pro rata basis on the Straight Line Method (SLM) on the estimated useful lives of the assets as stated below:

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Assets	Useful Life
Factory Building	30 Years
Plant & Equipment	15 Years
Dies & Moulds	15 Years
Electric Installation & Equipments	10 Years
Furniture & Fixtures	10 Years
Office Equipment	5 Years
Computers	3 Years
Servers & Networks	6 Years
Motor Cars & Buses	8 Years
Motor Cycles	10 Years

Assets individually costing less than Rs. 5,000/- are fully depreciated in the year of acquisition.

g) Impairment of Assets

Usually the Company reviews the carrying value of assets for any possible impairment at each balance sheet date. However, the assets that are subject of amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, higher of the assets' fair value less cost to sell and value in use is considered.

h) Operating Lease

Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the lease term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit & Loss on straight line basis over the lease term.

i) Valuation of Investments

Long term Investments are valued at cost and Short Term Investments are valued at lower of cost and fair value, calculated individually for each investment.

j) Excise Duty

Excise Duty, wherever applicable, is accounted for at the time of manufacture of finished goods.

k) Provisions and Contingent Liabilities

The Company recognizes a provision where there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation and accordingly all known liabilities wherever material are provided for. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

l) Employee Benefits

(i) Short-term employee benefits are recognized as an expense in the Statement of Profit & Loss of the year in which the related service is rendered.

(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected method made at the end of the financial year. The Company has created a trust under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) and amount paid/payable in respect of the present value of liability for past services is charged to the Statement of Profit & Loss every year. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC is provided for as liability in the books.

m) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are charged to revenue in the period in which they are incurred.

n) Foreign Exchange Transactions

(i) Assets and liabilities relating to foreign currency transactions remaining unsettled at the year-end are converted into Indian rupees at closing rates and any gain or loss arisen is adjusted in Statement of Profit and Loss.

(ii) Gains/losses arising out of fluctuations in foreign exchange rates between the transaction date and settlement date are recognized in the Statement of Profit and Loss under the head "Exchange Rate Fluctuation".

(iii) The difference between the forward rate and the exchange rate on date of inception of a forward contract in respect of forward contracts with underlying assets or liabilities is recognized as income or expense and is amortized over the life of the contract.

(iv) Forward exchange contracts entered to hedge the foreign currency risk are marked to market as at the year end and the resultant exchange gain or loss is recognised in the Statement of Profit & Loss.

(v) Non monetary foreign currency items are carried at cost and accordingly the investment in foreign subsidiary is expressed in Indian Currency at the exchange rate prevailing at the date of the transaction.

o) Provision for Taxation

Provision for taxation is made taking into consideration the provisions of Income Tax Act, 1961 and Wealth Tax Act, 1957. Adjustment, if any, arising out of the assessment is made in the year the assessment is completed.

p) Provision for Deferred Taxation

Deferred tax has been provided for all timing differences as required under the provisions of Accounting Standards issued by the Institute of Chartered Accountants of India.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 2. Tangible & Intangible Assets and Capital Work in Progress										
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Total as on 01.04.2018	Additions during the period	Sales/Adj. during the period	Total as on 31.03.2019	Total as on 01.04.2018	For the period	Sales/Adj. during the period	Total as on 31.03.2019	As on 31.03.2019	As on 31.03.2018
(a) Tangible Assets (Not under Lease)										
Property, Plant & Equipments										
Land	12,64,55,140	-	-	12,64,55,140	-	-	-	-	12,64,55,140	12,64,55,140
Building*	25,40,47,561	1,18,87,009	-	26,59,34,570	10,66,59,594	85,55,109	-	11,52,14,703	15,07,19,867	14,73,87,967
Plant & Equipments	83,57,09,567	2,99,90,912	1,61,69,679	84,95,30,800	64,29,23,998	4,21,07,147	1,33,09,053	67,17,22,092	17,78,08,708	19,27,85,569
Furniture & Fixture	39,47,96,581	4,68,99,764	3,00,57,163	41,16,39,182	19,44,96,265	3,66,68,156	2,21,13,406	20,90,51,015	20,25,88,167	20,03,00,316
Vehicles	19,71,88,463	1,05,26,418	1,14,94,181	19,62,20,700	11,54,06,041	1,81,25,008	81,34,024	12,53,97,025	7,08,23,675	8,17,82,422
Office Equipments	17,04,00,338	1,61,77,624	84,70,086	17,81,07,877	12,49,04,813	1,49,71,319	74,29,955	13,24,46,177	4,56,61,699	4,54,95,525
Moulds	32,99,07,939	1,07,44,259	6,49,849	34,00,02,349	22,85,00,255	1,09,95,083	17,348	23,94,77,990	10,05,24,359	10,14,07,684
Total Tangible Assets	2,30,85,05,589	12,62,25,987	6,68,40,958	2,36,78,90,618	1,41,28,90,966	13,14,21,822	5,10,03,786	1,49,33,09,002	87,45,81,615	89,56,14,623
Previous Year	2,22,07,57,509	13,24,54,761	4,47,06,681	2,30,85,05,589	1,30,99,84,882	12,84,62,871	2,55,56,787	1,41,28,90,966	89,56,14,623	91,07,72,627
(b) Intangible Assets										
Patents	15,500	-	-	15,500	3,838	-	-	3,838	11,662	11,662
Softwares	3,09,03,507	9,05,408	15,508	3,17,93,406	2,07,21,852	32,66,760	3,470	2,39,85,142	78,08,265	1,01,81,655
Total Intangible Assets	3,09,19,007	9,05,408	15,508	3,18,08,906	2,07,25,690	32,66,760	3,470	2,39,88,980	78,19,927	1,01,93,317
Previous Year	2,98,92,264	10,26,743	-	3,09,19,007	1,46,18,379	61,07,311	-	2,07,25,690	1,01,93,317	1,52,73,885
(c) Capital work in progress:										
a) Building under construction	23,11,689	30,34,452	23,11,689	30,34,452	-	-	-	-	30,34,452	23,11,689
b) Assets under installation	1,38,675	-	-	1,38,675	-	-	-	-	1,38,675	1,38,675
Total Capital work in progress	24,50,364	30,34,452	23,11,689	31,73,127	-	-	-	-	31,73,127	24,50,364
Previous year	1,41,91,081	12,94,663	1,30,35,380	24,50,364	-	-	-	-	24,50,364	1,41,91,081
Grand Total	2,34,18,74,960	13,01,65,846	6,91,68,155	2,40,28,72,651	1,43,36,16,656	13,46,88,582	5,10,07,256	1,51,72,97,982	88,55,74,669	90,82,58,304
Previous year	2,26,48,40,854	13,47,76,167	5,77,42,061	2,34,18,74,960	1,32,46,03,261	13,45,70,182	2,55,56,787	1,43,36,16,656	90,82,58,304	94,02,37,593

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

	As at 31st March, 2019	As at 31st March, 2018
Note 3. Non-current Investments (Non-Trade)		
Investments in Government Securities (Valued at Cost)		
(6 Years National Saving Certificates VIII Issue)	44,834	44,834
Liberty Foot fashion Middle East FZE		
1 (Previous Year 1) Equity Share of UAE Dhiram 10,00,000 fully paid	1,21,93,257	1,21,93,257
Total Non-current Investments	1,22,38,091	1,22,38,091
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	1,22,38,091	1,22,38,091
Aggregate Market Value of Quoted Investments	-	-
4 Long term Loans & Advances		
(Unsecured and considered good unless stated otherwise)		
Capital Advance	28,06,544	14,84,383
Security Deposits		
to Related Parties	60,00,000	60,00,000
to Others	8,22,83,506	7,73,54,843
Share Application Money paid to Subsidiaries (Pending Allotment)	1,80,48,696	1,80,48,696
MAT Credit Entitlement	1,88,21,477	5,62,70,863
	12,79,60,223	15,91,58,785
Less: Provision for doubtful security deposits to others	13,65,210	24,52,525
Total Long term Loan & Advances	12,65,95,013	15,67,06,260
5 Other Non-current Assets		
(Unsecured and considered good unless stated otherwise)		
Total Other Non-current Assets	-	-
6 Inventories (As valued and certified by the Management)		
Raw Materials	31,14,34,931	32,74,63,019
Goods in Process	17,23,03,728	18,05,44,295
Finished Goods		
Manufactured	99,76,65,727	93,80,00,999
Traded	20,08,97,926	19,26,04,089
Packing Materials	2,29,52,439	2,06,40,282
Stores & Spares	3,66,95,525	3,35,69,004
Oil & Lubricants	16,80,078	10,80,029
Total Inventories	1,74,36,30,354	1,69,39,01,717
7 Trade Receivables		
(Unsecured and considered good unless stated otherwise)		
Debts outstanding for a period exceeding six months from the due date		
Considered good	19,24,33,074	12,39,44,744
Considered doubtful	-	-
Other Debts		
Considered good	84,71,59,070	88,76,55,119
	1,03,95,92,144	1,01,15,99,863
Less: Provision for doubtful debts	-	-
Total Trade Receivables	1,03,95,92,144	1,01,15,99,863
8 Cash and Bank Balances		
Cash and Cash equivalents		
Balances with banks:		
In Current Accounts*	1,35,24,348	1,15,07,821
Cheques on hand	37,59,672	2,01,72,847
Cash in hand including imprest	1,43,95,934	2,20,38,077
Fixed Deposits with Banks (Margin Money deposit for LC/Bank Guarantees)**	4,77,21,300	3,38,45,770
Total Cash and Bank Balances	7,94,01,254	8,75,64,515

* Includes Unclaimed Dividend of ₹6.80 Lakhs (Previous year ₹6.15 Lakhs) ** Includes Fixed Deposits for ₹Nil Lakhs (Previous year ₹5.12 Lakhs) having maturity of more than 12 months

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

	As at 31st March, 2019	As at 31st March, 2018
Note 9. Short-term Loans & Advances (Unsecured and considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for the value to be received	10,19,27,495	9,22,50,415
Security Deposit for less than 12 Months		
to Related Parties	-	-
to Others	2,39,44,565	1,60,20,453
Balance with Excise and other Statutory Authorities (including VAT recoverable and taxes paid under protest)	15,73,76,686	12,09,19,113
Prepaid Expenses	1,63,81,942	2,32,32,384
Loans and advances to employees	91,76,101	1,36,70,099
Total Short-term Loans & Advances	30,88,06,789	26,60,92,464
Equity		
10 Equity Share Capital		
Authorised Share Capital 63500000 (Previous year 63500000 Equity Shares) of ₹10 each	63,50,00,000	63,50,00,000
Issued, Subscribed & Fully Paid Up Capital 17040000 (Previous year 17040000) Equity Shares of ₹10 each fully paid up.	17,04,00,000	17,04,00,000
	17,04,00,000	17,04,00,000
10(a) Reconciliation of Number of Shares		
Equity Shares		
Balance at the beginning of the year 17040000 (Previous year 17040000) Equity Shares of ₹10 each fully paid up.	17,04,00,000	17,04,00,000
Add: Shares issued during the year	-	-
Balance at the end of the year	17,04,00,000	17,04,00,000

10(b) Terms/Rights attached to Equity Shares

The Company has one class of equity shares having a par value of ₹10/- each. Each shareholder is eligible for one vote per share held in the Company. The dividend proposed by the Board of Directors of the Company, if any, is subject to approval of the members in the ensuing general meeting, except in the case of interim dividend, if declared. In the event of liquidation of the Company, equity shareholders shall be entitled to receive the remaining assets, after the distribution to preferred shareholders, if any, in proportionate of their shareholding.

10(c) Detail of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Equity Shareholders	As at 31st March, 2019		As at 31st March, 2018	
	% of shareholding	No. of Shares	% of shareholding	No. of Shares
Equity Shares				
Geofin Investments Private Limited	26.25	44,72,517	26.25	44,72,517
Sh. Satish Kumar Gupta	2.03	3,45,684	5.08	8,66,202
Total	28.28	48,18,201	31.33	53,38,719
10(d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date				
Equity Shares	Nil	Nil	Nil	Nil

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

Other Equity	As at 31st March, 2019	As at 31st March, 2018
11. Reserves & Surplus		
(a) Capital Reserve	<u>3,99,500</u>	<u>3,99,500</u>
(b) Securities Premium Account		
Balance at the beginning of the year	11,27,20,644	11,27,20,644
Add: Additions/(Utilisations) during the year	-	-
Balance at the end of the year	<u>11,27,20,644</u>	<u>11,27,20,644</u>
(c) General Reserve*		
Balance at the beginning of the year	1,16,70,09,364	1,13,70,09,364
Add: Transfer from surplus in the Statement of Profit & Loss	3,00,00,000	3,00,00,000
Balance at the end of the year	<u>1,19,70,09,364</u>	<u>1,16,70,09,364</u>
(d) Retained Earnings**		
Balance at the beginning of the year	23,24,59,797	19,64,48,955
Add: Profit for the year	6,84,26,894	6,60,10,842
	30,08,86,691	26,24,59,797
Less: Appropriations/adjustments		
Transfer to General Reserve	3,00,00,000	3,00,00,000
Balance at the end of the year	<u>27,08,86,691</u>	<u>23,24,59,797</u>
Total Reserves & Surplus	<u>1,58,10,16,199</u>	<u>1,51,25,89,305</u>

*The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

**The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

(Amount in ₹)

Long Term Borrowings	As at 31st March, 2019		As at 31st March, 2018	
	Non Current	Current Maturities	Non Current	Current Maturities
12. Secured				
Term Loans				
(i) from Banks:				
Rupee Term Loans	3,99,75,351	1,75,89,033	5,48,86,804	4,36,71,774
(ii) from Others:				
Rupee Term Loans	-	16,31,331	16,03,140	19,55,049
	<u>3,99,75,351</u>	<u>1,92,20,364</u>	<u>5,64,89,944</u>	<u>4,56,26,823</u>
Less: Amount disclosed under other Current Liabilities (Refer Note 18)	-	1,92,20,364	-	4,56,26,823
Net Long Term Borrowings	<u>3,99,75,351</u>	<u>-</u>	<u>5,64,89,944</u>	<u>-</u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

Particulars of Loan	Detail of Security	Outstanding Balance as at 31.03.2019	Repayment Terms
(i) from Banks			
Term Loan from HDFC Bank	Exclusive charge on the assets financed under Term Loan and Equitable Mortgage of Land & Building including hypothecation of Plant & Machinery situated at Village Bhagwanpur, Roorkee, Uttarakhand and Equitable Mortgage of Land at Distt-Sirmour, Pontasahib and Langha Road, Sahaspur, Dehradun and 2nd Charge on Current Assets of the Company	4,24,96,808	2 Quarterly installments of ₹16.25 Lakhs each, 2 Quarterly installments of ₹7.77 Lakhs each, 2 Quarterly installments of ₹38.46 Lakhs each & 1 installment of ₹300 Lakh in the year 2021
Vehicle Loans from HDFC Bank	Hypothecation of Vehicles	55,35,381	47% in Monthly Installment in 2019-20 38% in Monthly Installment in 2020-21 14% in Monthly Installment in 2021-22 1% in Monthly Installment in 2022-23
Vehicle Loans from ICICI Bank	Hypothecation of Vehicles	26,22,902	31% in Monthly installment 2019-20 34% in Monthly installment 2020-21 32% in Monthly installment 2021-22 3% in Monthly installment 2022-23
Vehicle Loans from Axis Bank	Hypothecation of Vehicles	69,09,293	24% in Monthly installment 2019-20 27% in Monthly installment 2020-21 24% in Monthly installment 2021-22 23% in Monthly installment 2022-23 2% in Monthly installment 2023-24
Total		5,75,64,384	
(ii) from Others			
Vehicle loan from Toyota Financial Services India Ltd.	Hypothecation of Vehicle	16,31,331	100% in Monthly Installment in 2019-20
Total		16,31,331	

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

	As at 31st March, 2019	As at 31st March, 2018
13. Deferred Tax Liability (Net)		
Balance at the beginning of the year	-	66,54,250
Add: for the year	-	(66,54,250)
Balance at the end of the year	-	-
14. Other Long Term Liabilities		
Security Deposits	20,73,60,388	12,20,91,858
Total Other Long Term Liabilities	20,73,60,388	12,20,91,858
15. Long Term Provisions		
Provision for Gratuity	75,65,332	63,74,925
Total Other Long Term Provisions	75,65,332	63,74,925
16. Short Term Borrowings		
(a) Secured		
Loans repayable on demand		
from Banks:		
(Secured against hypothecation of Company's entire stock of raw materials, stock in process, finished goods, consumables, stores and spares, finished goods in stores, in transit and with shippers at port awaiting shipment for exports, receivables, cheques, bank drafts and all other current assets and 2nd paripassu charge on Plant & Machinery.)	1,02,85,43,226	97,08,75,382
Total Secured Loans	1,02,85,43,226	97,08,75,382
(b) Unsecured		
Loans and Advances from Related Parties		
Short Term Loans	-	8,83,07,555
from Others	-	-
Total Unsecured Loans	-	8,83,07,555
Total Short Term Borrowings	1,02,85,43,226	1,05,91,82,937
17. Trade Payables		
Trade Payables for goods & services (Includes sundry creditors)	95,76,55,196	1,02,04,14,542
Total Trade Payables	95,76,55,196	1,02,04,14,542
18. Other Current Liabilities		
(a) Current Maturities of Long Term Debts (refer Note 12)		
from Banks	1,75,89,033	4,36,71,774
from Others	16,31,331	19,55,049
Total Current Maturities of Long Term Debts	1,92,20,364	4,56,26,823
(b) Other Payables		
Advances from Customers	6,67,07,190	2,35,35,191
Expenses Payable	8,33,54,499	8,39,58,573
Other Liabilities	1,65,99,768	2,66,99,863
Total Other Payables	16,66,61,457	13,41,93,627
Total Other Current Liabilities (a + b)	18,58,81,821	17,98,20,450
19. Short Term Provisions		
Provision for taxation (Net of MAT Credit Setoff/(Entitlement))	65,83,199	9,55,362
Provision for Gratuity	1,08,57,602	80,41,891
Total Short Term Provisions	1,74,40,801	89,97,253

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

	As at 31st March, 2019	As at 31st March, 2018
20. Other Operating Income		
Freight	25,95,679	21,59,920
Miscellaneous Income	39,26,464	46,04,394
Gain on Exchange Rate Fluctuations	53,08,177	2,82,936
Total Operating Income	1,18,30,320	70,47,250
21 Other Income		
Bank and Other Interest (Tax deducted at Source ₹2.81 Lakhs [Previous Year ₹2.42 Lakhs])	42,72,420	37,00,703
Total Other Income	42,72,420	37,00,703
22 Cost of Materials consumed and Finished Goods Purchased		
a) Raw Materials (Refer to Note 49)		
Stock at the beginning of the year	32,74,63,019	31,64,20,826
Add: Purchases	1,94,57,75,010	1,67,25,21,624
	2,27,32,38,029	1,98,89,42,450
	31,14,34,931	32,74,63,019
Raw Materials Consumed	1,96,18,03,098	1,66,14,79,431
b) Finished Goods Purchased	1,16,58,82,932	1,24,33,10,591
Total Cost of Materials consumed and Finished Goods Purchased (a+b)	3,12,76,86,030	2,90,47,90,022
23 Change in Inventories of Finished Goods, Goods in Process and Stock-in-Trade		
a) Inventories at the end of the year		
Finished Goods/Stock-in-Trade	1,19,85,63,653	1,13,06,05,088
Goods in Process	17,23,03,728	18,05,44,295
Total	1,37,08,67,381	1,31,11,49,383
b) Inventories at the beginning of the year		
Finished Goods/Stock-in-Trade	1,13,06,05,088	1,10,57,46,468
Goods in Process	18,05,44,295	16,82,12,930
Total	1,31,11,49,383	1,27,39,59,398
(Increase)/Decrease in Inventories (b - a)	(5,97,17,998)	(3,71,89,985)
24 Employee Benefits Expense		
Salaries, Wages and Bonus	76,98,68,944	69,36,20,997
Directors' Remuneration	1,58,10,900	1,56,19,200
Contribution to Provident and Other Funds (Refer to Note 45)	4,14,76,479	4,88,62,071
Staff Welfare Expenses	1,03,79,221	98,62,241
Total Employee Benefits Expense	83,75,35,544	76,79,64,509
25 Finance Cost		
Interest Expense		
to Banks	11,47,92,244	12,36,00,599
to others (Refer to Note 34)	1,18,47,835	1,24,79,670
Bank Charges	2,14,16,626	1,99,94,938
Total Finance Cost	14,80,56,705	15,60,75,207

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

	As at 31st March, 2019	As at 31st March, 2018
26. Other Expenses		
a) Manufacturing Expenses		
Freight Inwards	2,08,32,256	1,46,14,470
Upper Production Charges	11,84,58,099	11,07,14,563
Oil & Lubricants	149,78,697	1,14,02,569
Electricity Charges	8,72,11,618	8,41,14,105
Repairs to Machinery	4,23,94,209	3,53,20,722
Land Lease Rent	2,64,675	2,40,616
Franchise Fee	1,25,00,000	1,25,00,000
Total	29,66,39,554	26,89,07,045
b) Administration, Selling and Other Expenses		
Packing Materials Consumed	17,81,99,097	15,99,23,942
Printing & Stationery	49,32,388	51,40,640
Claims	2,69,42,966	2,69,04,636
Tour, Travelling and Conveyance	7,60,93,171	7,02,76,622
Insurance Charges	89,88,102	87,74,545
Fees and Taxes	1,33,88,135	3,03,91,241
Postage, Telegram, Telephone and Telex	1,30,38,385	1,28,41,655
Subscriptions	8,87,074	12,98,147
Advertisements	14,58,74,170	6,51,22,866
Rent	22,74,21,578	18,30,89,419
Donations	1,41,56,175	50,61,661
Export CIF Expenses	1,30,98,105	1,06,45,645
Freight Outward	11,85,84,620	10,73,04,070
Samples	1,45,530	3,09,313
Auditors' Remuneration:		
Statutory Audit Fee	6,00,000	6,00,000
GST & Tax Audit Fee	3,80,000	3,80,000
Certification Fee	20,000	20,000
Cost Audit Fee	-	-
Miscellaneous Expenses	3,85,35,786	3,52,47,996
Royalty	17,00,00,000	16,74,00,000
Entertainment Expenses	63,85,764	64,24,048
Commission	15,62,50,662	7,56,53,801
Sales Promotion Expenses	7,59,18,262	6,07,83,821
Newspapers & Periodicals	1,45,058	3,15,396
Debts written off	4,16,48,496	4,44,95,836
Provision for doubtful debts (refer to Note 40)	(10,87,315)	-
Consultancy & Professional Charges	2,96,80,587	2,59,88,797
Repairs & Maintenance Expenses-Building	2,75,60,995	2,30,52,990
Repairs & Maintenance Expenses-Others	1,90,17,100	2,11,64,182
Total	1,40,68,04,891	1,14,86,11,269
Total Other Expenses (a + b)	1,70,34,44,445	1,41,75,18,314
27. Exceptional Items		
Profit on Sale of Fixed Assets	(41,38,776)	(17,01,473)
Loss on sale of Fixed Assets	56,04,432	82,45,075
Total	14,65,656	65,43,602

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**28. Details of Managerial Remuneration:**

(Amount in ₹)

Particulars	31.03.2019	31.03.2018
Payment and provision for remuneration to:		
• Executive Director(s)	1,58,10,900	1,56,19,200

Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013, for calculation of commission paid/ payable to directors:

(Amount in ₹)

Particulars	31.03.2019	31.03.2018
Profit before tax as per Statement of Profit & Loss	13,46,59,475	10,89,67,264
Add:		
Directors' Remuneration	1,58,10,900	1,56,19,200
(Profit)/Loss on sale of Fixed Assets (Net)	14,65,656	65,43,602
Directors' Sitting Fees	2,90,000	2,40,000
(Profit)/Loss on sale of Investments	-	-
Net Profit as per Section 198 of the Companies Act, 2013	15,22,26,031	13,13,70,066
Commission paid/payable to Directors	-	-

During the year under consideration, no remuneration has been paid to Non-Executive Directors except sitting fees of ₹2,90,000/- (Previous year ₹2,40,000/-) to Independent Directors.

29. In the opinion of the Board and to the best of its knowledge, the value of realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they have been stated in the Balance Sheet.
30. The Company has taken various retail stores and warehouses under operating lease arrangements. The lease agreements generally have an escalation clause

and there are no subleases. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements.

The aggregate lease rentals payable are charged as Rent in Note 26.

The future minimum lease payments under non cancellable operating leases are as follows:

(Amount in ₹)

Lease Rentals	31.03.2019	31.03.2018
Not later than one year	-	54,69,312
Later than one year and not later than five years	-	-
Later than five years	-	-
Lease payments recognized in Statement of Profit and Loss are shown as Rent under Other Expenses in Note 26	22,74,21,578	18,30,89,419

31. Derivative Instruments and Unhedged Foreign Currency Exposure, which are not intended for Trading or Speculation Purpose:

Forward Contracts outstanding as at Balance Sheet date:

Particulars of Forward Contracts	Currency	March 2019	March 2018	Purpose
Purchase	USD	-	-	To hedge the Trade Payable
Sales	USD	-	4,40,695.86	To hedge the Trade Receivables
	GBP	-	19,000.00	

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars of Unhedged Foreign Currency Exposure as at the balance sheet date

Particulars of Unhedged Foreign Currency Exposure	Amount in Foreign Currency			Amount in Indian Currency (₹ in Lakh)	
	Currency	March 2019	March 2018	March 2019	March 2018
Trade Payables	USD	1,16,298.00	3,61,497.76	80.55	235.47
	EURO	1,13,349.80	15,314.00	88.16	12.29
Advance for Import Purchases	USD	35,913.38	45,094.40	25.40	29.37
	EURO	-	918.75	-	0.74
Advance from Customers	USD	1,15,622.33	20,184.10	83.30	13.15
	EURO	4,014.00	17,747.21	3.14	14.25
	GBP	16,520.45	-	15.10	-
Trade Receivables	USD	22,38,030.80	21,34,651.13	1,501.63	1,390.44
	EURO	4,080.00	13,481.60	3.17	10.82
	GBP	23,379.75	40,500.87	21.20	36.96

32. The assessment of the Company in respect of Income Tax & Wealth Tax is completed up to the Assessment Year 2015-16.

33. In furtherance to the Company's earlier communication, considering the long term benefits of unlocking the shareholders' value through acquisition of the tangible and intangible assets including business rights of Liberty Enterprises (LE) & Liberty Group Marketing Division (LGMD), on March 31, 2015 the Company had entered into a Memorandum of Understanding (MOU) with these two Partnership Firms for acquisition of their respective business of footwear. In terms of the said MOU the related transactions were to be completed, as per the mode/structure to be recommended by the consultants, on or before March 31, 2016 but with retrospective effect from April 1, 2015. In continuation to the said MOU, considering the fact of non-formalization of terms and conditions for such takeover by March 31, 2016 due to certain technical reasons, parties to the above said MOU entered into a fresh agreement for continuing the existing arrangements till further period(s) as may be mutually agreed and accordingly extended the said arrangements initially for further period of 12 months commencing from April 1, 2016 onwards and thereafter for further period of 12 months commencing from April 1, 2017.

Sh. Harish Kumar Gupta, one of the Partners of LE, on his own behalf and on behalf of LE has challenged the above said extension & further renewal of the said arrangements before the Court of ADJ, Karnal on 16/05/2017 and asked for the restraining order on the said arrangements entered by the Company with LE. The Hon'ble Court at Karnal, vide its order dated December 21, 2017 duly acknowledging the fact that the Company cannot be stopped from doing its lawful business, did not interfere in the said existing arrangements but restrained LE not to enter into fresh contract during the intermittent period from the first date of hearing to next date of hearing(s) and subsequently, vide its order dated March 1, 2018 on the submission of other partners, vacated the said restraining order also.

The Company, to protect the interest of its shareholders and to ensure long term continuance of the arrangements with these

partnership firms namely LE and LGMD till materialization of the acquisition of their respective business of footwear in accordance to above referred MOU, have entered into fresh agreements with these two Partnership Firms for further period of 10 years commencing from April 1, 2018.

During the year in terms of above referred agreements, the Company has paid/provided for franchise fee of ₹115 Lakh (Previous year ₹115 Lakh) to LE and ₹780 Lakh (Previous year ₹818 Lakh) to LGMD and in terms of the renewed agreement dated April 3, 2013 of the Company with Liberty Footwear Co. (LFC), another Partnership Firm of the group and owner of trademark "LIBERTY", for granting exclusive rights of usage of the trademark "LIBERTY" for a period of fifteen years from April 1, 2013 onwards and in conformity with the requisite approvals of the Central Government obtained by the Company in this regard, the Company has paid/provided for trademark license fee of ₹930 Lakh (Previous year ₹866 Lakh) to LFC.

The execution of Arbitrator award, with regard to the erstwhile Franchise Agreement dated 31st March, 2003, which has been upheld by Court at Karnal vide order dated 22/12/2007, has subsequently, on the application of other partners and the Company, been stayed by Hon'ble High Court of Punjab & Haryana at Chandigarh vide its order dated 30/04/2018.

34. Interest to others include ₹56,80,417/- (Previous year ₹1,03,93,918/-) against short term loan from M/s Geofin Investments Private Limited @ 12% p.a..

35. During the year, the Company has capitalized the borrowing cost of ₹Nil (Previous year ₹Nil) as part of the cost of the qualifying assets.

36. The Company has paid the excise duty amounting to ₹Nil (Previous year ₹7,02,26,830/-) against the sales executed during the year.

37. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small & Medium Enterprise Development Act, 2006) claiming their status as on 31st March, 2019 as Micro, Small or Medium Enterprise. Consequently the amount paid/payable to these parties during year is ₹Nil (Previous year ₹Nil)

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**38. Contingent Liabilities**

(Amount in ₹)

Particulars	2018-19	2017-18
I. Bank Guarantees issued on behalf of the Company submitted with various institutional customers in terms of their orders.	15,92,20,955	15,38,40,940
II. Letter of Credits	5,23,87,662	3,83,18,396
III. Value Added Tax ¹ for the financial year 2005-06, 2006-07, 2007-08 & 2008-09 on account of classification of goods at different rate of tax.	55,69,829	55,69,829
IV. Service Tax on GTA Services for the period from January 2005 to March 2007	5,28,598	5,28,598
V. On account of compliance relating to obligations under EPCG Licenses	4,42,00,783	4,42,00,783
VI. On account of few labour matters pertaining to earlier years in which Company has preferred an appeal before the Hon'ble High Court and has been granted stay	2,10,00,000	2,10,00,000
VII. Demand ² raised on account of non-deduction of tax at source by the Company on turnover incentives paid to its distributors/showrooms etc., which otherwise are not liable for deduction in terms of the applicable provisions of the law, and short deduction against advertising charges paid during the financial year 2016-17. The Company has preferred an appeal against the same before the appropriate authority	1,06,24,897	-

¹Including amount deposited under protest ₹14,25,815/- (Previous year ₹14,25,815/-)²Amount deposited under protest ₹21,24,980/- (Previous year ₹Nil)

39. Capital commitments not provided for are estimated at ₹70 Lakh (Previous year ₹50 Lakh).

40. Provision for doubtful debts:

During the year, the Company has considered debts for ₹Nil (Previous year ₹Nil) as doubtful debts/securities and also has withdrawn ₹10,87,315/- (Previous year ₹Nil) out

of the provisions made in the earlier years for the same and written off as bad debts ₹Nil (Previous year ₹Nil). Further the difference of the provision made and amount withdrawn during the year, detailed as under, has been charged to Statement of Profit & Loss for the year and the balance has been carried in the balance sheet.

Statement of Profit & Loss

(Amount in ₹)

Particulars	2018-19	2017-18
Provision for the year	-	-
Less: Amount withdrawn from the provision made for doubtful debts in earlier years	10,87,315	-
Net debited/(credited) to Statement of Profit & Loss	(10,87,315)	-

Balance Sheet

(Amount in ₹)

Particulars	2018-19	2017-18
Opening Balance	24,52,525	24,52,525
Add: Provision for the year	-	-
Total	24,52,525	24,52,525
Less: Amount withdrawn during the year	10,87,315	-
Closing balance	13,65,210	24,52,525
Trade Receivables (Refer to Note No. 7)	-	-
Security Deposits to Others (Refer to Note No. 4)	13,65,210	24,52,525

41. During the year, considering the non-recoverability of some of the debts/advances, the Company has written

off the debts/advances amount to ₹4,16,48,496 (Previous year ₹4,44,95,836/-).

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

42. The Board of Directors of the Company presently considers and maintains "Footwear" as the main business segment of the Company. Further, during the year the Company's Lifestyle division has also formally commenced its operations w.e.f. October 17, 2018,

however the same has not been considered as separate business segment because of its insignificant contribution to revenue during the financial year 2018-19.

43. Basic and Diluted Earnings per share: The basic and diluted earnings per share of the Company is as under:

(Amount in ₹)

Description	2018-19	2017-18
Basic & Diluted		
Profit after Taxation (A)	6,84,26,894	6,60,10,842
Weighted average number of Equity Shares (B)	1,70,40,000	1,70,40,000
Nominal Value per Equity Share	10.00	10.00
Basic & Diluted Earnings per share (A/B)	4.02	3.87

44. Related Party Transactions:

The Company has made the following transactions with related parties as defined under the provisions of Ind AS-24:

Name of related parties and related party relationship**I. Detail of Related Parties and description of relationship:**

(i) **Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP)**

Name	Designation
Sh. Adesh Kumar Gupta	CEO & Executive Director
Sh. Adish Kumar Gupta	Executive Director
Sh. Shammi Bansal	Executive Director
Sh. Sunil Bansal	Executive Director

(ii) **Key Management Personnel (KMP)**

Sh. Ashok Kumar	Executive Director
Sh. Munish Kakra	CFO & Company Secretary

(iii) **Entities where Individuals and Key Management Personnel (KMP) as defined in I (i) above exercise significant influence**

Name of Entities
Geofin Investments Pvt. Ltd.
Liberty Enterprises
Liberty Footwear Co.
Liberty Group Marketing Division
Liberty Innovative Outfits Limited
Little World Constructions Private Limited
Liberty Fashion Outfits
A.P. Packaging
Total Print & Packing
Hello Ten Brands Private Limited
Sanjeev Bansal Charitable Trust

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019(iv) **Relatives of Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Relatives of Key Management Personnel (KMP)**

Name	Relationship
Sh. Harish Kumar Gupta	Brother of Executive Director
Sh. Raman Bansal	Brother of Executive Director
Sh. Vivek Bansal	Brother of Executive Director
Sh. Anupam Bansal	Brother of Executive Director
Sh. Ayush Bansal	Son of Executive Director
Sh. Manan Bansal	Son of Executive Director
Sh. Pranav Gupta	Son of Executive Director
Sh. Akshat Gupta	Son of Executive Director
Smt. Garima Gupta	Wife of Executive Director

(v) **Independent Directors**

Sh. Pushpinder Singh Grewal
Sh. Ramesh Chandra Palhan
Smt. Lovelena Mody
Sh. Raghubar Dayal
Sh. Amitabh Taneja (Till 15 th March, 2019)

II. Related Party Transactions

The Following table provides the total amount of transactions that have been entered in to with related parties

(Amount in ₹)

Sr. No.	Nature of Transaction	Related Party	For the year ended 31st March 2019	For the year ended 31st March 2018
(i)	Rent	Little World Constructions Pvt Ltd	6,60,690	8,93,224
		Liberty Footwear Co.	21,94,800	70,350
		Sanjeev Bansal Charitable Trust	4,50,000	4,50,000
		Sh. Adesh Kumar Gupta	56,619	51,472
		Sh. Harish Kumar Gupta	2,08,056	1,89,144
		Smt. Garima Gupta	5,00,000	6,00,000
		Total	40,70,165	22,54,190
(ii)	Reimbursement of Medical facilities for employees	Sanjeev Bansal Charitable Trust	-	25,350
		Total	-	25,350
(iii)	Purchase of Goods	Liberty Fashion Outfits	7,45,96,392	3,57,18,089
		A.P. Packaging	53,88,770	32,19,744
		Total Print & Packing	4,78,56,235	4,88,11,142
		Total	12,78,41,397	8,77,48,975
(iv)	Sales of Goods	Liberty Innovative Outfits Limited	13,05,11,241	11,92,48,174
		Total	13,05,11,241	11,92,48,174

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

Sr. No.	Nature of Transaction	Related Party	For the year ended 31st March 2019	For the year ended 31st March 2018
(v)	Franchise/License Fees Fee (including GST/Service Tax)	Liberty Enterprises	1,33,90,000	1,32,25,000
		Liberty Group Marketing Division	8,76,00,000	9,23,58,500
		Liberty Footwear Co.	10,41,60,000	9,73,67,000
		Total	20,51,50,000	20,29,50,500
(vi)	Unsecured Short Term Loans	Geofin Investments Private Limited-Loan Taken	14,05,00,000	14,83,70,000
		Geofin Investments Private Limited-Loan re-paid	23,44,87,972	13,46,89,392
		Geofin Investments Private Limited-Interest thereon	56,80,417	1,03,93,918
		Total	38,06,68,389	15,99,20,310
(vii)	Remuneration to Directors and Other Key Managerial Personnel (KMP)*	Sh. Adesh Kumar Gupta	48,00,000	48,00,000
		Sh. Shammi Bansal	48,00,000	48,00,000
		Sh. Adish Kumar Gupta	48,00,000	48,00,000
		Sh. Ashok Kumar	14,10,900	12,19,200
		Sh. Munish Kakra	42,61,620	38,92,500
		Total	2,00,72,520	1,95,11,700
(viii)	Remuneration to Relatives of KMP	Sh. Raman Bansal	30,00,000	30,00,000
		Sh. Vivek Bansal	30,00,000	30,00,000
		Sh. Anupam Bansal	30,00,000	30,00,000
		Sh. Ayush Bansal	2,10,000	2,10,000
		Sh. Manan Bansal	2,10,000	2,10,000
		Sh. Pranav Gupta	-	2,10,000
		Total	94,20,000	96,30,000
(ix)	Commission (including GST)	Sh. Akshat Gupta	29,50,000	29,50,000
		Total	29,50,000	29,50,000
(x)	Sitting Fees**	Sh. Pushpinder Singh Grewal	35,000	30,000
		Sh. Ramesh Chandra Palhan	1,10,000	1,00,000
		Sh. Raghubar Dayal	1,10,000	1,00,000
		Smt. Lovelena Mody	35,000	10,000
		Total	2,90,000	2,40,000

*As the liabilities for provident fund, gratuity and compensated absences are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the Directors and KMP are not included above.

**As per the section 149(6) of the Companies Act, 2013, Independent Directors are not considered as "Key Managerial Person", however to comply with the disclosure requirements of Ind AS-24 on "Related party transactions" they have been disclosed as "Key Managerial Person".

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

Balance Outstanding at the end of the year				
Sr. No.	Nature of Balances	Related Party	As at 31st March 2019	As at 31st March 2018
(i)	Trade Receivables	Liberty Innovative Outfits Limited	5,44,57,719	4,64,46,477
		Hello Ten Brands Private Limited	-	2,01,322
	Total		5,44,57,719	4,67,47,799
(ii)	Long Term Loans and Advances	Liberty Enterprises	10,00,000	10,00,000
		Liberty Group Marketing Division	50,00,000	50,00,000
	Total		60,00,000	60,00,000
(iii)	Short Term Loans and Advances	Liberty Enterprises	4,41,766	-
		Liberty Footwear Co.	23,62,025	-
	Total		28,03,791	-
(iv)	Trade Payables	Liberty Footwear Co.	-	46,17,284
		Liberty Group Marketing Division	2,54,361	28,93,188
		Sanjeev Bansal Charitable Trust	-	-
		Liberty Fashion Outfits	1,85,40,879	2,05,98,333
		A.P. Packaging	2,34,510	9,66,208
		Total Print & Packing	59,35,687	56,97,510
		Little World Constructions Private Limited	56,832	74,921
Total		2,50,22,269	3,48,47,444	
(v)	Short Term Borrowings	Geofin Investments Private Limited	-	8,83,07,555
		Total	-	8,83,07,555
(vi)	Expenses Payable-Current Liabilities	Sh. Adesh Kumar Gupta	4,04,519	3,47,900
		Smt. Garima Gupta	-	16,20,000
		Sh. Akshat Gupta	28,25,000	56,73,961
	Total		32,29,519	76,41,861

45 Detail of Employee Benefits - Gratuity

The Company has a defined gratuity plan (Defined Benefit). Every employee, on completion of continuous service of five years or more with the Company, is entitled to get the gratuity of 15 days salary, on the basis of last drawn salary, for each completed year of service. The scheme is funded

with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy.

The following table summarizes the component of net benefit expense recognized in the Statement of Profit & Loss and the funded status and amount recognized in the Balance Sheet for the respective plans:

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**Statement Profit and Loss****a) Net Employee Benefit Expense (recognized in Employee Cost):**

(Amount in ₹)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2019	31.03.2018
1.	Current Service Cost	89,32,360	87,50,951
2.	Interest Cost on Benefit Obligation	52,48,074	46,15,250
3.	Expected return on Plan Assets	(39,14,119)	(37,92,189)
4.	Actuarial Loss/Gain	(32,09,926)	19,40,670
5.	Net Benefit Expenses	70,56,389	1,15,14,683

Balance Sheet**b) Details of Provision for Gratuity**

(Amount in ₹)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2019	31.03.2018
1.	Present Value of Defined Benefit Obligation	(7,02,85,615)	(6,57,99,127)
2.	Fair value of Plan Assets	5,24,17,875	5,17,89,973
3.	Surplus/(Deficit)	(1,78,67,740)	(1,40,09,154)
4.	Net Asset/(Liability)	(1,78,67,740)	(1,40,09,154)

c) Changes in Present Value of the Defined Benefit Obligation are as follows:

(Amount in ₹)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2019	31.03.2018
1.	Defined Benefit Obligation at the beginning of the year	6,57,99,127	5,80,49,094
2.	Current Service Cost	89,32,360	87,50,951
3.	Interest Cost	52,48,074	46,15,250
4.	Actuarial (Gain)/Loss on Obligation	(32,09,926)	19,40,670
5.	Benefits paid	(64,84,020)	(75,56,838)
6.	Defined Benefit Obligation at the end of year	7,02,85,615	6,57,99,127

d) Changes in Fair Value of Plan Assets are as follows:

(Amount in ₹)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2019	31.03.2018
1.	Opening Fair Value of Plan Assets	5,17,89,973	5,03,27,355
2.	Expected Return	39,14,120	37,92,189
3.	Contribution by employer	19,17,365	46,28,035
4.	Benefits paid	(52,03,583)	(69,57,606)
5.	Actuarial (Gain)/Loss	-	-
6.	Closing Fair Value of Plan Assets	5,24,17,875	5,17,89,973

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

e) The principle assumptions used in determining Gratuity obligations are as follows:

(Amount in ₹)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2019	31.03.2018
1.	Discount Rate	8.00%	8.00%
2.	Expected Rate of Return on Plan Assets	8.00%	8.00%
3.	Salary escalation rate	8.00%	8.00%
4.	Attrition Rate	1% to 3% depending upon age	1% to 3% depending upon age

f) Amount for the current and previous periods are as follows:

(Amount in ₹)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2019	31.03.2018
1.	Defined Benefit Obligation	(7,02,85,615)	(6,57,99,127)
2.	Plan Assets	5,24,17,875	5,17,89,973
3.	Surplus/(Deficit)	(1,78,67,740)	(1,40,09,154)
4.	Experience adjustments on Plan Liabilities	(1,78,67,740)	(1,40,09,154)
5.	Experience adjustments on Plan Assets	-	-

46. For the current year, Deferred Tax Liability has been calculated after considering the cumulative timing differences of ₹Nil (Previous year 'Nil) mainly on

account of depreciation.

47. There are no dues payable to the Investor Education and Protection Fund as at 31st March, 2019.

48. Detail of Materials Consumed

(Amount in ₹)

Description	2018-19	2017-18
PVC Compound	11,47,13,694	12,12,74,032
Laminated Leather Fabric	19,96,70,014	18,54,71,352
PU Chemicals	25,45,39,947	19,18,16,463
Leather	9,02,80,665	12,84,71,969
PU Soles	12,56,97,931	9,96,61,419
EVA Resin	2,59,29,857	3,27,00,950
Shoe Uppers/Components	61,86,30,778	40,81,80,851
Others	55,94,05,773	50,99,46,222
Total	1,98,88,68,659	1,67,75,23,258
Less: Amount of Export Incentives	2,70,65,561	1,60,43,827
Net Consumption	1,96,18,03,098	1,66,14,79,431

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

49. Consumption/Purchase of Imported and Indigenous Materials and percentage thereof:

(Amount in ₹)

Description	2018-19		2017-18	
	Amount	%	Amount	%
Raw Materials Consumed				
Imported	6,92,60,233	3.53	4,61,53,265	2.78
Indigenous	1,89,25,42,865	96.47	1,61,53,26,166	97.22
Total	1,96,18,03,098	100.00	1,66,14,79,431	100.00
Finished Goods Purchased				
Imported	16,56,91,667	14.21	16,71,32,758	13.44
Indigenous	1,00,01,91,265	85.79	1,07,61,77,833	86.56
Total	1,16,58,82,932	100.00	1,24,33,10,591	100.00
Consumable Stores & Spares				
Imported	73,50,797	17.34	41,31,656	11.70
Indigenous	3,50,43,412	82.66	3,11,89,066	88.30
Total	4,23,94,209	100.00	3,53,20,722	100.00

50. Expenditure & Earnings in Foreign Currency

(Amount in ₹)

Description	2018-19	2017-18
a) CIF Value of Imports		
Raw Materials & Others	20,14,39,148	18,25,06,789
Capital Goods	1,33,41,685	2,13,18,205
Stores & Spares	78,73,112	43,97,535
b) Expenditure in Foreign Currency		
Travelling Expenses	41,92,359	45,38,162
Commission	22,73,112	11,29,198
Business Promotion	6,75,197	17,73,855
Customer Claims	-	35,141
Advertisement	3,74,572	-
c) FOB Value of Exports of		
Finished Goods	32,56,02,776	29,90,30,515

51. In light of Section 135 of the Companies Act, 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹45.37 Lakh for CSR activities:

(₹ in Lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
a) Gross amount required to be spent by the Company during the year	27.59	30.61
b) Amount spent during the year on following in cash:		
(i) Construction/acquisition of any asset	Nil	Nil
(ii) On purpose other than (i) above	45.37	32.42

52. The Company has regrouped/reclassified the previous year figures in accordance with the requirements applicable in the current year. The current year and previous year figures have been rounded off to the nearest rupees.

LIBERTY

Liberty Shoes Ltd.

Regd. Office: Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal, Haryana-132114

Tel. + (91) -1748-251101-03 Fax No.: + (91) -1748-251100

CIN: L19201HR1986PLC033185

E-mail: investorcare@libertyshoes.com Website: www.libertyshoes.com

ATTENDANCE SLIP

Registered Folio No. /DP ID No./Client ID No.

Name and Registered Address of the Member(s)

Joint Holder 1

Joint Holder 2

Number of Shares held:

I certify that I am a Member/Proxy for the Member(s) of the Company.

I hereby record my presence at the 33rd Annual General Meeting of the Company on Friday, the 27th September, 2019 at 11:00 A.M. at Libertypuram, 13 Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal - 132114, Haryana.

Name of the Member/Proxy

Signature of Member/Proxy

Notes:

1. A Member or his duly appointed Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the REGISTRATION COUNTER at the time of entry.
2. Name of the Proxy in Block letters (in case of the Proxy attends the Meeting).
3. Electronic copy of the Annual Report 2018-19 and Notice of the Annual general Meeting (AGM) along with Attendance Slip and Proxy Form has been sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same.
4. Physical copy of the Annual Report 2018-19 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form has been sent in the permitted mode(s) to all the members whose email are not registered or have requested for a hard copy.

LIBERTY

Liberty Shoes Ltd.

Regd. Office : Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal-132 114 (Haryana).

Tel.: (91) - 1748 - 251101 ~ 03, Fax: (91) - 1748 - 251100

CIN: L19201HR1986PLC033185

E-mail: investorcare@libertyshoes.com www.libertyshoes.com

FORM NO. MGT -11

PROXY FORM

33rd Annual General Meeting Friday, 27th September, 2019 at 11.00 a.m.

[Pursuant to the provisions of section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

1. Name of Member(s) :
2. Registered Address :
3. E-Mail ID :
4. Folio No. #/ DP ID No. & Client ID No. :

I/We being the Member(s) holding..... equity shares of ₹10/- each of Liberty Shoes Ltd., hereby appoint:

1. Name :
- Address :
- E-mail ID : Signature

Or failing him/her

2. Name :
- Address :
- E-mail ID : Signature

Or failing him/her

3. Name :
- Address :
- E-mail ID : Signature

As my/our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 33rd (Thirty Third) Annual General Meeting of the Company, to be held on Friday, 27th September, 2019 at the registered office of the Company and at any adjournment (s) thereof in respect of the businesses as set out in the Notice dated 24th July, 2019 and indicated overleaf:

SI. No.	Description of the businesses as set out in the Notice dated 24 th July, 2019
ORDINARY BUSINESS	
1	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended March 31, 2019 together with the Reports of the Board of Directors and the Auditors thereon.
2	(a) To appoint a Director in place of Sh. Adesh Kumar Gupta (DIN-00143192), who retires by rotation and being eligible, offers himself for re-appointment. (b) To appoint a Director in place of Sh. Sunil Bansal (DIN-00142121), who retires by rotation and being eligible, offers himself for re appointment.
SPECIAL BUSINESS	
3	Re-appointment of Sh. Sunil Bansal (DIN: 00142121) as Executive Director of the Company
4	Re-appointment of Sh. Raghubar Dayal (DIN: 00481803) as Independent Director of the Company
5	Re-appointment of Sh. Ramesh Chandra Palhan (DIN: 05241019) as Independent Director of the Company
6	Appointment of Sh. Aditya Khemka (DIN: 00514552) as Independent Director of the Company
7	Appointment of Sh. Shailendra Kumar Gupta (DIN: 00934581) as Independent Director of the Company
8	Change in name of the Company

Signed this, day of, 2019

Signature of the Member(s)

Signature of the Proxy Holder(s)



Place: _____

Date: _____

E-mail Address: _____

To be provided by the Member(s) holding equity shares in physical form.

Note:

- (a) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- (b) A Members / shareholder may vote either "for" or "against" each business as set out in the Notice dated 24th July, 2019.

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Tel. + (91) -1748-251101-03 Fax No.:+ (91) -1748-251100

CIN:L19201HR1986PLC033185

E-mail: investorcare@libertyshoes.com Website: www.libertyshoes.com

E-COMMUNICATION REGISTRATION FORM

33rd ANNUAL GENERAL MEETING - FRIDAY, 27th SEPTEMBER, 2019 AT 11.00 A.M.

Folio No. (For Physical Shares) :

Name of 1st Registered Holder :

Name(s) of Joint Holder(s) :

Registered Address :

E-mail ID (to be registered) :

I, shareholder of Liberty Shoes Limited agree to receive communication from the Company in electronic mode. Please register my above e-mail in your records for sending communication through e-mail.

Date:

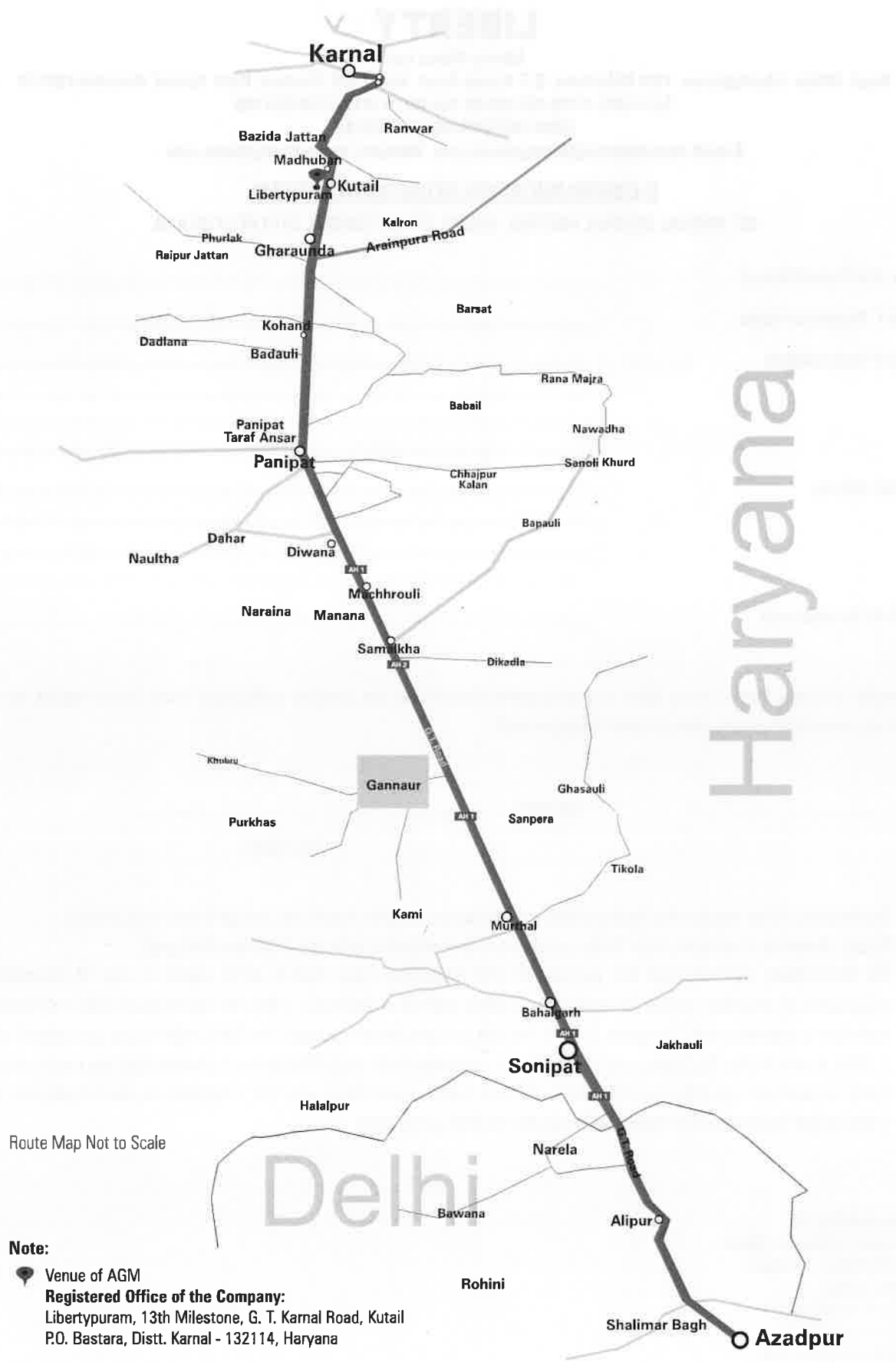
Signature:

(First Holder)

Notes:

1. Shareholder(s) is/are requested to keep the Company informed as and when there is any change in the e-mail address.
2. In case, shares are in electronic form/ kindly register your e-mail particulars with your Depository Participant.
3. The Shareholders were informed that pursuant to SEBI Notification dated June 8, 2018, except in case of transmission or transposition of securities, request for transfer of securities shall not be processed unless the securities are held in dematerialized mode with a depository w.e.f. December 5, 2018. The said date was further extended vide SEBI Circular issued subsequently till April 1, 2019. In view of this, the Company recommends that shareholders who are holding shares in physical mode are requested to open demat account with any Depository Participants (DP) and submit request letter with RTA or Company for dematerialization of their shares as per the procedure of respective Depositories for their convenience.

To,
Link Intime India Pvt. Ltd.
Noble Heights, 1st Floor, C-1 Block
Near Savitri Market, Janakpuri,
New Delhi-110058
Tel.: (91) - 11- 41410592-94
Fax: (91) - 11- 41410591
E-mail: delhi@linktime.co.in




Haryana

Delhi

Route Map Not to Scale

Note:

 Venue of AGM
Registered Office of the Company:
 Libertypuram, 13th Milestone, G. T. Karnal Road, Kutail
 P.O. Bastara, Distt. Karnal - 132114, Haryana

Liberty Shoes Ltd.

Ground Floor, Building No. 8 Tower - A, DLF Cyber City, Phase - II, Gurugram, Haryana - 122002

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