

25<sup>th</sup> May, 2017

<b>The Manager</b> Listing Department <b>The National Stock Exchange of India Ltd.</b> Exchange Plaza, 5th Floor Plot No. C/1, Bandra - Kurla Complex, Bandra (East), Mumbai - 400051 Tel. No.: 022-26598100`14 Fax No.: 022-26598273-38 Scrip Code: LIBERTSHOE ISIN No. : INE 557B01019	<b>The Manager</b> Listing Department <b>Bombay Stock Exchange Ltd.</b> Phiroza Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Tel: 022 – 22722375, 2066 Fax : 022 – 22722037, 39, 41,61 Scrip Code: 526596 ISIN No. : INE 557B01019
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**Sub: Press announcement made at the Board Meeting for the Quarter and Year ended 31<sup>st</sup> March, 2017 results**

**Compliance Officer** : Munish kakra (CFO & Company Secretary)  
**Contact Address** : Libertypuram, 13<sup>th</sup> Milestone, G.T. Karnal Road, Kutail,  
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**Scrip Code** : LIBERTSHOE  
**ISIN No.** : INE 557B01019


Dear Sir/ Madam,

Please refer to our letter dated 25<sup>th</sup> May, 2017 in respect of outcome of the Board meeting of the Company held on Thursday, 25<sup>th</sup> May, 2017.

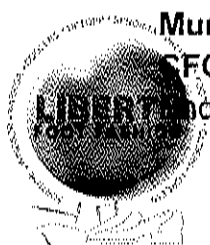
In Continuation thereof, please find attached herewith the Press announcement made by the Company just after the Board meeting in respect of its Quarter and Year ended 31<sup>st</sup> March, 2017 results for your information & records.

Kindly upload the same on your website for the information of the investors at large.

Thanking you,  
Sincerely Yours,  
For Liberty Shoes Ltd.



**Munish Kakra**  
**CFO & Company Secretary**



Liberty Shoes Ltd.

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CIN No. L19201HR1986PLC033185



## Liberty, Quarter and Year ended 31<sup>st</sup> March, 2017 Financial Performance

Gurugram, Haryana, Thursday, May. 25, 2017: Liberty Shoes Ltd., today announced its results of Q4 and Year ended 31<sup>st</sup> March, 2017.

### Financial Highlights for the year ended 31<sup>st</sup> March, 2017:

- Gross Sales up by approx. 10% to Rs. 51,890.76 lakh as compared to Rs. 47,065.85 lakh during the corresponding financial year ended 31<sup>st</sup> March, 2016.
- Domestic Sales up by approx. 9% to Rs. 47,455.70 lakh as compared to Rs. 43,453.79 lakh during the corresponding previous year ended 31<sup>st</sup> March, 2016.
- Exports Sales up by approx. 23% to Rs. 4,435.06 lakh as compared to Rs. 3,612.06 lakh during the corresponding previous year ended 31<sup>st</sup> March, 2016.
- No. of pairs sold up by approx. 9% to 103 Lakh as compared to 95.04 lakh during the corresponding previous year ended 31<sup>st</sup> March, 2016.
- EBITDA, PBT & Net Profits have marginally reduced during the year ended 31<sup>st</sup> March 2017 as compared to the corresponding previous year ended 31<sup>st</sup> March, 2016 mainly due to increase in input costs and higher provisions for taxation.

**Domestic Sales:** The Company's domestic performance has improved by 9% as compared to the previous year 2015-16. Commenting on the results and performance Sh. Adesh Kumar Gupta, CEO & Executive Director of the Company said that Liberty has been able to improve top line due to continuous efforts towards delivering of qualitative goods at affordable prices for every occasion, premium services offered to its customers and long lasting customer's trust over Liberty brand. Considering the potential of domestic industry the Company has envisaged that with the emergence of cashless economy in India organised retail will do much better in the years to come which will, in turn, help to the Company in increasing its sales.

**Export Sales:** The footwear industry has witnessed healthy growth in export earnings in the recent past and remains amongst the top ten foreign exchange earners for the country. Despite Global slowdown, the Company's export performance has improved by 23% during the financial year 2016-17 as compared to the previous year 2015-16. Mr. Gupta said that with the revival of the global economy and with the Govt. Initiatives, the Company will register better performance in the years to come at its Export front in comparison to the current momentum which will lead to increase in the Sales of the Company.

**Operating Margin:** Despite increase in the overall Sales, Company's operating margins during the financial year ended 31<sup>st</sup> March, 2017 have remained under pressure mainly due to Employee Cost which, as reported earlier, has increased due to increase in minimum wages in Haryana where the majority of the plants of the Company operate. The Company is taking all initiatives to pass on increase in minimum wages and other input costs to the consumers wherever feasible without impacting the volumes.

While focusing on the quality and fashion consciousness, Mr. Gupta has highlighted that the Indian consumer is evolving with respect to lifestyle, habits and preferences. He stated that the Company has implemented unique initiatives to innovate capability development and improvement of processes for product development ensuring both quality and durability.

Liberty continuously tries and understands the consumer needs through market research and has been launching various new designs and products every season to fulfill the customers' aspirations for every occasion and every age group's taste at affordable price to suit the changing lifestyle, habits and preferences. Liberty is continuously focusing on its approach to deliver qualitative goods at competitive prices, building a



brand, looking to penetrate the unexplored markets, developing new channels of distribution including adopting of e-commerce and modern trade strategies.

Mr. Gupta, being chairman of Council for Footwear Leather & Accessories (CFLA), domestic footwear Council formed under the aegis of DIPP, MOC&I, said that the Council has been making various efforts for the development of the footwear sector. He further stated that the footwear industry is hopeful that with the implementation of long awaited GST which is to be rolled out from 1<sup>st</sup> July, 2017 and other initiatives of State and Central Government including FDDI Bill, 2017 and special package scheme for the footwear sector, the Industry in the long run would be benefitted and will surely justify its potential for foreign exchange earnings and creation of new job opportunities.

Mr. Gupta while elaborating the numbers also highlighted that during the financial year 2016-17 Credit Analysis & Research Ltd. (CARE), a leading rating agency, has reaffirmed its Ratings CARE A-(Single A Minus) in respect of Long Term banking Facilities and CARE A2+ ("A" Two Plus) in respect of Short Term banking Facilities sanctioned by banks to the Company.

#### **Outlook for Store Expansion**

The Company, as explained earlier also, has envisaged huge potential in domestic retail market and to exploit this, has been adding the retail stores in the past. To continue with this plan, the Company has added 33 new showrooms of franchisees and Company Owned Company Operated (COCO) during the financial year ended 31<sup>st</sup> March, 2017. The Company is selective in expansion and after having proper viability and feasibility study, opens the stores to avoid gestation period loss and make the stores profitable with standard inventory turn. The Company, he explained, continues to follow TOC concept in more disciplined manner and also implement its efforts to reduce working capital cycle in its future expansion initiatives.

**For more information, please contact:**

**Liberty Shoes Ltd.**

CIN: L19201HRPLC033185

**Sh. Adesh Kumar Gupta**

CEO & Executive Director

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