

# LIBERTY

5th September, 2024

The Manager  
Listing Department  
The National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No. C/1, Bandra - Kurta Complex, Bandra (E)  
Mumbai - 400051  
Tel. No.: 022-26598100/14  
Fax No.: 022-26598273-38  
  
Scrip Code: LIBERTSHOE  
ISIN No. : INE 557B01019

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  
  
Scrip Code: 526596  
ISIN No. : INE 557B01019

**Sub: Notice of the 38th Annual General Meeting of the Company along with Annual Report for the financial year 2023-24 and related compliance**

Dear Sir/Madam,


This is in continuation of our earlier correspondence dated 9<sup>th</sup> August, 2024 informing about convening of 38<sup>th</sup> Annual General Meeting and related compliances. In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find attached herewith a copy of Notice of the 38th Annual General Meeting of the Company to be held on Friday, September 27, 2024 at 11:00 A.M. (IST) through Video Conferencing / Other Audio Video Means ("VC/ OAVM") facility alongwith Annual Report for the financial year 2023-24.

As informed earlier, the Register of Members and Share Transfer Books of the Company shall be closed from Saturday, September 21, 2024 to Friday, September 27, 2024 (both days inclusive) for the purpose of 38th AGM of the Company and Friday, September 20, 2024 shall be the cut-off date to determine the eligibility of Members to cast their vote through remote e-voting and e-voting during the AGM. The remote e-voting shall commence from Tuesday, September 24, 2024 (9:00 A.M. IST) and end on Thursday, September 26, 2024 (5:00 P.M. IST). In compliance with the MCA Circulars, the facility for e-voting shall also be made available by the Company during the AGM.

Further, please note that the Company has dispatched the aforesaid Annual Report along with annexure thereof to its eligible shareholders and other stakeholders on 5th September, 2024 in compliance of statutory guidelines.

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

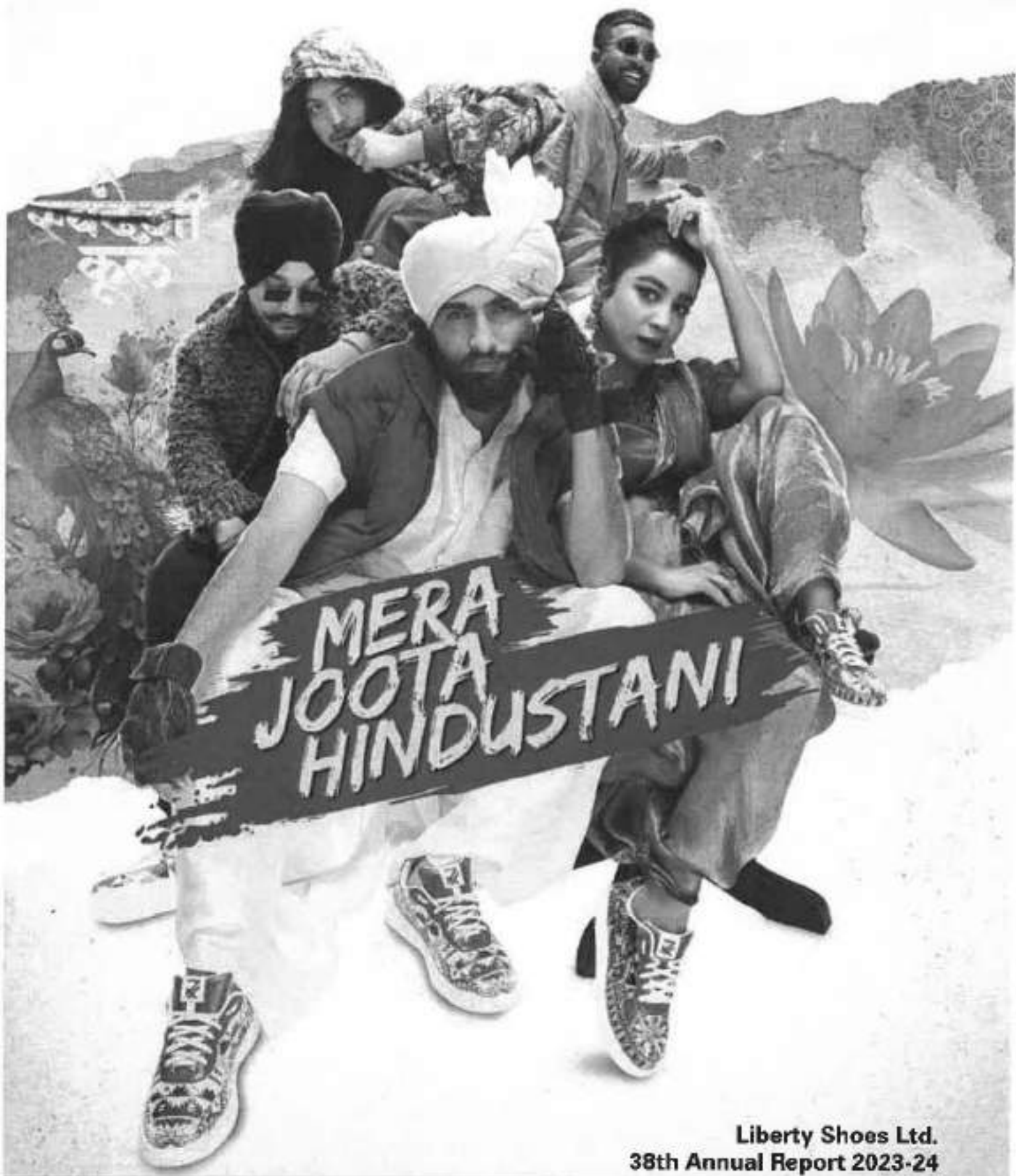
Thanking you,  
Sincerely Yours,  
For Liberty Shoes Ltd.

  
CS Munish Kakra  
CFO & Company Secretary  
Encl: a/a

**LIBERTY SHOES LIMITED**  
19th Floor, Magnum Global Park,  
Tower-2, Golf Course Extension Road,  
Sector-58, Gurugram-122011

Liberty Shoes Limited  
Corporate Office:  
Ground Floor, Building 8, Tower A, DLF Cyber City,  
Phase-II, Gurgaon, Haryana, INDIA - 122022  
Tel.: +91-124-4616200, 3856200 Fax : +91-124-4616222  
Email : corporate@libertyshoes.com

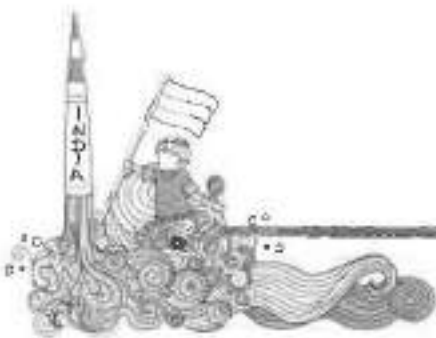
Registered Office:  
Libertypuram, 136 Milestone, G.T. Karnal Road,  
PO: Badli Bafra, Dist. Karnal, Haryana, India - 132 114  
Tel.: +91-1748-251101, 251103 Fax : +91-1748-251100,  
Email : corporate@libertyshoes.com CIN No. L19201HR1986PLC033185



## Our Credo

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 world-wide. 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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## Our Leadership Team



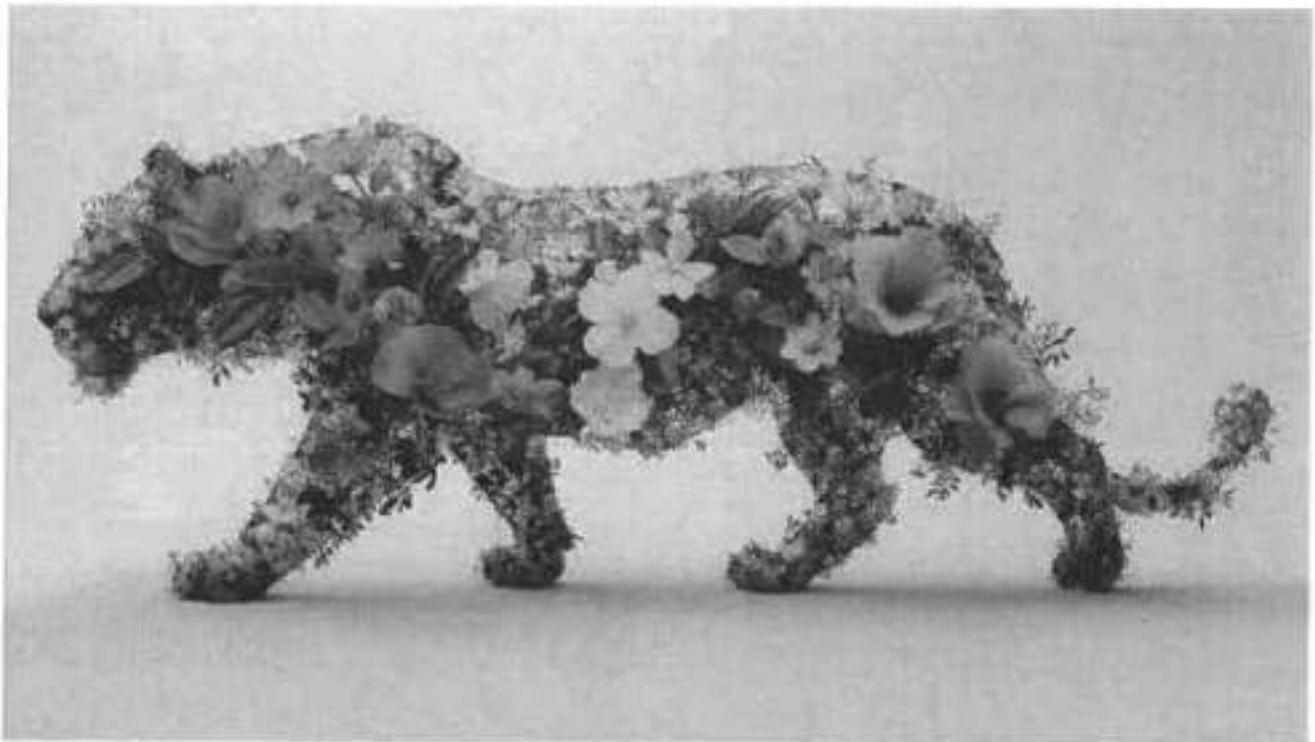
*Standing from Left to Right*

Adish Gupta, Sunil Bansal, Anupam Bansal, Raman Bansal, Vivek Bansal, Shammi Bansal

'We're in it together to create an atmosphere of fulfilment and a workplace culture of openness, innovation and respect to deliver the finest we have on offer to our team, our world of customers, business partners and our country. We would do this with an ethical fervour built under the guidance of our forefathers.'



# The Hindustani Sensation



**Mera Joota Hindustani:** India's Footwear Journey "Mera Joota Hindustani" is a phrase that is derived from the song "Mera Joota Hai Japani" from the 1955 Bollywood classic *Shree 420*. The song's popularity is a testament to its resonance with the Indian psyche. It captured the spirit of a nation that was both eager to embrace progress and wary of losing its cultural heritage. It spoke to the aspirations of a newly independent India, a country that was confident in its identity and determined to carve its path in the world.

The phrase "Mera Joota Hindustani" could be seen as an evolution of this sentiment, emphasizing the importance of self-reliance and the 'Make in India' spirit. It reflects India's journey from a consumer of foreign goods to a global manufacturing powerhouse. India's transformation mirrors the Asian Tigers, leveraging its demographic dividend, education, and economic openness. The nation has transitioned from an agrarian economy to a hub for technology, space exploration, and manufacturing, including footwear. This multifaceted growth story positions India as a global economic tiger.

The footwear industry is a microcosm of this transformation. Rich heritage, a growing domestic market, government support, cost-effective production, and design talent position India as a potential global fashion footwear capital. From the launchpads of ISRO to the factory floors producing world-class footwear,

India is demonstrating a multifaceted growth story. India is today poised to become a global fashion footwear capital. Several factors contribute to this promising future:



**Rich Heritage and Craftsmanship:** India has a centuries-old tradition of exquisite craftsmanship, evident in its textiles, embroidery, and leatherwork. This heritage provides a solid foundation for creating unique and high-quality footwear.

**Growing Domestic Market:** With a burgeoning middle class and increasing disposable income, the domestic market for fashion footwear is expanding rapidly. This provides a strong base for local brands to grow and innovate.

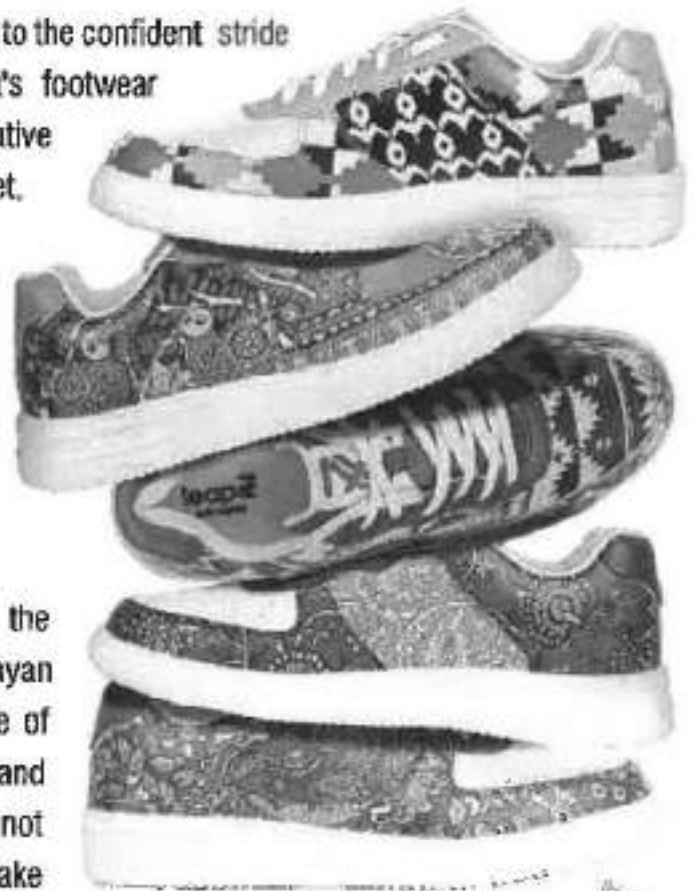
**Government Support:** The 'Make in India' initiative and other government policies are creating a favorable environment for the footwear industry.

**Cost-Effective Production:** India offers a competitive advantage in terms of labor costs and skilled workforce, making it an attractive destination for footwear manufacturing. Inspired by Indian doodle art, the packaging elaborates an unique and visually appealing design that resonates with the country's rich heritage, which is eco-friendly and sustainable as well.

**Design Talent:** The country is witnessing a rise in young, talented designers who are blending traditional aesthetics with contemporary trends, creating a fresh and unique look.

From the playful lyrics of "Mera Joota Hai Japani" to the confident stride of a global manufacturing powerhouse, India's footwear industry epitomizes the nation's transformative journey. With a rich heritage, a burgeoning market, and supportive policies, India is poised to become a dominant player in the global fashion footwear landscape. While challenges persist, the country's potential is undeniable but India continues to innovate and adapt. And Liberty is set to lead and show the way!

From the vibrant hues of Madhubani art to the intricate patterns of Kalamkari, the Himalayan handloom weave, and the ancient technique of block printing, each pair showcases the diversity and beauty of India's artistic heritage. The collection not only highlights Liberty's commitment to "Make in India" but also serves as a testament to the enduring appeal of Indian craftsmanship.



# What are we known for

## **Strong Brand Equity:**

Liberty's brand equity is built on trust, quality, and value. We continue to strengthen this by expanding our product range, enhancing customer experience, and leveraging digital platforms to reach a broader audience



Ceremonial Dress of the Indian Contingent for the Hangzhou 2023 Asian Games

## **Innovation and Growth:**

Our commitment to innovation is evident in our product offerings. We blend global fashion trends with "Made-in-India" quality, ensuring that we cater to both local and international markets. This strategy not only solidifies our market presence but also opens avenues for growth.



### Proven Track Record:

With a legacy that spans decades, Liberty has consistently delivered high-quality, stylish, and comfortable footwear that resonates with a wide consumer base. Our brand is synonymous with trust and reliability.



### Market Leadership:

Liberty is well-positioned in the Indian market, particularly among the young, aspirational middle class that is driving the nation's economic growth. We understand their preferences and are constantly innovating to meet their needs.



Some of the popular influencers who have uplifted the Liberty Campaigns.



# Strengths & Opportunities

The footwear industry, like many others, is constantly evolving, driven by technological advancements, changing consumer preferences, and the need for sustainability. To stay competitive in this dynamic market, brands have adopted innovative promotional and marketing strategies.

Liberty is always staying ahead of the curve in the fast-paced footwear industry and identifies and targets emerging trends and positions itself as a leader and innovator, capturing the attention of trend-conscious consumers pioneering its communication strategies and execution dynamics.

We have been known for our manufacturing prowess and have over the years built strong capacities across the state-of-the-art Humantech Centers. This manufacturing capability is strength that we have built upon and have opened up a very solid and robust OEM vertical. This is leveraging the manufacturing facilities developed over the years. The results are visible with us making footwear for leading brands like Zudio, First Cry, Metro, HRX, Mast & Harbour to name a few.

## OEM ON THE UPSWING

**ZUDIO** **FILA** **HRX**

**Le Cooper** **firstcry**

Liberty is seeing a significant demand for "Made in India" products owing to the Indian government's implementation of BIS which has made it a compulsory standard for the footwear to be made and sold in India. This has made numerous Indian and foreign firms eyeing the Liberty manufacturing prowess to do business in the

stuck-on EVA and PVC categories. This will enable Liberty to make optimum use of our capacity and in turn lower production costs, which may be noticeable in our financial statements.



Our products match above standards mandated by the Government

## E-Commerce

Our online sales are showing very energetic numbers and growth. As the internet penetration grows and the young consumers across the nation are hooked on to tracking trends and brands online our strong visibility online is helping. We continue to invest and expand our online presence. Our own online store facilitates a very technologically efficient experience to the buyer. We are also available across the most popular online marketplaces.

## Liberty's online business partners





The brand has a cool quotient of self-determination and a love for life. It's simple ways are very individualized not very expensive yet universally one of a kind. The positioning- Love you Zindagi - carries with itself a feeling of Fun and Freedom from the mundane and cliched.

## Key Contributors



## HEALERS

Shop by styles With the increase in awareness amongst the customers about the importance of wearing the right footwear and it's impact on the whole body, there was a huge scope & demand of health care footwear. This gave birth to the concept of "Healers".





leap7X

A footwear brand that gives people the confidence to wear the footwear through the day or should we say- from Am to Pm with the confident elan. The comfortable shoes with memory foam technology in the uppers and trendy sole designs is what makes Leap 7X the favourite choice of the youthful brigade.



Lucy & Luke

Lucy & Luke are a creation of the Liberty design & marketing team. Their adventures will tell a story. These adventures weave engrossing tales that engage the young kids and keep them involved with the brand. The collateral comics based on the characters are also extending stories of excitement with the brand.

Look out for the comics and let your child into the stories!!! Each new season a new adventure becomes the storyline like Adventures in Space, Adventures under water





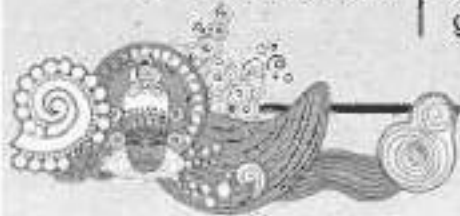
Our Safety shoe brands are crafted with advanced protective features including steel toes, slip-resistant soles, and shock absorption technology. Designed to withstand the toughest conditions, these shoes ensure that you can focus on your work and stay comfortable over the long hours on the job. Our Safety Shoes are more than just protective footwear—they are a symbol of the indomitable spirit of the Indian worker. Made in India, for India, our Warrior & Freedom brands stand as a testament to quality, safety, and national pride.

## Our Institutional Brands



### Prefect

We have a special range of school shoes that are very popular amongst the children as they play around and go through their daily school activities with enthusiasm and complete comfort. We make them to order as per school uniform and have an enviable record to maintain regular supplies for the growing up years.





# A Scent of Freedom



Lifestyle products are more than just possessions; they're extensions of our personalities. They reflect our tastes, preferences, and aspirations, enhancing our daily lives in significant ways. Our perfume range have scored high on factors like quality, style, functionality, versatility & budget. Alluring. Unforgettable. Luxurious. Magical. The fragrances that invite the lifestylers globally are made with the finest ingredients and are certified by the IFRA. We have a dedicated team that is spearheading the growth of the division and is exploring newer markets and channels to enhance the division sales and rise to be in newer markets and exploiting greater opportunities.



Legend, Flirt, Magnifique, Forest OUD



# OUR ESTEEMED INSTITUTIONAL CLIENTS



adani

apollo  
TYRES



Coca-Cola  
Hindustan Coca-Cola  
Beverages Pvt. Ltd.

Coromandel  
FUTURE FERTILISERS



FEDERAL  
MOGUL



GOOD YEAR



IDMC  
LIMITED



JSW  
Energy

JSW

JUBILANT  
INGREVIA



Toyota Kirloskar

UltraTech  
CEMENT  
The Engineer's Choice

SERUM INSTITUTE  
OF INDIA



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## COMPANY INFORMATION

### Board of Directors

#### Aditya Khemka

Independent Director  
(DIN-00514552)

#### Piyush Dixit

Independent Director  
(DIN-03514223)

#### Anand Des Mundhra

Independent Director  
(DIN-00167418)

#### Dr. Sujata

Women Independent Director  
(DIN-09289128)

#### Gautam Baid

Independent Director  
(DIN-00021400)

#### Sunil Bansal

Executive Director  
(DIN-00142121)

#### Shammi Bansal

Executive Director  
(DIN-00138752)

#### Adish Kumar Gupta

Executive Director  
(DIN-00137612)

#### Anupam Bansal (w.e.f. 29th May, 2024)

Executive Director  
(DIN-00137419)

#### Ashok Kumar

Executive Director  
(DIN-08883514)

### Company Secretary & Compliance Officer

#### CS Manish Kohra

Chief Financial Officer & Company Secretary

### Audit Committee

Anand Des Mundhra (w.e.f. 1st June, 2024)

Gautam Baid

Piyush Dixit (w.e.f. 5th September, 2023)

Anupam Bansal (w.e.f. 1st June, 2024)

### Nomination and Remuneration Committee

Anand Des Mundhra (w.e.f. 1st June, 2024)

Dr. Sujata

Gautam Baid

### Stakeholders Relationship Committee

Anand Des Mundhra (w.e.f. 1st June, 2024)

Anupam Bansal (w.e.f. 1st June, 2024)

Adish Kumar Gupta

### Corporate Social Responsibility Committee

Shammi Bansal

Adish Kumar Gupta

Dr. Sujata

### Management Committee

Shammi Bansal

Adish Kumar Gupta

Raman Bansal

Anupam Bansal

### 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)-11-41410582-94

Fax: (91)-11-41410591

E-mail: [eehi@linktime.co.in](mailto:eehi@linktime.co.in)

### Registered Office

Libertypuram, 13th Milestone,

G. T. Karnal Road, Katali, P.O. Bastara,

Distt. Karnal-132114, Haryana

Tel.: (91)-1748-251101-03

Fax: (91)-1748-251100

E-mail: [ipm@libertyshoes.com](mailto:ipm@libertyshoes.com)

Website: [www.libertyshoes.com](http://www.libertyshoes.com)

### Corporate Office

19th Floor, Magnum Global Park, Tower-2

Golf Course Extension Road, Sector-58

Gurgaon-122011, Haryana

Tel.: (91)-0124-4616200

Fax: (91)-0124-4616222

Email: [corporate@libertyshoes.com](mailto:corporate@libertyshoes.com)

### Bankers

HDFC Bank Ltd.

IndusInd Bank Ltd.

State Bank of India

Union Bank of India

### Auditors

M/s Pardeep Tayal & Co.

Chartered Accountants

2nd Floor, Indian Bank Building

GT Road Panipat (HR)-132103

### Secretarial Auditors

M/s JVS & Associates

Company Secretaries

Flat No. 588, Pocket No. 4

Sector-11, Dwarka

New Delhi-110075

### Corporate Identity Number (CIN):

L19201HR1986PLC033185

### Email ID for Investor care/grievance

[investorcara@libertyshoes.com](mailto:investorcara@libertyshoes.com)

[www.libertyshoes.com](http://www.libertyshoes.com)

Buy Liberty Foot Fashion online on  
[libertyshoesonline.com](http://libertyshoesonline.com)

Join us on:

[facebook.com/libertyshoes](https://www.facebook.com/libertyshoes)



Dear Shareholders,

We are delighted to present to you the Annual Report for the recently concluded Financial year 2024.

As India celebrates "Swatantrata ka Amrit Mahotsav," Liberty proudly walks alongside this vibrant nation. India's young, aspirational middle class is propelling economic growth, and at Liberty, we understand their desires—a fusion of global style with top-quality "Made-in-India" products. Our latest campaign "Mera Joota Hindustani" is our befitting commitment to Govt. of India, initiative of Make In India and to demonstrate our core manufacturing competence to all our perspective customers. This commitment reflects in our Annual Report theme also.

The year went by in a breeze punctuated by youthful candour & innovations with people in mind. We saw success in the path we took. The collective decision making system at the top helped enjoin the whole team in taking responsibility and work towards a focused goal in a transparent manner. There was also a lot of independent decision making with responsibilities defined down the line. The cohesive focus on the brand architecture has been showing positive results. "Leap 7x", "Healers", "Lucy n Luke" & "Aha", new brands to the existing kitty have contributed handsomely to both the bottom lines and the top line.

Our manufacturing competence comprehending well with our commitment for innovation and quality. We infuse youthful energy into our designs, constantly innovating to deliver the perfect blend of comfort, style, and value. Understanding consumer choices and offering the best products at honest prices is our priority. We prioritize listening to customer needs and incorporating that feedback into our design process.

Our approach is straightforward: create high-quality, durable products using the best available technology in design and manufacturing, while fostering a culture of teamwork and collaboration within our company. In depth data collection and analysis combined with AI inputs have helped us innovate and bring successful products in the market. We pour our passion into crafting products that delivers on our promise of comfort and style, all at an accessible price.

The perfume business has also been brought into a mainstream focus. Newer lines of sale are being tested and searched for. The established export potential is being looked at earnestly and the growth there is casual and steady.

We want you to see Liberty as the brand that truly understands your desires. We're here to deliver on that promise, every step of the way. For generations, Liberty has built a legacy of trust. This trust is what makes us forever about the people. Join us in celebrating India's journey and experiencing the Liberty difference!

Last but not least, the management wished to assert its commitment for further strengthening of existing corporate governance practices and pleased to mention that the assignment in this regard entrusted to the leading consultants is progressing as planned.

We extend our heartfelt appreciation to the board for their continued guidance, to our laborious team for their dedication and commitment and to our shareholders for their continued trust & reposing confidence.

### **Your Management Team**



## NOTICE

**Notice** is hereby given that the 38th (Thirty Eighth) Annual General Meeting ("38th AGM" or "e-AGM" or "AGM") of the Members of Liberty Shoes Limited ("the Company") will be held on **Friday, 27th September, 2024 at 11:00 A.M.** through Video Conferencing ("VC")/or Other Audio-Visual Means ("OAVM") to transact the following businesses:-

The proceedings of the 38th AGM shall be deemed to be conducted at the Registered Office of the Company at Libertypuram, 13th Milestone, G.T. Karnal Road, Kutila, P.O. Bastara, Distt. Karnal-132114, Haryana, which shall be deemed venue of the AGM.

### 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 on March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.

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

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March 2024 and the Reports of the Board of Directors and Auditors, thereon as circulated to the Members, be and are hereby considered and adopted."

#### Item no. 2-Appointment of Director

To appoint a Director in place of Sh. Shammi Bansal (DIN-00138792), who retires by rotation and being eligible, offers himself for re-appointment.

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Sh. Shammi Bansal (DIN-00138792), who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation."

#### Item no. 3-Appointment of Director

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

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Sh. Sunil Bansal (DIN-00142121) who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation."

### SPECIAL BUSINESS:

#### Item no. 4-Re-appointment of Sh. Gautam Baid (DIN: 00021400), as an Independent Director of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV of the Act and Regulation 16 (1) (b), Regulation 25 and Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company ("the Board") given at their respective meetings held on 9th August, 2024, Nomination and Remuneration Policy and the Articles of Association of the Company, Sh. Gautam Baid (DIN: 00021400), who was appointed as an Independent Director for first term w.e.f. 1st April 2022 to hold office upto September 28, 2024 and who being eligible for re-appointment for the second term and who meets the criteria of 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 in respect of whom the Company has received a Notice in writing from a member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for second term of 3 (three) consecutive years effective from September 29, 2024 to September 28, 2027.

**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 Dr. Sujata (DIN: 09289128) as an Independent Director of the Company

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

**"RESOLVED THAT** pursuant to the provisions



of Section 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV of the Act and Regulation 16 (1) (b), Regulation 25 and Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company ("the Board") given at their respective meetings held on 9th August, 2024, Nomination and Remuneration Policy and the Articles of Association of the Company, Dr.Sujata(DIN:09289128), who was appointed as an Independent Director for first term of 3 years commencing w.e.f. from September 29, 2021 to hold office upto September 28, 2024 and who being eligible for re-appointment for the second term and who meets the criteria of 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 in respect of whom the Company has received a Notice in writing from a member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for second term of 3 (three) consecutive years effective from September 29, 2024 to September 28, 2027.

**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."

By order of the Board  
For Liberty Shoes Ltd.

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

Place: New Delhi  
Dated: Friday, 9th August, 2024

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: [ipms@libertyshoes.com](mailto:ipms@libertyshoes.com), Website: [www.libertyshoes.com](http://www.libertyshoes.com)  
CIN: L19201HR1986PLC03185

#### NOTES:

- e-AGM:** the Ministry of Corporate Affairs (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020, No. 20/2020, 02/2021, 19/2021, 21/2021, No. 02/2022 and No. 10/2022, dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and No. 09/2023 dated September 25, 2023 respectively (hereinafter, collectively referred as the "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated January 15 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62, dated May 13, 2022, SEBI/HO/CFD/POD2/P/CIR/2023/4, dated January 05, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, (hereinafter, collectively referred as the "SEBI Circulars") has allowed companies to conduct their Annual General Meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at the venue of the AGM. Accordingly, the 38th Annual General Meeting (the "AGM" or the "Meeting") of Liberty Shoes Limited (the "Company") will be held through VC or OAVM in compliance with the said circulars, the relevant provisions of the Companies Act, 2013 (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (each as amended). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULARS, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE CONVENING THE 38TH AGM OF THE COMPANY (THE "NOTICE").**

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC



or OAVM. Institutional Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Power of Attorney/appropriate Authorization Letter together with attested specimen signature(s) of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at [legal2015js@gmail.com](mailto:legal2015js@gmail.com) with a copy marked to [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com)

3. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

**The deemed venue for the 38th AGM shall be the Registered Office of the Company.**

4. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
5. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 4 to 5 is annexed hereto. The recommendation of the Board of Directors of the Company (the "Board") in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Necessary information of the Directors seeking appointment/re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also appended to the Notice.

**The Statement read together with the Annexures hereto and these notes form an integral part of this Notice.**

#### **6. DISPATCH OF ANNUAL REPORT THROUGH E-MAIL**

Pursuant to the MCA Circulars and the SEBI Circulars, the Notice along with the Annual Report of the Company for the financial year ended March 31, 2024, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Link Intime India Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2024 shall be available on the websites of the Company viz., [www.libertyshoes.com](http://www.libertyshoes.com) and of the Stock Exchanges where Equity Shares of the Company are listed.

The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., Link Intime India Private Limited, (LIPL) viz., [instavote.linkintime.co.in](http://instavote.linkintime.co.in)

#### **7. PROCEDURE FOR ATTENDING THE AGM THROUGH VC OR OAVM**

Members will be able to attend the AGM through VC or OAVM by using their remote e-Voting login credentials.

The instructions for attending the AGM are annexed separately and form part of this Notice.

In accordance with Section 103 of the Act, the presence of Members partaking in the Annual General Meeting (AGM) by way of Video Conferencing (VC) or Other Audio-Visual Means (OAVM) will be deemed substantive and shall be accounted for, thereby contributing towards the fulfilment of the mandated quorum requirement.

#### **8. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM**

In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto, read together with the MCA Circulars and Regulation 44 of the Listing Regulations, the Company has engaged the services of Link Intime India Private Limited to provide remote e-Voting facility and e-Voting facility during the AGM to all the eligible Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting. **The instructions to cast votes through remote e-Voting and through e-Voting system during the AGM are annexed separately and form part of this Notice.**

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date of Friday, 20th September, 2024. The remote e-Voting period will commence on Tuesday, 24th September, 2024 (9:00 A.M. IST) and will end on Thursday, 26th September, 2024 (5:00 P.M. IST).** During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date, i.e., **Friday, 20th September, 2024**, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Only those Members who are present in the Meeting through VC or OAVM facility and have



not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting and accordingly, their presence shall also be counted for the purpose of quorum under Section 103 of the Act. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, 20th September, 2024 being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date. **A person who is not a member as on the cut-off date, i.e., Friday, 20th September, 2024 should treat this Notice for information purpose only.**

The Board of Directors has appointed M/s JVS & Associates, (C.P. No. 10196), Company Secretary in Practice, New Delhi or failing whom, such other Practicing Company Secretary or Chartered Accountant as the Board of Directors of the Company may appoint, as the Scrutinizer for scrutinizing the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of at least two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 48 hours after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard.

The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website ([www.libertyshoes.com](http://www.libertyshoes.com)) and on the e-Voting website of Link InTime India Private Limited viz. <https://instavote.linkintime.co.in> immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Report shall also be made available for at least 3 days on the Notice Boards of the Company at its Registered

Office in Libertypuram and at the Corporate Office in Gurugram, Haryana. Subject to the receipt of requisite number of votes, the businesses mentioned in the Notice/the resolution(s) forming part of the Notice shall be deemed to be passed on the date of the AGM, i.e., Friday 27th September, 2024. Members holding shares in physical mode or whose e-mail addresses are not registered, may cast their votes through e-Voting system, after registering their e-mail addresses by sending the following documents to the Company at [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com) or to the RTA at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in):

- (i) Scanned copy of a signed request letter, mentioning the name, folio number/demat account details & number of shares held and complete postal address;
- (ii) Self-attested scanned copy of PAN Card; and
- (iii) Self-attested scanned copy of any document (such as AADHAAR card/latest Electricity Bill/latest Telephone Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding. Members, who hold shares in physical mode and already having valid e-mail addresses registered with the Company/the RTA, need not take any further action in this regard.

#### **9. Procedure for inspection of documents**

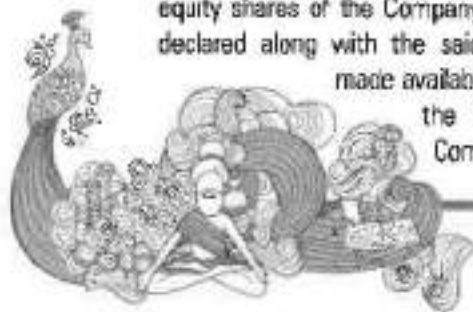
All documents referred to in the Notice and the Explanatory Statement/Annexure shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM.

Members desirous of inspecting the same may send their requests not later than Wednesday, 25th September, 2024 at 11:00 A.M. at [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com) from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers.

During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection upon login at <https://instameet.linkintime.co.in> or at [www.libertyshoes.com](http://www.libertyshoes.com).

#### **10. Book Closure Period for the AGM**

Pursuant to Section 91 of the Act read with Rules



framed there under and Regulation 42 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Share Transfer Books and Register of Members of the Company will remain closed from **Saturday 21st September, 2024 to Friday, 27th September, 2024** (both days inclusive) for the purpose of the AGM.

#### 11. Nomination Facility

SEBI vide its Circular dated 16th March, 2023 has mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. On or after 1st October, 2023, in case any of the above cited documents/details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://investor.libertyshoes.com/>

Members holding shares under a single name in physical mode are advised to make nomination in respect of their shareholding in the Company. The Nomination Form can be downloaded from the Company's website, i.e., [www.libertyshoes.com](http://www.libertyshoes.com) from "Investor Relations" section. Members holding shares in demat mode should file their nomination with their respective Depository Participant(s).

12. Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode. In compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company / Company RTA in physical form will be processed and the shares will be issued in dematerialisation form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division/splitting of securities certificate/ Consolidation of securities certificates/folios
- vi. Transmission
- vii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the Company as well as on the website of Link Intime India Pvt. Ltd, Registrar and Share

Transfer Agent (RTA). Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by filing Form ISR-1 and sending the scanned copy of the Form mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhaar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2023-24 along with AGM Notice by email to [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com). Members holding shares in demat form can update their email address with their Depository Participants and send scan copy of client master to [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com).

The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14th December, 2021, circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 16th March, 2023 (now rescinded by Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17th May, 2023) read with SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November, 2023 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent (RTA) of the Company. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder.

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members only electronically by rescinded the SEBI circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 by issuance of Master



Circular for Registrars to an Issue and Share Transfer Agents dated 17th May, 2023 and SEBI/HO/MIRSD/POO-1/P/CIR/2023/181 dated 17th November, 2023, all dividend payments after 31st March, 2024, will be processed only electronically. Further, relevant FAQs have also been published by SEBI on its website at the following web link for investor awareness:

[https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf) In compliance with SEBI Circular, please note that no dividend will be processed in Physical mode and we will process the dividend in electronic mode only as per the details provided by you within the stipulated time. Further to note that if the aforesaid details are not received and the dividend remain unpaid/unclaimed upto 7 years, dividend will be transferred to IEPF after 7 years as per the applicable provisions of the Companies Act, 2013.

Securities and Exchange Board of India ("SEBI") vide its Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31st July, 2023 and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated 4th August, 2023 and Master Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 (updated as on 11th August, 2023), has introduced a common Online Dispute Resolution Portal ("ODR Portal") to facilitate online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. Investors may also refer link <https://scores.gov.in/> to access the ODR Portal as well as to the modalities of the ODR portal and operational guidelines and instructions including timelines for registration/review/resolution of complaints/disputes filed through the portal, manner of proceedings to be conducted by the ODR institutions, role and responsibilities of market infrastructure intermediaries, code of conduct for conciliators and arbitrators etc. as provided in the SEBI Circulars referred above and available on the website of the Company. An intimation to the shareholders through email had been sent by Company RTA during the year under consideration whose email are registered with them in regard to the Online Dispute Resolution Mechanism (ODR system) as maintained by the Company.

13. 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.

14. 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.
15. 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.
16. Unpaid/Unclaimed Dividend:
- Pursuant to erstwhile 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 erstwhile provisions of Section 205B of the Companies Act, 1956.
  - Further, in compliance with the provisions of Sections 124 and 125 of the Act, read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the Equity Shares, in respect of which dividend not claimed or encashed by the Members for seven consecutive years or more, are liable to be transferred to the Account of the IEPF Authority.



As per the said Rules, the corresponding equity shares in respect of which Dividend remains unclaimed/unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority.

The complete list of said Members whose unclaimed/unpaid Dividend and shares thereon have been transferred to specified Bank account/Demat account of IEPF Authority is available on the website of the Company, i.e., [www.libertyshoes.com](http://www.libertyshoes.com) under the 'Investor Relations' category.

Members have already informed that once the unclaimed or unpaid dividend is transferred to the specified Bank account of IEPF and shares are transferred to the Demat Account of the IEPF Authority, no claim shall lie against the Company in respect of such dividend/shares.

The eligible Members are entitled to claim such unclaimed or unpaid dividend and corresponding Equity shares including benefits, if any, accruing on such shares from the IEPF Authority by making an online application in Web Form IEPF-5 and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents at the Registered Office of the Company for verification of their claims. Relevant details and the specified procedure to claim refund of dividend amount/shares along with an access link to the refund web page of IEPF Authority's website for claiming such dividend amount/shares has been provided on the Company's website, i.e., [www.libertyshoes.com](http://www.libertyshoes.com) under the "Investor Relations" category and also in this Annual Report. Unclaimed/Unpaid amount of dividend and corresponding Equity Shares for the financial year ended 31st March, 2015 has been transferred to the IEPF on 2nd November, 2022 and 17th November 2022 respectively.

17. Pursuant to Section 72 of the Companies Act, 2013, read in conjunction with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members are provided the opportunity to make nominations concerning the shares held by them. Members who have not yet registered their nominations are hereby urged to do so by submitting Form No. SH 13. This form can be obtained from the Company's website [www.libertyshoes.com](http://www.libertyshoes.com), specifically under the 'Investor Relations' section.

Members who hold shares individually in single name and in physical form are advised to initiate the nomination process regarding their shareholding in the Company. To accomplish this, they must submit the duly completed Form No. SH 13 with the Company's Registrar and Transfer Agent (RTA) for shares in physical form, and with their respective depository for shares in electronic form.

In the event that any Member requires cancellation or modification of their existing nomination pertaining to their Shareholding in the Company, they may download Form ISR-3 or Form SH-14 from the Company's website [www.libertyshoes.com](http://www.libertyshoes.com). After obtaining the appropriate form, they must duly complete it and submit Form ISR-3 with the Company's Registrar and Transfer Agent (RTA) for shares in physical form, or Form SH-14 with their respective depository for shares in electronic form.

18. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd., immediately of:
- Change in their residential status on return to India for permanent settlement.
  - 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.
19. **Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242, dated December 9, 2020:**

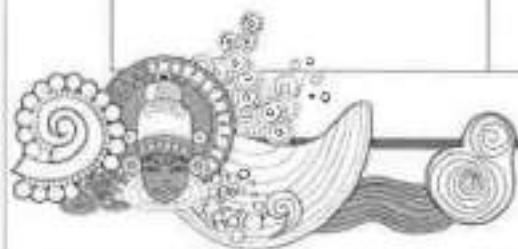
Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242, dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.**

**Login method for Individual shareholders holding securities in demat mode is given below:**



Type of shareholders	Login Method
<p><b>Individual Shareholders holding securities in demat mode with NSDL.</b></p>	<p><b>METHOD 1 - If registered with NSDL IDeAS facility</b>  <b>Users who have registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and click on "Beneficial Owner" icon under "Login".</li> <li>Enter user id and password. Post successful authentication, click on "Access to e-voting".</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>OR User who have not registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and select "Register Online for IDeAS Portal" or click on <a href="https://eservices.nsdl.com/SecureWeb/Ideas Direct Reg.jsp">https://eservices.nsdl.com/SecureWeb/Ideas Direct Reg.jsp</a></li> <li>Proceed with updating the required fields.</li> <li>Post registration, user will be provided with Login ID and password.</li> <li>After successful login, click on "Access to e-voting".</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>METHOD 2-By directly visiting the e-voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>Click on the "Login" tab available under "Shareholder/Member" section.</li> <li>Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<p><b>METHOD 1-If registered with CDSL Easi/Easiest facility</b>  <b>Users who have registered for CDSL Easi/Easiest facility.</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>Click on New System Myeasi</li> <li>Login with user id and password</li> <li>After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>OR</b></p> <p><b>Users who have not registered for CDSL Easi/Easiest facility.</b></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://web.cdslindia.com/myeasitoken/Registry/EasRegistration">https://web.cdslindia.com/myeasitoken/Registry/EasRegistration</a></li> <li>Proceed with updating the required fields.</li> <li>Post registration, user will be provided Login ID and password.</li> <li>After successful login, user able to see e-voting menu.</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>METHOD 2 - By directly visiting the e-voting website of CDSL.</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a></li> <li>Go to e-voting tab.</li> <li>Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".</li> <li>System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account</li> <li>After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>



Type of shareholders	Login Method
<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<p>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.</p> <ol style="list-style-type: none"> <li>Login to DP website</li> <li>After Successful login, members shall navigate through "e-voting" tab under Stocks option.</li> <li>Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.</li> <li>After successful authentication, click on "LINKINTIME" or "e-voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>
<p><b>Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode</b></p>	<ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on "Sign Up" under "SHARE HOLDER" tab and register with your following details:-           <ol style="list-style-type: none"> <li><b>User ID:</b> Shareholders holding shares in physical form shall provide Event No -+ Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</li> <li><b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).</li> <li><b>DOB/DOI:</b> Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company-in DD/MM/YYYY format)</li> <li><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> <p><i>*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their folio number in 'D' above</i></p> <p><i>*Shareholders holding shares in NSDL form, shall provide 'D' above</i></p> <ul style="list-style-type: none"> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@/#\$%*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>▶ Click "confirm" (Your password is now generated).</li> </ul> <ol style="list-style-type: none"> <li>Click on 'Login' under 'SHARE HOLDER' tab.</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</li> </ol> <p><b>Cast your vote electronically:</b></p> <ol style="list-style-type: none"> <li>After successful login, you will be able to see the notification for e-voting. Select "View" icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the "View Resolution" file link).</li> <li>After selecting the desired option i.e. Favour/Against, click on "Submit". A confirmation box will be displayed. If you wish to confirm your vote, click on "Yes", else to change your vote, click on "No" and accordingly modify your vote.</li> </ol> </li> </ol>
<p><b>Institutional shareholders</b></p>	<p>Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and register themselves as 'Custodian/Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.</p>



Type of shareholders	Login Method
<b>Institutional shareholders ("Corporate Body/Custodian/Mutual Fund")</b>	<p><b>STEP 1-Registration</b></p> <ol style="list-style-type: none"> <li>Visit URL- <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on Sign up under "Corporate Body/Custodian/Mutual Fund"</li> <li>Fill up your entity details and submit the form.</li> <li>A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorized Signatory, Director, Company Secretary of the entity &amp; stamped and sent to <a href="mailto:insta.vote@linkintime.co.in">insta.vote@linkintime.co.in</a>.</li> <li>Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.</li> <li>While first login, entity will be directed to change the password and login process is completed.</li> </ol> <p><b>STEP 2-Investor Mapping</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and login with credentials as received in Step 1 above.</li> <li>Click on "Investor Mapping" tab under the Menu Section</li> <li>Map the Investor with the following details:             <ol style="list-style-type: none"> <li>Investor ID-                 <ol style="list-style-type: none"> <li>Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., In0000012345678</li> <li>Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</li> </ol> </li> <li>Investor's Name - Enter full name of the entity.</li> <li>Investor PAN - Enter your 10-digit PAN issued by Income Tax Department.</li> <li>Power of Attorney-Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be-DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.</li> </ol> </li> <li>Click on Submit button and investor will be mapped now.</li> <li>The same can be viewed under the "Report Section".</li> </ol> <p><b>STEP 3-Voting through remote e-voting.</b></p> <p>The corporate shareholder can vote by two methods, once remote e-voting is activated:</p> <p><b>METHOD 1-VOTES ENTRY</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and login with credentials as received in Step 1 above.</li> <li>Click on 'Votes Entry' tab under the Menu section.</li> <li>Enter Event No. for which you want to cast vote. Event No. will be available on the home page of instavote before the start of remote voting.</li> <li>Enter '16-digit Demat Account No.' for which you want to cast vote.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</li> <li>After selecting the desired option i.e., Favour/Against, click on 'Submit'.</li> <li>A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).</li> </ol> <p><b>OR</b></p> <p><b>VOTES UPLOAD:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and login with credentials as received in Step 1 above.</li> <li>You will be able to see the notification for e-voting in inbox.</li> <li>Select 'View' icon for 'Company's Name/Event number'. E-voting page will appear.</li> <li>Download sample vote file from 'Download Sample Vote File' option.</li> <li>Cast your vote by selecting your desired option 'Favour/Against' in excel and upload the same under 'Upload Vote File' option.</li> <li>Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).</li> </ol>



Type of shareholders	Login Method						
<p><b>Helpdesk for Individual Shareholders holding securities in physical mode/ Non-Individual Shareholders holding securities in Demat mode</b></p>	<ul style="list-style-type: none"> <li>• Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at <a href="mailto:enotices@linkintime.co.in">enotices@linkintime.co.in</a> or contact on:- Tel: 022-4918 6000.</li> <li>• In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:</li> </ul> <table border="1" data-bbox="539 427 1430 707"> <thead> <tr> <th data-bbox="539 427 879 472">Login Type</th> <th data-bbox="879 427 1430 472">Helpdesk Details</th> </tr> </thead> <tbody> <tr> <td data-bbox="539 472 879 595"> <p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p> </td> <td data-bbox="879 472 1430 595"> <p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022-4886 7000 and 022-2499 7000</p> </td> </tr> <tr> <td data-bbox="539 595 879 707"> <p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p> </td> <td data-bbox="879 595 1430 707"> <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdsindia.com">helpdesk.evoting@cdsindia.com</a> or contact at toll free no 1800 22 55 33</p> </td> </tr> </tbody> </table>	Login Type	Helpdesk Details	<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022-4886 7000 and 022-2499 7000</p>	<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdsindia.com">helpdesk.evoting@cdsindia.com</a> or contact at toll free no 1800 22 55 33</p>
Login Type	Helpdesk Details						
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022-4886 7000 and 022-2499 7000</p>						
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdsindia.com">helpdesk.evoting@cdsindia.com</a> or contact at toll free no 1800 22 55 33</p>						
<p><b>Individual Shareholders holding securities in Physical mode has forgotten the password:</b></p>	<p>If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>o Click on "Login" under "SHARE HOLDER" tab and further Click "forgot password?"</li> <li>o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".</li> </ul> <p><i>In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%^*), at least one numeral, at least one alphabet and at least one capital letter.</i></p> <p><u>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate):</u> Your User ID is Event No + Folio Number registered with the Company</p> <p><u>User ID for Shareholders holding shares in NSDL demat account:</u> is 8 Character DP ID followed by 8 Digit Client ID</p> <p><u>User ID for Shareholders holding shares in CDSL demat account:</u> is 16 Digit Beneficiary ID.</p>						
<p><b>Individual Shareholders holding securities in Physical mode has forgotten the password: Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:</b></p>	<p>If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>o Click on "Login" under "Corporate Body/ Custodian/Mutual Fund" tab and further Click "forgot password?"</li> <li>o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".</li> </ul> <p><i>In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%^*), at least one numeral, at least one alphabet and at least one capital letter.</i></p>						
<p><b>Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:</b></p>	<ul style="list-style-type: none"> <li>• It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> <li>• For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.</li> <li>• During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".</li> </ul>						



Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode has forgotten the password:	<p>If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID (Login ID) or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'</li> <li>o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".</li> </ul> <p><i>In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOB, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters; at least one special character (@!#\$%^&amp;*), at least one numeral, at least one alphabet and at least one capital letter.</i></p> <p><u>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate):</u> Your User ID is Event No + Folio Number registered with the Company</p>
Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:	<p>Shareholders who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.</p> <ul style="list-style-type: none"> <li>▶ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> <li>▶ For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.</li> <li>▶ During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".</li> </ul>

## 20 Process and manner for attending the Annual General Meeting through InstaMeet:

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.webex.com/downloads.html/> Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

### 1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the "Company" and 'Event Date' and register with your following details:-

A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

- Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

- Shareholders/members holding shares in physical form shall provide Folio Number registered with the Company.

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

- ▶ Click "**Go to Meeting**" (You are now registered for InstaMeet and your attendance is marked for the meeting).

- Please read the instructions carefully and participate in the meeting. You may also call upon the **InstaMeet Support Desk** for any support on the dedicated number provided to you in the **instruction/InstaMEET website**.

2. Members can log in and join 15 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more



shareholding], promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

## 21 Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company by sending their request on the email id at [investocare@libertyshoes.com](mailto:investocare@libertyshoes.com).
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
6. Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.
7. Shareholders who would like to ask questions, may send the same in advance mentioning their name, demat account number/folio number, e-mail id, mobile number at [investocare@libertyshoes.com](mailto:investocare@libertyshoes.com), at least 48 hours prior to the date of AGM i.e. on or before 11:00 A.M. (IST) on Wednesday, 25th September, 2024. The same will be replied suitably.

## 22 Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your **16-digit Demat Account No./Folio**

**No. and OTP** (received on the registered mobile number/registered email id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see "**Resolution Description**" and against the same the option "**Favour/Against**" for voting.
4. Cast your vote by selecting appropriate option i.e. "**Favour/Against**" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under "**Favour/Against**".
5. After selecting the appropriate option i.e. **Favour/Against** as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "**Back**" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the 36th Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices, Tablets, or through Laptops connected via Mobile Hotspot may experience Audio/Visual loss due to fluctuations in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/members have any queries regarding login/e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on:-  
Tel: 022 49186175.



**Annexure to the Notice**

**(Explanatory Statement in respect of the Special Businesses to be transacted at the AGM and set out under Item No. 4 to 5 of the accompanying Notice of AGM pursuant to Section 102 (1) of the Companies Act, 2013, as amended)**

**Item No 4.**

Sh. Gautam Baid (DIN: 00021400), aged about 48 years, Independent Director of the Company, was appointed as such by Shareholders of the Company in their 36th Annual General Meeting, on the recommendation of the Board of Directors ("Board") and Nomination and Remuneration Committee ("NRC"), for first term commencing from 1st April 2022 to 28th September 2024. Accordingly, as per the term of last appointment, his first tenure as Independent Director will come to end on 28th September, 2024. However, the Company has received a proposal for re-appointment of Sh. Gautam Baid as Independent Director for second term of 3 consecutive years w.e.f. 29th September, 2024 to 28th September, 2027.

The Members are requested to note that pursuant to the provisions of the Section 149 (10) and (11) of the Companies Act, 2013 ("the Act"), an Independent Director can hold office for maximum two consecutive terms of up to five years each on the Board of a Company, subject to the approval of shareholders by way of Special Resolution. Further, Regulation 25 (2A) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") provides that, re-appointment of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a Special Resolution. Accordingly, Sh. Gautam Baid is eligible to be re-appointed as Independent Director of the Company for second term.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee ("NRC") and on the basis of outcome of evaluation process and in view of leadership capabilities, administrative knowledge and managerial experience and having independent relationship with the Company and its KMPs, Directors and Promoters, in their meeting held on 9th August, 2024 have considered and recommended the re-appointment of Sh. Baid as Independent Director for second term of 3 consecutive years w.e.f. 29th September, 2024 to 28th September, 2027, subject to the approval of the Shareholders of the Company by way of special resolution.

While considering his re-appointment, the Board of Directors and NRC have observed that his continuing association, guidance and contribution as Board Member will give immense benefit to the Company.

Sh. Gautam Baid is not disqualified from being Re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company. The Company has also received declaration from him that he meets the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and Listing Regulations, each as amended from time to time. In the opinion of the Board and NRC, Sh. Gautam Baid fulfils the conditions specified in the Act and the rules made there under and Listing Regulations for his re-appointment as Independent Director of the Company. Further, the Company has received a notice under Section 160 (1) of the Act proposing his candidature for re-appointment as an Independent Director of the Company for second term of 3 consecutive years effective from 29th September, 2024 to 28th September, 2027.

The Company has received an intimation from Sh. Gautam Baid in form DIR-8 to the effect that he is not disqualified and a confirmation stating 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) Listing Regulations, Sh. Gautam Baid 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.

A copy of the draft letter of re-appointment setting out the terms and conditions etc. of such re-appointment is available for inspection through electronic mode. Members desirous of inspecting the same may send their requests at [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com) from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers, with a self-attested copy of their PAN Card or AADHAAR Card or Voter ID Card.

Sh. Gautam Baid will be paid remuneration by way of sitting fee for attending the Board/ Committee Meetings or for any other purpose whatsoever as may be decided by the Board from time to time and within the limits as specified under the provisions of Act and Listing Regulations.

Brief profile of Sh. Gautam Baid, nature of his expertise in



specific functional areas and names of Companies in which he holds directorships/chairmanships along with all the relevant information as required under the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also provided in Annexure-A to this Notice.

Keeping in view of the above, consent of the Members for the re-appointment of Sh. Gautam Baid as an Independent Director, not liable to retire by rotation, is being sought by way of Special Resolution as set out at Item No. 4 of the accompanying Notice.

Except Sh. Gautam Baid, being an appointee, none of the Directors or Key managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the Resolution as set out at Item No. 4 of the accompanying Notice.

#### **Item No 5.**

Dr. Sujata (DIN:09289128), aged about 65 years, Independent Director of the Company, was appointed as such by Shareholders of the Company in their 35th Annual General Meeting, on the recommendation of the Board of Directors ("Board") and Nomination and Remuneration Committee ("NRC"), for first term commencing from September 29, 2021 to September 28, 2024. Accordingly, as per the term of last appointment, her first tenure as Independent Director will come to end on 28th September, 2024. However, the Company has received a proposal for re-appointment of Dr. Sujata as Independent Director for second term of 3 consecutive years effective from 29th September, 2024 to 28th September, 2027.

The Members are requested to note that pursuant to the provisions of the Section 149 (10) and (11) of the Companies Act, 2013 ("the Act"), an Independent Director can hold office for maximum two consecutive terms of up to five years each on the Board of a Company, subject to the approval of shareholders by way of Special Resolution. Further, Regulation 25 (2A) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") provides that, re-appointment of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a Special Resolution. Accordingly, Dr. Sujata is eligible to be re-appointed as Independent Director of the Company for second term.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee ("NRC") and on

the basis of outcome of evaluation process and in view of knowledge and managerial skills and having independent relationship with the Company and its KMPs, Directors and Promoters, in their meeting held on 9th August, 2024 have considered and recommended the re-appointment of Dr. Sujata as Independent Director for second term of 3 consecutive years w.e.f. 29th September, 2024 to 28th September, 2027, subject to the approval of the Shareholders of the Company by way of special resolution.

While considering her re-appointment, the Board of Directors and NRC have observed that her continuing association, guidance and contribution as Board Member will give immense benefit to the Company.

Dr. Sujata is not disqualified from being Re-appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director of the Company. The Company has also received declaration from her that she meets the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and Listing Regulations, each as amended from time to time. In the opinion of the Board and NRC, Dr. Sujata fulfils the conditions specified in the Act and the rules made there under and Listing Regulations for her re-appointment as Independent Director of the Company. Further, the Company has received a notice under Section 160 (1) of the Act proposing her candidature for re-appointment as an Independent Director of the Company for second term of 3 consecutive years effective from 29th September, 2024 to 28th September, 2027.

The Company has received an intimation from Dr. Sujata in form DIR-8 to the effect that she is not disqualified and a confirmation stating that she 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) Listing Regulations, Dr. Sujata has confirmed that she is not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties.

A copy of the draft letter of re-appointment setting out the terms and conditions etc. of such re-appointment is available for inspection through electronic mode. Members desirous of inspecting the same may send their requests at [investorcare@libertyshoes](mailto:investorcare@libertyshoes).



com from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers, with a self-attested copy of their PAN Card or AADHAAR Card or Voter ID Card.

Dr. Sujata will be paid remuneration by way of sitting fee for attending the Board/ Committee Meetings or for any other purpose whatsoever as may be decided by the Board from time to time and within the limits as specified under the provisions of Act and Listing Regulations.

Brief profile of Dr. Sujata, nature of her expertise in specific functional areas and names of Companies in which she holds directorships/chairmanships along with all the relevant information as required under the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also provided in Annexure-A to this Notice.

Keeping in view of the above, consent of the Members for the re-appointment of Dr. Sujata as an Independent Director, not liable to retire by rotation, is being sought

by way of Special Resolution as set out at Item No. 5 of the accompanying Notice.

Except Dr. Sujata, being an appointee, none of the Directors or Key managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the Resolution as set out at Item No. 5 of the accompanying Notice.

By order of the Board  
For Liberty Shoes Ltd.

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

Place: New Delhi  
Dated: Friday, 9th August, 2024

**Registered Office**  
Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail,  
PO. Bastera, 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 AND/OR SEEKING FIXATION/VARIATION OF REMUNERATION

(PURSUANT TO REGULATION 26(4) AND 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2 (REVISED) ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI))

Name of the Director	Sh. Shammi Bansal	Sh. Sunil Bansal
Director Identification Number (DIN)	00138792	00142121
Category of Director	Executive Director	Executive Director
Nationality	Indian	Indian
Date of Birth/Age	27th March, 1961/63 Years	2nd October, 1954/64 Years
Date of First appointment as Director	28th November, 1990	28th November, 1990
Qualification	Graduate	Graduate
Profile/Background details/Recognition or awards/Experience/Expertise in specific Functional Areas	<ul style="list-style-type: none"> <li>• He has been working as Director since 1990 and as Executive Director since 1996.</li> <li>• He is having considerable experience of more than three decades in footwear industry.</li> <li>• 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.</li> <li>• He has currently been looking after the entire portfolio of production designing and development at Company's Plants.</li> </ul>	<ul style="list-style-type: none"> <li>• He has been working as Director since 1990 and as Executive Director since 2009.</li> <li>• He is having requisite experience of more than three decades in footwear industry.</li> <li>• He has been looking after the product development operations and ensuring the manufacturing of higher qualitative products. He is also guiding the leather shoes production team with his appreciable expertise.</li> </ul>
Terms and conditions of appointment/re-appointment	Reappointed as Director liable to retire by rotation.	Reappointed as Director liable to retire by rotation.
Details of remuneration to be sought/ remuneration last drawn (2023-24)	He has drawn remuneration of ₹ 4 Lakh PM, aggregating of ₹ 48 Lakh PA. (including all perquisites) during the FY 2023-24.	He has drawn remuneration of ₹ 4 Lakh PM, aggregating of ₹ 48 Lakh PA. (including all perquisites) during the FY 2023-24.
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	Brother of Sh. Sunil Bansal, Executive Director	Brother of Sh. Shammi Bansal, Executive Director
List of directorships held in other Companies as on 31st March, 2024 (excluding foreign Companies)	<ul style="list-style-type: none"> <li>• Little World Constructions Pvt Ltd.</li> <li>• Haryana State Industrial and Infrastructure Development Corporation Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Little World Constructions Pvt Ltd.</li> </ul>
Listed entities from which the person has resigned in the past three years	None	None
List of Chairmanship/Membership in Committees of the Board of the other Companies on which he is a Director as on 31st March, 2024	Chairman of Audit Committee and Member of Corporate Social Responsibility Committee-Haryana State Industrial and Infrastructure Development Corporation Ltd.	None
No. of shares held in the Company:		
(a) Own	259640 Equity Shares	232640 Equity Shares
(b) For other persons on a beneficial basis	NIL	NIL
Justification for re-appointment	Since, re-appointment is being proposed as Director liable to retire by rotation and not Non-executive Independent Director, therefore it is not applicable.	
Summary of Performance evaluation Report		
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements		



<b>Name of the Director</b>	<b>Sh. Gautam Baid</b>	<b>Dr. Sujata</b>
<b>Director Identification Number (DIN)</b>	<b>00021400</b>	<b>00289128</b>
<b>Category of Director</b>	<b>Non-executive Independent Director</b>	<b>Non-executive Independent Director</b>
<b>Nationality</b>	<b>Indian</b>	<b>Indian</b>
<b>Date of Birth/Age</b>	<b>28th November, 1975/48 Years</b>	<b>15th June 1959/65 Years</b>
<b>Date of First appointment as Director</b>	<b>1st April, 2022</b>	<b>29th September, 2021</b>
<b>Qualification</b>	<b>Commerce Graduate</b>	<b>Ph.D (Psychology)</b>
<b>Profile/Background details/Recognition or awards/Experience/Expertise in specific Functional Areas</b>	<ul style="list-style-type: none"> <li>• He has been working as Non-Executive Independent Director since 2022</li> <li>• He is co-founder of Coast to Coast Designs Pvt Ltd one of the India's foremost companies in the Interior Infrastructure Industry. As a co-founder of one of India's foremost companies in the Interior Infrastructure Industry, he brought significant industry experience and strategic insight.</li> <li>• He is an avid angel investor and his investment acumen supported innovation and growth across various sectors, fostering new opportunities and advancements.</li> <li>• He is an innovator who believes in giving life to his ideas. His dedication to bringing global excellence to the Indian market, inspired by Indian culture and his extensive travels, aligned with the Company's goals of continuous innovation and market expansion.</li> </ul>	<ul style="list-style-type: none"> <li>• She has been working as Non -Executive Independent Director since 2021 providing invaluable insights and governance</li> <li>• As a distinguished counselor based in Karnal, Haryana, her deep understanding of human behavior and psychology has enhanced the Company's approach to employee well-being and stakeholder engagement.</li> <li>• She has written Books and articles on various subjects in relation to Psychology, National and Spiritual aspects. Her research outcomes were published in National Journals and presented at various conferences in India and overseas Countries. Her research and thought leadership contribute to the Company's innovation.</li> <li>• Throughout her career, she has been performing various social and welfare related activities and won various awards from Govt. of Haryana like Brand Ambassador for "Beti BachaoBeti Padhao", "SaravDharamSamman", "Hari Jhansi", Empowered Woman" and Best Social Worker."All such awards reflect her alignment with our values of ethical conduct and social responsibility.</li> </ul>
<b>Terms and conditions of appointment/re-appointment</b>	Reappointment as Independent Director not liable to retire by rotation.	Reappointment as Independent Director not liable to retire by rotation.
<b>Details of remuneration to be sought/ remuneration last drawn (2023-24)</b>	No remuneration has been paid during the FY 2023-24. However, sitting fee for attending the Board Meetings was paid.	No remuneration has been paid during the FY 2023-24. However, sitting fee for attending the Board Meetings was paid.
<b>No. of Board Meetings attended during the year</b>	Refer Corporate Governance Report	Refer Corporate Governance Report
<b>Relationship with other Directors and other Key Managerial Personnel (KMPs) inter se</b>	None	None
<b>List of directorships held in other Companies as on 31st March, 2024 (excluding foreign Companies)</b>	<ul style="list-style-type: none"> <li>• Coast to Coast Pvt. Ltd.</li> <li>• DONYI Polo Timbers Pvt. Ltd.</li> <li>• Mantra Mobile Pvt. Ltd.</li> <li>• Exotic Veneers Pvt. Ltd.</li> <li>• DONYI Polo Infrastructure Pvt. Ltd.</li> <li>• Baid Buildcon Pvt. Ltd.</li> <li>• Aroma Finance and Portfolio Pvt. Ltd.</li> </ul>	None
<b>Listed entities from which the person has resigned in the past three years</b>	None	None



<b>List of Chairmanship/Membership in Committees of the Board of the other Companies on which he is a Director as on 31st March, 2024</b>	None	None
<b>No. of shares held in the Company:</b> (c) Own (d) For other persons on a beneficial basis	NIL NIL	NIL NIL
<b>Justification for re-appointment</b> <b>Summary of Performance evaluation Report</b> <b>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Please refer Explanatory Statement annexed with the Notice and Corporate Governance Report	

None of the above Directors are disqualified under the Companies Act, 2013 (as amended) or disqualified and/or debarred by virtue of any order passed by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any Court or any such other Statutory Authorities, to be appointment/re-appointed/continue as a Director in any Company.



**Dear Shareholders,**

Your Directors are presenting the 38th Annual Report of the Liberty Shoes Limited ("Company" or "Liberty") together with the Audited Financial Statements for the financial year ended 31st March, 2024.

**Financial Highlights:**

The highlights of the financial statements are as under:-

(Amount in ₹ Lakh)

Particulars	2023-24	2022-23
Revenue from Operations	63,685.93	65,432.70
Add: Other Income	38.91	17.42
<b>Revenue from Operations and Other Income</b>	<b>63,724.84</b>	<b>65,450.12</b>
<b>Profit before Exceptional items and Taxes</b>	<b>2,019.15</b>	<b>1,815.43</b>
Less: Exceptional Items	489.78	29.95
<b>Profit before Tax Expense (PBT)</b>	<b>1,529.37</b>	<b>1,785.48</b>
Less: tax Expenses	413.62	494.35
<b>Net Profit for the year (NP)</b>	<b>1,115.75</b>	<b>1,291.13</b>
Other Comprehensive Income/(Loss)- Net of taxes	(25.89)	51.47
<b>Total Comprehensive Income</b>	<b>1,089.86</b>	<b>1,342.60</b>

**Review of the operations of the Company:**

Your Company has prepared the Financial Statements for the financial year ended March 31, 2024, in terms of Sections 129, 133 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) (the "Act") and Schedule III thereto read with the Rules framed thereunder.

During the financial year 2023-24, Your Company achieved a turnover of ₹ 63,685.93 Lakhs, reflecting a marginal decline of 2.67% from the previous year's turnover of ₹ 65,432.70 Lakhs. The Company could have achieved higher turnover had the major untoward fire incident halting movement of finished goods for almost three weeks not happened during the company's peak season. Your company posted a Profit before exceptional items of ₹ 2,019.15 Lakh for the financial year ended 31st March 2024 as against ₹ 1,815.43 Lakh during the previous year, registering a growth of 11.22% despite decline in turnover during the year. Your Company has taken various steps to improve operational efficiency in terms of bringing down the cost of materials, rationalizing cost of goods and process optimization which has resulted in to higher operational profit as compared to the previous year. The exceptional items includes ₹ 470.14 Lakh on account of value of stock destroyed in fire (net of Insurance claim receivable), loss on scrapping of fixed assets in fire, loss of third party capital goods destroyed in fire due to massive fire broke out at Warehouse of the Company in the month of Feb, 2024.

Your Company has posted net profit of ₹ 1,115.75 for the financial year ended 31st March 2024 as against net profit of ₹ 1,291.13 Lakh during the previous year ended 31st March, 2023.

Your Company, during the year under consideration, has further solidified its position as India's preferred family footwear brand, offering a diverse range of products through its extensive network of Company-owned and exclusive franchise stores besides emergence of nationwide MBO's.. Your Company continues to focus on expansion and increasing its presence in untapped cities/area through its own retail/franchise & Distribution network besides renovating existing stores to elevate customer experience. Your Company has witnessed notable growth in the e-commerce segment where the Company, besides its own portal "libertyshoesonline.com", has partnered with leading E-Commerce players like Amazon, Myntra, Flipkart, AJIO etc. This robust online presence, coupled with an efficient e-commerce network, ensures seamless delivery across the country, providing consumers with convenient access to Company's products no matter where they are located. Further, your Company has also tied up with leading E-commerce players and other retail giant(s) for providing qualitative footwear as per their specification for utilizing Company's manufacturing capacities/strengths & expertise which has resulted into maximizing revenue without compromising with Company's own requirements. Your Company has seen increasing demand/interest in its safety shoes segment which has



significantly contributed to the total turnover of the Company. Your Company's recently diversified perfume division has also started yielding results with marginal profits and with a positive expectation for exploring newer markets and channels to enhance the division performance in the times to come.

Your company, during last 2/3 years, has observed a significant trend towards premiumization due to increase in discretionary spend. Consumers are increasingly attracting toward high-quality, premium footwear, a trend that has been particularly pronounced in 2023. Retailers, including your company, have reported higher sales of premium, high-priced articles compared to low-priced items. This shift indicates a growing preference for premium products among consumers, reflecting their desire for superior quality and exclusivity. The growing demand for premium footwear has driven an increase in ASP and boosted the share of higher-end products within our brands, including Leap7X launched few years back. This trend emphasize the effectiveness of our ongoing premiumization strategy including promoting product category.

Liberty with its approach of 'Forever Innovative', remains committed to investing in inventive marketing campaigns to reinforce its brand's image with a focus on style, modernity, and youthful appeal. Responding to the growing trend of casual wear, Your Company successfully introduced the "Forever Sneakers" campaign which has garnered a positive reception and significantly enhanced brand perception. Your Company in its true endorsement to the Govt. of India initiative of "Make in India" also productively found its new campaign "Mera Joota Hindustani" underscoring Liberty commitment to local manufacturing and strengthening its connection with customers, enriching their engagement with the brand.

Your Directors believe that the footwear industry holds significant growth potential and Liberty is well-positioned to capitalize on this opportunity and drive future success.

#### **Credit Rating:**

During the year under review, CARE Ratings Limited, a leading rating agency, has assigned its Ratings CARE BBB+; (Triple B Plus) in respect of Long-Term banking facilities (comprising Term Loan and Working Capital fund-based facilities) and CARE "A2" ("A" Two) in respect of Short-Term banking facilities (comprising non-fund-based facilities) sanctioned by the Banks to the Company. According to the rating given based on Company's improved liquidity position, the outlook on the Long-Term rating has been assigned stable.

#### **Subsidiary Company their Performance & Consolidated financial statement:**

As on date of this report, there is no Subsidiary, Associate or Joint Venture of the Company.

#### **Appropriations:**

##### **Dividend**

Since your Company is not among top 1000 listed Companies based on market capitalization (calculated as on 31st March, 2024), therefore the requirement of having the dividend distribution policy as provided under Regulation 43 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) herein after referred as "Listing Regulations" in this report, is not applicable to the Company. However, your Company will adopt the same as and when it is applicable on it.

The Board of Directors after considering financial performance and prevailing business environment, decided to reinvest the profits of the Company as growth capital into the business of the Company, therefore did not recommend any dividend for the financial year under review.

##### **Transfer to Reserves**

Your Directors proposed to transfer ₹ NIL (Previous Year ₹ NIL) to the General Reserves out of the profits available with the Company for appropriations. Accordingly, an amount of ₹ 1089.87Lakh (Previous Year ₹ 1,342.60) has been proposed to be retained in the Profit & Loss Account of the Company.

##### **Transfer to Investor Education and Protection Fund**

During the year under review, there was no unpaid or unclaimed dividend as well as any corresponding shares were liable to be transferred to the Investor Education and Protection Fund, in compliance with provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time.

Further as on March 31, 2024, an amount of ₹ 5.28 Lakh is lying as unpaid or unclaimed dividend which would be liable to be transferred in the year 2029. The details of the abovesaid unpaid or unclaimed dividend and any other unpaid or unclaimed dividend pertaining to any previous years which has been already transferred to IEPF can accessed from the website of the Company i.e. <https://investor.libertyshoes.com/>

##### **Employees Stock Option Scheme(s)**

During the year ended 31st March, 2024,



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**

Pursuant to the provisions of the Section 178 of the Act, the Board, on the recommendation of the Nomination and Remuneration Committee ("NRC"), framed and adopted a policy for identifying, recommending, 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 updated 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](http://www.libertyshoes.com).

#### **Policies on Prevention of Insider Trading**

1. Your Company has adopted a code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders in accordance with the provisions of Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code has been adopted 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](http://www.libertyshoes.com). The Code entails the procedures of pre-clearance for dealing in Company's shares and prohibits trading in the shares of the Company by the Promoters, Directors, Employees, designated persons and other connected persons while they are in possession of unpublished price sensitive information ("UPSI") and also during the period when the Trading Window remains closed.
2. Your Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information under Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code aims at preventing the misuse of UPSI within the Organisation and practice of selective disclosure to the public. The Board of Directors has ensured the compliance under the stated statutory Guidelines.

#### **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](http://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 types 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 [https://investor.libertyshoes.com/doc/statutory\\_policies/Risk%20Management%20Policy.pdf](https://investor.libertyshoes.com/doc/statutory_policies/Risk%20Management%20Policy.pdf).

#### **Whistle Blower Policy (Vigil Mechanism)**

As per the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulations 4(2)(d)(iv) and 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](mailto: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](http://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 there under 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:**

##### **Re-appointment of Directors to retire by rotation**

Sh. Shammi Bansal and Sh. Sunil Bansal, Directors of the Company who will be retiring by rotation at the 38th 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 38th Annual General Meeting.

##### **Appointment(s) and Cessation of office of Directors**

###### **Appointment(s):**

- (a) The members at the 37th Annual General Meeting held on 30th September, 2023 have approved the following appointments:
  - i. Sh. Piyush Dixit (DIN: 03514223) as an Independent Director of the Company for a term of 3 years effective from 11th August, 2023 to 10th August, 2026;
  - ii. Sh. Anand Das Mundhra (DIN: 00167418) as an Independent Director of the Company for a term of 3 years effective from 11th August, 2023 to 10th August, 2026;
- (b) On the basis of recommendation of Nomination and Remuneration Committee and based on the report of performance evaluation, the Board of Directors of the Company in their meeting held on 9th August 2024 have approved the re-appointments of Sh. Gautam Baid (DIN: 00021400) and Dr. Sujata (DIN: 09289128) for a second term of 3 consecutive years commencing from September 29, 2024 to September 28, 2027 subject to the approval of the members in their forthcoming Annual General Meeting. Accordingly, their candidature(s) along with resolution(s) are being placed in the ensuing Annual General Meeting for re-appointment as an Independent 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 directorship/chairmanships between directors inter se as stipulated under Companies Act, 2013, Listing Regulations and Secretarial Standards, is provided in the Annexure A to the Notice.

##### **Appointments/Re-appointments made after the closure of Financial Year**

After the closure of the Financial Year 2023-



2024, on the recommendation of Nomination and Remuneration Committee and also Board of Directors, have approved the below re-appointments vide Special Resolutions dated June 21, 2024 passed through Postal Ballot process:

1. re-appointment of Sh. Sunil Bansal (DIN: 00142121), as Executive Director of the Company, for a period of 3 years from 1st April, 2024 to 31st March, 2027
2. re-appointment of Sh. Shammi Bansal (DIN: 00138792), as Executive Director of the Company, for a period of 3 years from 1st April, 2024 to 31st March, 2027
3. re-appointment of Sh. Adish Gupta (DIN: 00137612), as Executive Director of the Company, for a period of 3 years from 1st April, 2024 to 31st March, 2027
4. re-appointment of Sh. Ashok Kumar (DIN: 06883514), as Executive Director of the Company, for a period of 3 years from 1st April, 2024 to 31st March, 2027

#### Cessation of office of Director:

During the financial year, 2023-24, due to pre-occupations, Sh. Arvind Bali Kumar and Sh. Sanjay Bhatia, Independent Directors have tendered resignation from the position of Directorship of the company with effect from 24th May, 2023. Besides above, there were no other reasons for tendering of their resignations. The Board of Directors of the Company in their meeting held on 30th May, 2023 have placed on record appreciation for the contribution made by the above Directors during their respective tenure(s).

The members at the 37th Annual General Meeting held on 30th September, 2023 have approved the removal of Sh. Adesh Kumar Gupta (DIN: 00143192) from the office of Director/Executive Director of the Company with effect from the date of 37th Annual General Meeting i.e. 30th September, 2023.

#### Cessation of Chief Executive Officer (CEO)

As reported earlier, Sh. Adesh Gupta has ceased to be a Chief Executive Officer of the Company w.e.f. 5th September, 2023 as per the decision of the Board of Directors of the Company taken in their Meeting held on 5th September, 2023.

#### Key Managerial Personnel

As on March 31, 2024, the following persons were the Key Managerial

Personnel (KMPs) of the Company as per the provisions of the Companies Act, 2013-

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

#### Committees of the Board

As on March 31, 2024, 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

During the year under review, the Board of Directors met 6 (Six) times. 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 30th March, 2024 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".

In line with the provisions of the Companies Act, 2013 and Listing Regulations, separate meeting of the Independent Directors of the Company was held on 30th March, 2024 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 (amended from time to time). The Policy of the Company also provides that Non-Executive 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](http://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 relate 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.

#### **Statutory Disclosures**

Your Directors state that there being no transactions with respect to following items during the year under review, no disclosure or reporting is required in respect of the same.

1. Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of your Company under any scheme, save and except ESOS referred to in this report.
4. No settlements have been done with banks or financial institutions.

#### **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. However, the Company has observed few stances of deviations from the existing Corporate Governance guidelines and immediately coming the same in to information of Board/Management Committee, the necessary remedial measures have been taken including actions against the concerned.

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. The information has been provided in the Management Discussion and Analysis Report in detailed manner.

#### **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 Regulations 16 and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further they have confirmed that there was no change in the status of their independence and they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair their ability to discharge their duties. The Board of Directors of the Company also confirms that the Independent Directors also meet the criteria of expertise, experience, integrity and proficiency in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended) and on the basis of declarations submitted by the Independent Directors with the Company the Board of Directors is having positive outlook towards the integrity and expertise of the Independent Directors.

The Independent Directors of the Company had undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs (IICA) in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and have registered themselves with the Independent Director's databank as required under the above provisions. Furthermore, they have also renewed their registration with IICA for applicable tenures. The Independent Directors (other than Independent Directors who have appeared and completed the online proficiency self-assessment test) are yet to appear for the online proficiency self-assessment test and hence, the opinion on the aforesaid would be provided in the next year's annual report.

#### **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.

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 2023-24.

#### **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, 2024 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**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the members at their 36th Annual General Meeting ("AGM") of the Company held on 30th September, 2022 had appointed M/s Pardeep Tayal & Co. Chartered Accountants, Panipat (Firm registration No. 002733N), for a term of 5 (five) consecutive years from the conclusion of 36th Annual General Meeting till the conclusion of 41st Annual General Meeting to be held in the year 2027.

#### **Auditors' Report:**

Your Company's Directors have examined the Statutory Auditors' Report issued by M/s Pardeep Tayal & Co. Chartered Accountants on the Annual Accounts of the Company for the financial year ended 31st March, 2024. 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**

In terms of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), your Board of Directors in their meeting held on 30th March, 2024 appointed M/s JVS & Associates, New Delhi a Practising Company Secretaries, for the financial year 2023-24 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, 2024 has been submitted by M/s JVS & 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, 2024 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.

### **Internal Auditors and their Report**

#### **Appointment of Internal Auditors**

On the recommendation of Audit Committee, your Board of Directors in their meeting held on 29th May, 2024 had

appointed M/s R.C. Kapoor & Co., Chartered Accountants, New Delhi as internal Auditors of the Company, in accordance with terms of the provisions of Sections 138, 179 of the Companies Act, 2013 read with 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 2024-25 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 Auditors have submitted their consent alongwith a confirmation that they are qualified to act as Internal Auditors of the Company.

#### **Internal Audit 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, 2024 has been submitted by M/s R.C. Kapoor & Co., Chartered Accountants, New Delhi, 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, 2024 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 litigation/orders**

During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by/against Liberty Shoes Limited under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, the detail of material litigation filed by/against the Company and orders passed therein, if any, have been disclosed in the Note no. 53 to 56 of the Notes to the Financial Statements for the year ended 31st March, 2024.



### Transactions with Related Parties

During the year 2023-24, 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 1B (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 2023-24 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 due prior approval of the concerned regulatory authorities and shareholders under the provisions of Companies Act and SEBI Guidelines. 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](http://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 2023-24, 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

In terms of Sections 92(3) and 134(3)(a) of the Act, annual return is available under the "investors" section of the Company's website i.e. [www.libertyshoes.com](http://www.libertyshoes.com).

### Corporate Social Responsibility (CSR)

For the past three decades, your company has been actively involved in social projects. It has carried out a variety of activities in the areas of education, primary healthcare, communities, ecology, and the environment, among others. It is committed to making a significant and long-lasting difference in building a society that is fair, just, compassionate, and sustainable. With the implementation of new provisions of Section 135 of the Companies Act, 2013, Liberty is committed to further strengthening its effort and activities by demonstrating care for the community through its focus on education and skill development, health and wellness, including treatment for the impoverished, needy, and uninsured, environment sustainability, including the promotion of green initiatives, improvement of the living conditions of inhabitants, and support for disaster relief efforts, among other things. Liberty has long engaged in CSR initiatives. The following are the several CSR projects that your company carried out in the year that is being evaluated:

#### 1. Promotion of Quality education in the Schools and Skill development.

Liberty demonstrates a strong commitment to social responsibility by means of a number of programs that help the general upbringing and schooling of impoverished youngsters living close to its plants and offices. The organization guarantees that kids from low-income families have access to good education, health care, and a healthy diet by means of kind donations and sponsorships. Beyond just producing top-notch students, Liberty's mission is to develop kind, responsible adults who can make a constructive contribution to society. The organization aspires to make the future of the impoverished brighter



and more equitable by providing these young brains with education, healthcare, and necessary resources.

Apart from emphasizing education and growth, Liberty is cognizant of the fiscal difficulties that households have. In an effort to lessen this load, the company donates free books, backpacks, uniforms, and other requirements to schools, guaranteeing that no child is denied an education because of financial difficulties. These extensive charitable endeavours demonstrate Liberty's constant commitment to having a meaningful and long-lasting influence on these kids' lives and helping them to overcome challenges and realize their full potential as capable and independent adults.

## **2. Promotion of Fitness & Sports amongst the youth from the community**

- Liberty made a contribution to the training of young athletes and archers for participation in national games and the Olympics through various initiatives and plans.
- Liberty contributed for providing vocational training to the special need athletes in collaboration with society-Darpan, an image of Innocence.
- Liberty contributed for the success of Indian Contingent at the 19th Asian Games organized by Indian Olympics Association in New Delhi and enhance Liberty Shoes Ltd.'s reputation as a socially responsible corporate entity.

## **3. Contribution for Sanitation and Healthcare**

The Company is committed to ensure the overall purposes of sanitation by providing a healthy living environment for everyone, by protecting & conserving the natural resources such as surface water, groundwater, soil nearby the plants to create its availability for deprived people of these resources. The Company has focus on conservation of natural resources for use by its own people and people living nearby by putting constant efforts towards improving the lives of those in need.

The Company has also been partnering with other associations/institutions for providing healthcare to needy people and pursuit thereof the company, in collaboration with the Chiranjiv Medical Foundation, continues to provide life-changing support for the "cochlear implant programme" for children who have been diagnosed with early hearing disabilities and who may qualify for surgery to implant a cochlear implant. By staying true to their mission, they help people who

are in extreme need and lessen the effects of emergencies while building a more resilient and caring community. The Company has contributed/provided an ambulance to the community for easy access to the nearby hospital at all time by the needy people.

## **4. Contribution for disaster management**

Liberty has always been sensitive towards the people and Country in case of any unwarranted situation like flood, earthquake, disaster of any kind and come forward to help the people in need by contributing groceries, shoes/footwear and essential items either by its own or in association with NGO/institutions engaged in this common cause. Liberty has contributed for this cause during the year as per details provided herein the report.

## **5. Contribution for reconstruction of heritage Buildings and development of Public Infrastructure**

Liberty has made substantial contribution for the expenses incurred for the restoration and reconstruction of national heritage buildings. Through these donations, the company has shown its respect and commitment for preserving & safeguarding the country's cultural legacy, ensuring the protection and upkeep of historically significant structures including of City of Kamal for the benefit of current and future generations.

## **6. Other CSR activities and initiatives**

Liberty has made contributions to numerous recognized Kalyankari Sabhas and Societies in need for the promotion of religious activities and development of various facilities.

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 (as amended) and Rule 9 of the Companies (Accounts) Rules, 2014 is provided in Annexure IV of this report. The CSR policy is available on the website of the Company at [www.libertyshoes.com](http://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. 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, 2024 the Committee did not receive any complaint pertaining to sexual harassment and there is no complaint pending as on the date of beginning of this Financial year and as on the date of the closure of this Financial year.

#### **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 Pradeep Tayal & Co., Chartered Accountants, on compliance with corporate governance norms under the Listing Regulations, is given at page no. 82 to page no. 83 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. 86 to page no. 90 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 V", which forms part of this report.

#### **Compliance with Secretarial Standards:**

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 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

**Shammi Bansal**

Chairman of the Meeting

DIN: 00138762

Place: New Delhi

Dated: Friday, 9th August, 2024



## 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; and
- ◆ 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.
- i) 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 Directors.
- 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 there of, 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 and SEBI LODR Regulations, as amended from time to time.

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

**Shammi Bansal**  
Chairman of the Meeting  
DIN: 00138792

Place: New Delhi  
Dated: Friday, 9th August, 2024



**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*	27.00
Sh. Shammi Bansal	27.00
Sh. Sunil Bansal	27.00
Sh. Adish Kumar Gupta	27.00
Sh. Ashok Kumar	18.00

\*Ceased to be a Director/Executive Director w.e.f. September 30, 2023

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

\*Ceased to be a Director/Executive Director w.e.f. September 30, 2023

- c) **The percentage increase in the median remuneration of employees in the financial year: 17%**
- d) **The number of permanent employees on the rolls of the Company: 2047**
- e) **Average percentile increases 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 8%, 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

**Shammi Bansal**  
Chairman of the Meeting  
DIN: 00138792

Place: New Delhi  
Dated: Friday, 9th August, 2024



**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 (PA.) (₹ 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. Sunil Bansal	Executive Director	48.00	Permanent	Graduate	37	28th November, 1980	64	NA	Brother of Sh. Shammi Bansal, Executive Director of the Company
2.	Sh. Shammi Bansal	Executive Director	48.00	Permanent	Graduate	37	28th September, 1980	63	NA	Brother of Sh. Sunil Bansal, Executive Director of the Company
3.	Sh. Adish Kumar Gupta	Executive Director	48.00	Permanent	Graduate	32	12th August, 2011	60	NA	NA
4.	Sh. Ram Prakash	IT Head	45.82	Permanent	Bachelor in Computer Application	20	15th June, 2009	49	Btfo Soft, Noida, Principal-Retail Consultant	NA
5.	Dr. Nirmala Anand	National Head- Institutional Sales	45.66	Permanent	Ph. D. in Hindi Literature	28	25th November, 2002	58	Director-Marketing, Ecol Engineering Industries Private Limited, New Delhi	NA
6.	Sh. Manish Kato	CFO & Company Secretary	45.07	Permanent	M.Com, CS, LLB	39	28th September, 2001	60	NA	NA
7.	Sh. Ramesh Kumar Sathya*	CEO - Retail	40.48	Permanent	Graduate, CA Inter	44	1st April, 2004	69	Super House- Sr Vice President	NA
8.	Sh. Pawan Bansal	Chief Operating Officer	30.00	Permanent	Graduate	35	1st April, 2005	62	Head Sales & Distribution of Liberty Shoes Limited	Brother of Sh. Sunil Bansal and Sh. Shammi Bansal, Executive Directors of the Company
9.	Sh. Vivek Bansal	Head Production PVC & non Leather Division	30.00	Permanent	Graduate	32	1st April, 2005	59	Partner, Liberty Group Marketing Division and Liberty Enterprises Keral	Brother of Sh. Sunil Bansal and Sh. Shammi Bansal, Executive Directors of the Company
10.	Sh. Anupam Bansal	Head Retail	30.00	Permanent	Graduate & Diploma in Shoes Designing from Italy	27	1st April, 2013	52	M. D., Liberty Retail Resolutions Ltd, New Delhi	Brother of Sh. Sunil Bansal and Sh. Shammi Bansal, Executive Directors of the Company

\*Retired w.e.f. 31.12.2023

For and on behalf of the Board of Directors

Place: New Delhi  
Dated: Friday, 9th August, 2024

**Shammi Bansal**  
Chairman of the Meeting  
DIN: 00138792



**ANNEXURE- IV TO DIRECTORS' REPORT  
ANNUAL REPORT ON  
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:**

**LIBERTY**

**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 & underprivileged 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.

The CSR Policy of the Company was revised at the Board Meeting held on 11th August, 2021, based on the recommendations of the CSR Committee. The said CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (the Act) and in accordance with the CSR Rules (the Rules) notified by the Ministry of Corporate Affairs, Government of India. Further the said Policy has been revised to conform with the amendments in the Act and the Rules.

**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. As on date the detail of composition of CSR Committee is as under:-

Sr. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Shammi Bansal	Chairman	1	1
2	Sh. Adish Kumar Gupta	Member	1	1
3	Dr. Sujata	Member	1	1

**3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company**

The Web-link for CSR committee composition, CSR Policy and CSR Projects are as under:

CSR Committee Composition	<a href="http://www.libertyshoes.com">www.libertyshoes.com</a>
CSR Policy	<a href="http://www.libertyshoes.com">www.libertyshoes.com</a>
CSR Project (FY 2023-24)	Not Applicable



4. Details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)-Not applicable

5. (a) Average net profit of the company as per sub-section 135 (5) of the Companies Act, 2013: ₹ 1053.19/- Lakh

(Amount in ₹ Lakh)

(b)	Two percent of average net profit of the company as per sub-section (5) of Section 135:	21.08
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	NIL
(d)	Amount required to be set off for the financial year, if any:	8.28
(e)	Total CSR obligation for the financial year [(b) + (c)-(d)]:	12.78

6. (a) Details of amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) for the financial year:

Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent in for the project (in ₹ Lakh)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation-Through Implementing Agency	
				State	City/District			Name	CSR Registration No.
1	Promoting Sports-(a) Distribution of Hockey Sticks, uniforms & sports footwear	Promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;	Yes	Himachal Pradesh, & Haryana,	Pauris Sahib & Karnal	2.88	Yes	NA	NA
	(b) Contribution for promotion of Archery sport in Rural Areas		Yes	Uttarakhand	Dehradun	3.00	Yes	NA	NA
	(c) Contribution for Asian Olympics Games.		No	New Delhi	New Delhi	11.34	No	Indian Olympic Association	CSR00045446
2	Contribution towards promoting healthcare-(a) support for the 'cochlear implant programme'	Promoting Health care	No	Delhi	Delhi	2.50	No	Chiranjiv Medical Foundation	CSR00000233
	(b) Donate Ambulance for Poor Society		Yes	Haryana	Karnal	1.00	Yes	NA	NA
3	Promotion of Quality education in the schools-(a) Providing Free of cost Bags, Footwear, Stationary kits and musical instrument to Unprivileged children;	Promoting Education, including Special Education and Employment enhancing vocation skills especially among Children, women, elderly, and the differently abled and livelihood enhancement projects/Women empowerment	Yes	Delhi/ Haryana	Delhi/ Gurgaon	8.78	Yes	NA	NA



	(b) Contribution for providing vocational training to the special needy athletes		No	Punjab	Ludhiana	1.00	No	Darpan Image of Innocence	CSR00026400
4	Disaster Management	Disaster Management	Yes	Haryana	Karnal	0.75	Yes	NA	NA
5	Donation-restoration & reconstruction of building of National Heritage	Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art	Yes	Haryana	Karnal	1.00	Yes	NA	NA
<b>Total</b>						<b>₹ 32.25</b>			

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year (a + b + c): ₹ 32.25 Lakh

(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the Financial Year (Amount in ₹ Lakh)	Amount Unspent (in ₹ Lakh)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6) of the Companies Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5) of the Companies Act, 2013		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 32.25 Lakh	Not Applicable				

(b) Excess amount for set off, if any:

Sr. No	Particulars	Amount in ₹ Lakh
1.	Two Percent of average net profit of the Company as per Section 135 (5) of the Companies Act, 2013	21.06
2.	Amount required to be set -off for FY, if any	8.28
3.	Total Amount spent for the Financial Year	32.25
4.	Excess amount spent for the Financial Year [(3)-(1)]	11.19
5.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
6.	Amount available for set off in succeeding financial years [(3+2)-1]	19.47



**7 (a) Details of Unspent CSR Amount for the preceding three financial years**

Sr. No	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135 (6) of the Companies Act, 2013 (Amount in ₹ Lakh)	Amount spent in the reporting Financial Year (Amount in ₹ Lakh)	Amount Transferred to any fund specified under Schedule VII as per Section 135 (6) of the Companies Act, 2013, if any			Amount remaining to be spent in succeeding financial years. (Amount in ₹ Lakh)
				Name of the Fund	Amount (in ₹ Lakh)	Date of transfer	
1	FY-1			N.A.			
2	FY-2			N.A.			
3	FY-3			N.A.			

**8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** YES NO

If Yes, enter the number of Capital assets created/ acquired: NIL

In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5)-Not Applicable**

For and on behalf of the Board of Directors

Place: New Delhi  
Dated: Friday, 9th August, 2024**Adish Gupta**  
Executive Director  
DIN: 00137612**Shammi Bansal**  
Executive Director & Chairman  
-CSR Committee  
DIN: 00138792

**ANNEXURE V TO DIRECTORS' REPORT**  
**CONSERVATION OF ENERGY**  
**ANNEXURE-V TO DIRECTORS' REPORT**

**LIBERTY**

**Annexure 'A'**

Disclosure of particulars under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of Directors Report for the financial year ended 31 st March, 2024, are given as under:

**A) CONSERVATION OF ENERGY:**

The Company is making all efforts to conserve energy by monitoring energy costs and periodically reviewing the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance/installation/ upgradation of energy saving devices.

**I. The Steps taken or impact on conservation of energy**

Conservation of energy, by default, has been the prime focus area of Liberty. Few of the energy conservation initiatives taken during the financial year ended 31st March, 2024 are given below:

- i. The Company has upgraded its lighting system across the plants and its retail stores by replacing older LED lights with economical range as more energy-efficient models, reducing the voltage from 20 to 12 watt with same lux level. This upgrade not only reduces energy consumption but also lowers operational costs, reflecting the company's commitment to sustainability.
- ii. The company has installed REC D Kits on all generators to comply with government norms and guidelines for emission control. This proactive measure significantly reduces harmful emissions, contributing to a cleaner and healthier environment around the factory premises.
- iii. Air shower units have been installed to enhance air quality, and obsolete air conditioners have been replaced with energy-efficient 4 & 5-star rated models. These upgrades improve the working environment while significantly reducing energy consumption and operational costs.
- iv. Water conservation initiative having Water Recharge Plant at the manufacturing units designed to harness and utilize rainwater by recharging the groundwater label. This initiative not

only conserves water but also reduces reliance on external water sources, ensuring sustainable water management within the factory.

- v. The Company has installed advanced Sewage Treatment Plants (STPs) that recycle treated water for irrigation within the premises instead of discharging it outside.
- vi. Recycled paper is used for shoe stuffing in packaging, reducing waste and showcasing the company's dedication to sustainable practices.

**II. The Steps taken by the Company for utilizing alternate sources of energy**

Focus on solar energy to reduce dependency on state electricity without compromising with the load & efficiency required for the plants.

The Company has already installed 700kWp (Roof-top) & 400 kWp (Ground-mount) Solar Photovoltaic Power Plants at its Plant/Office located at Libertypuram and Central House, Karnal. Additionally, the company is in the process of finalizing and obtaining approval for similar solar installations at its other plants. These initiatives are intended to achieve substantial energy savings and further reduce overall energy costs.

**III. The Capital Investment on energy conservation equipment's**

The Company for the year under consideration has not made any major capital investment except routine maintenance of existing solar plants.

**B) TECHNOLOGY ABSORPTION:**

**I. The efforts made towards technology absorption**

- i. Liberty's team has always focused on technology advancement for end-to-end solution of operations relating to production, sales & distribution and accounting and has upgraded its proven ERP by implementing the SAP S/4 HANA system, (cloud based) for streamlining its operations and also enhancing efficiency across the organization.
- ii. Company has installed 3D and UV digital printing machines, enabling color fusion without paper fill to advance in the high-fashion footwear segment. This technology allows for innovative designs with reduced



waste, aligning with the company's sustainability goals and enhancing its product offerings.

**II. The benefits derived like product improvement, cost reduction, product development or import substitution**

1. Installation of new software/system at across plants duly integrating with SAP/ERP system will provide real time access to all departments for their planning and execution.
2. Support to the Company's continued efforts to reduce its dependence on import contents through emphasis on domestic developments.

**III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL**

- (a) The details of technology imported-NONE
- (b) The year of import-N.A
- (c) Whether the technology been fully absorbed-N.A
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof-N.A

**IV. The expenditure incurred on Research and Development**

The Company has not incurred any major capital expenditure towards its research and development activities, however, has spent ₹ 46 Lakh as recurring expenditures towards its development activities.

This expenditure constitutes 0.07% of the turnover of the Company for the year under consideration.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year, the Company has earned foreign exchange of ₹ 3,619.25 Lakh (previous year ₹ 3802.30 Lakh) and used foreign exchange of ₹ 1,835.27 Lakh (previous year ₹ 3090.02 Lakh).

For and on behalf of the  
Board of Directors

**Shammi Bansal**

Chairman of the Meeting

DIN: 00138792

Place: New Delhi

Dated: Friday, 9th August, 2024



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024**

**LIBERTY**

[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 adherence to good corporate practices by Liberty Shoes Limited (hereinafter called "the Company") for the financial year ended on March 31, 2024. 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.
- g) 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, 2024 ("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:
  - h) 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, 2024 according to the provisions of:
    - (i) The Companies Act, 2013 (the "Act") and the rules made there under;
    - (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
    - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
    - (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 and Sweat Equity) Regulations, 2021;
- (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021;
- (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, 2021;
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; 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.

- (vi) The Company is engaged in the business of manufacturing and trading of footwear, accessories and lifestyle products through its retail, E-commerce and wholesale network and is having its plants at Kamal, Libertypuram & Gharaunda in Haryana, Roorkee in Uttarakhand and Paonta Sahib in Himachal Pradesh. As informed by the Management, there is no sector specific law applicable to the Company.

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.

**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. The changes that took place during the year under review in the composition of the Board of Directors were carried out in compliance with the provisions of the Companies Act, 2013.

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 the dissenting views were captured and recorded as part of the minutes, where ever given by Board members.

**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** during the audit period there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards have taken place.

**Note:** This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

For JVS & Associates  
Company Secretaries

**Jyoti Sharma**  
(Proprietor)

Practicing Company Secretary  
FCS No. 6843; CP No.10196

Firm Registration No.: I2011DE848300

UDIN : F088843F000477839

PR No : 851

Place: New Delhi  
Dated: 29.05.2024



To,

**The Members**

**Liberty Shoes Limited**

**(CIN: L19201HR1986PLC033185)**

**Liberty Puram, 13 Milestone,**

**GT Karnal Road, Kutail,**

**P.O. Bastara, Karnal, Haryana**

Our report of even date is to be read along with this letter.

- (1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on my audit.
- (2) 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 my opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of

Accounts of the company.

- (4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- (6) 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 as conducted the affairs of the company.

For JVS & Associates  
Company Secretaries

**Jyoti Sharma**  
(Proprietor)

Practicing Company Secretary

FCS No. 8843; CP No.10196

Firm Registration No.: I2011DE848300

UDIN :F008843F000477839

PR No : 851

Place: New Delhi  
Dated: 29.05.2024



**1. Company's philosophy on Code of Governance**

Liberty's approach to corporate governance revolves around upholding ethical principles and effective management of the organization. The company places significant importance on timely and accurate disclosure of financial information, operational efficiency, and ownership and management aspects.

The Company has always adhered to the fundamentals of sound corporate governance. While respecting the fundamental principles of Quality, Trust, Leadership, and Excellence, the Company continues to concentrate its efforts on achieving the objective of being a leader in its product category. Liberty keeps up with the finest corporate governance standards and regularly evaluates them to strengthen them and boost shareholder confidence.

However, the Company has observed few instances of deviation from the existing Corporate Governance guidelines and immediately coming the same in to information of Board/Management Committee, the necessary remedial measure has been taken including action against the concerned.

However, the Company has observed few stances of deviations from the existing Corporate Governance guidelines and immediately coming the same in to information of Board /Management Committee, the necessary remedial measures have been taken including actions against the concerned.

By empowering its management team with accountability, Liberty aims to capitalize on opportunities and convert them into successes that benefit the company and its stakeholders. The Board has established strong management practices designed to create a responsible environment. This includes thorough strategic planning, effective risk management, meticulous financial planning and budgeting, solid internal controls and reporting, transparent communication policies, and full disclosure of the Company's operations. Additionally, the Company is committed to abiding by all applicable laws and regulations, both in letter and spirit, recognizing the importance of legal and regulatory compliance. This commitment extends to maintaining the highest standards of corporate governance, aiming to be a benchmark for good corporate citizenship. By

upholding these principles, the Company seeks to establish trust and credibility with its stakeholders, reinforcing its dedication to ethical conduct and sustainable business practices.

**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 authorized 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.

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarizes the key qualifications, skills, expertise and competencies possessed by Directors of the Company.

As on date of this report, the Board of Directors of the Company comprises of 10 (Ten) Directors including (1) one-woman Independent Director, out of which 5 (Five) are Executive Directors and 5 (Five) are Non-Executive Independent Directors. Out of the said 5 Executive Directors, 4 are representing Promoter group of the Company.

**Structure of Board (as on date of this Report):**

Category	Number of Directors
Executive Directors	5
Non-Executive Independent Directors	4
Non-Executive Independent Woman Director	1
<b>Total</b>	<b>10</b>



**Number of Board Meetings**

Board convenes quarterly meetings, with a maximum time gap of 120 days between each meeting, to conduct comprehensive reviews and discussions on various agenda items, including the mandatory information specified in Part A of Schedule II of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In addition to regularly scheduled meetings, the Board holds additional meetings whenever the need arises and is deemed appropriate.

Furthermore, in situations of urgency or emergency, the Board also passes resolutions via circulation.

Under the Chairmanship of Sh. Shammi Bansal, Executive Director, the Board meetings held on May 30, 2023, August 11, 2023, September 05, 2023, November 06, 2023, February 14, 2024 and March 30, 2024.

Executive Directors carry out their responsibilities in accordance with the authority granted to them

and the primary responsibilities assigned to them in the relevant Service Contracts, and they do so in a way that has been approved by the Company's Members in accordance with the Corporate Governance procedures that the Company uses to carry out the business that has been granted authorization. As a result, the Board of the Company creates yearly operational plans, budgets, and policies in line with the Company's goal for its productivity and profitability.

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

In pursuance of Para C (2), Schedule V to the Listing Regulations, the Board has identified the core skills/expertise/competencies that are desirable for the Company to function effectively in the context of its business of the Company and its Sector. These core skills/expertise/competencies are actually available with the Board in the following manner:



Area	Core skills/expertise/competencies in specific functional area	Name of the Directors (as on date of this Report)
Diversified Leadership, Business strategies and Planning	Diversified experience in leading well governed large organizations with an understanding of complex business and regulatory environment, accountability, strategic Planning with future vision, having decision making capabilities, ability for innovation, ability to analyse future business opportunities and decide business combinations, ability to conceive and conceptualize new business ideas, set up new ventures and business units, cross boarder dealings and ability to set up International business and Export related management, strategies business operations and development of new business processes.	Sh. Shammi Bansal Sh. Adish Gupta Sh. Anupam Bansal Sh. Aditya Khemka Sh. Piyush Dixit Sh. Anand Das Mundhra Sh. Gautam Baid
Finance, Legal and Regulatory Compliance	Leadership experience in handling financial management, risk management, development governance practices, Creating value through Intellectual Property Rights, maintaining management accountability, ability to understand commercial, & financial matters, ability to handle legal issues and regulatory compliances	Sh. Sunil Bansal Sh. Shammi Bansal Sh. Anupam Bansal Sh. Ashok Kumar Sh. Piyush Dixit Sh. Aditya Khemka Sh. Anand Das Mundhra
Production development, and Manufacturing	Experience of production development, ability to select appropriate product and Raw material mix, manufacturing of higher qualitative products, ability to introduce new and innovative production processes and modern technologies	Sh. Shammi Bansal Sh. Sunil Bansal
Sales, Marketing & Branding	Experience of accomplishing Sales, understanding of market and consumers, Marketing strategies, Understanding of Domestic and International fashion trends, branding strategies, merchandising strategies and business promotion programmes	Sh. Shammi Bansal Sh. Adish Gupta Sh. Anupam Bansal Sh. Aditya Khemka Sh. Gautam Baid Sh. Piyush Dixit Sh. Anand Das Mundhra
Business Administration, Crisis management and Human Resource Management	Experience in development of good administration practices for complex businesses and environment, ability of problem solving and management of crisis, Integrity and ethical standards, Mentoring abilities, identifying best Human Resource practices Public Relations and Liasoning and implementation, ability to handle administration and Human Resource related issues and ensuring related regulatory compliances	Sh. Shammi Bansal Sh. Adish Gupta Sh. Anupam Bansal Sh. Ashok Kumar Dr. Sujata Sh. Piyush Dixit Sh. Aditya Khemka Sh. Anand Das Mundhra Sh. Gautam Baid



### Details of Directors Attendance, Shareholding and other Directorships/Committee memberships

In accordance with Regulation 26 of the Listing Regulations, it is confirmed that no Director serves on more than ten board-level committees or acts as Chairman for more than five committees (specifically considering the Audit Committee and Stakeholders' Relationship Committee) across all public limited companies (listed or unlisted) in which they hold a directorship. As per Regulation 17A of the Listing Regulations, no Director of the Company holds directorship in over seven listed companies, and if serving as a Whole-Time Director/Managing Director in any listed company, doesn't hold the position of Independent Director in more than three listed companies. All Directors have provided updates on their directorships, committee memberships/chairmanships, and any changes therein.

**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, 2024 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, 2024	No. of Committee		List of Directorship held in other Listed Company & Category
						Membership	Chairmanship	
1.	Sh. Shammi Bansal	60138782/ Promoter & ED	6(6)	Yes	2	1	1	-
2	Sh. Sunil Bansal	00142121/ Promoter & ED	6(6)	Yes	1	-	-	-
3	Sh. Adish Gupta	00137612/ Promoter & ED	6(6)	No	2	-	-	-
4	Sh. Ashok Kumar	06883514/ ED	6(6)	Yes	-	-	-	-
5	Sh. Adesh Kumar Gupta*	00143192/ Promoter & ED	6(3)	No	3	-	-	-
6	Sh. Aditya Khemka	00514552/ NED (I)	6(5)	Yes	5	-	-	-
7	Sh. Piyush Dixit**	03514223/ NED (I)	6(4)	No	1	-	-	-
8	Sh. Anand Das Mundhra**	00167418/ NED (I)	6(4)	No	6	-	-	-
9	Dr. Sujata	09289126/ NED (I)	6(4)	No	-	-	-	-
10	Sh. Gautam Roid	00621400/ NED (I)	6(4)	No	7	-	-	-

\* Note: 'ED' refers to Executive Director, and 'NED (I)' denotes Non-Executive Independent.

\* Ceased to be Director/Executive Director w.e.f. September 30, 2023

\*\* Appointed as Independent Directors w.e.f. August 11, 2023



## (b) Board's Process

In accordance with the legal requirements and to review as well as to 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) Board level 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 2023-24, 6 (Six) Board Meetings were held viz. on May 30, 2023, August 11, 2023, September 05, 2023, November 06, 2023, February 14, 2024 and March 30, 2024. 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. The maximum interval between any two Board Meeting(s) was not more than 120 days prescribed under Section 173 of the Companies Act, 2013 and Regulation 17(2) of SEBI LODR Regulations, 2015. 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/Chairmans



hips including any changes in their positions. Necessary disclosures regarding committee positions in other public Companies as on March 31, 2024 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, Liberty 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 requirements as specified under Section 149(6) of the Companies Act, 2013 ('Act') read with Schedule IV of the Act and in the Regulation 25 and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to qualify to act as Independent Directors of the Company and are independent of the Management. Further, the Independent Directors 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.

#### **Tenure of Independent Directors**

Pursuant to Section 149(10) & (11) of the Act, the terms of

service for Independent Directors are outlined as follows:

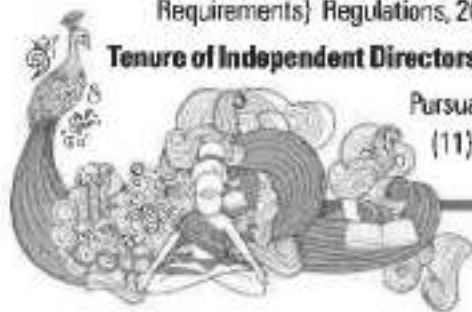
- Sh. Aditya Khemka (DIN 00514552) was appointed to the Board for first term of five years, commencing from 27th September 2019 and his tenure will come to end on 26th September, 2024. He has expressed his unwillingness to continue as Board Member.
- Sh. Gautam Baid (DIN 00021400) was appointed to the Board for first term with effect from 1st April 2022, and his term will come to end on 28th September, 2024. However, his re-appointment for second term of 3 years w.e.f. 29th September, 2024 to 28th September, 2027 is being proposed in the forthcoming Annual General Meeting.
- Dr. Sujata (DIN 09289128) was appointed to the Board for first term for a duration of three years, starting from 29th September 2021 and her existing tenure will come to end on 28th September, 2024. However, her re-appointment for second term of 3 years w.e.f. 29th September, 2024 to 28th September, 2027 is being proposed in the forthcoming Annual General Meeting.
- Sh. Piyush Dixit (DIN. 03514223) was appointed to the Board for a first term of three years commencing from 11th August 2023 and his exiting tenure will conclude on 10th August, 2026.
- Sh. Anand Das Mundhra (DIN. 00167418 ) was appointed to the Board for a first term of three years commencing from 11th August 2023 and his existing tenure will conclude on 10th August, 2026.

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.

#### **Meeting of Independent Directors**

During the year under consideration a separate meeting of the Independent directors was held on 14th February, 2024. In accordance with the Listing Regulations, read with Section 149 (8) and Schedule-



IV of the Act, following agenda 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.

#### **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](http://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](http://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 2023-24, Rs. 7,75,000/- was paid as sitting fees to Non-executive Independent Directors for attending the Meeting of the Board and Audit Committee Meeting. Further, no sitting a fee 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](http://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 an Executive Director 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, 2024.

**Shammi Bansal**  
Chairman of the Meeting  
DIN: 00138792



**(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. Shammi Bansal 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. Shammi Bansal (Executive Director)**

Sh. Shammi Bansal aged about 63 years has been associated with the Company as a Director since 1990 and promoted as Executive Director in 1995. Since then he has been associated with the Company as Executive Director. During his association with the Company, he has been accredited with various initiatives in the field of leather and footwear technology including use of E.P. Polymers including E.V.A. compound in Indian Footwear Industry. He is having experience of more than three decades in footwear industry. He has currently been looking after the entire portfolio of production designing and development at Company's Plants. He belongs to Promoter Group of the Company and holds 259640 Equity Shares in the Company.

**Sh. Sunil Bansal (Executive Director)** Sh. Sunil Bansal, aged 64 years, has been acting as Director of the Company since 1990 and as Executive Director since 2009. He has been looking after the product development operations and ensuring the manufacturing of higher qualitative products. 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 Promoter Group of the Company and 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 of AGM.

**(b) Brief particulars of Sh. Gautam Baid, whose candidature is proposed for re-appointment as Independent Director in the ensuing Annual General Meeting:**

Sh. Gautam Baid, an Independent Directors of the Company, was appointed as such, by the Shareholders of the Company in the 35th Annual General Meeting, on the recommendation of the Board of Directors ("Board") and Nomination and Remuneration Committee ("NRC"), for a term commencing from 1st April 2022 to 28th September 2024. Accordingly, his term as Independent Director of the Company will come to end on 28th September 2024.

He is co-founder of Coast to Coast Designs Pvt Ltd one of the India's foremost companies in the Interior Infrastructure Industry. As a co-founder of one of India's foremost companies in the Interior Infrastructure Industry, he brought significant industry experience and strategic insight. He is an avid angel investor and his investment acumen supported innovation and growth across various sectors, fostering new opportunities and advancements. He is an innovator who believes in giving life to his ideas. His dedication to bringing global excellence to the Indian market, inspired by Indian culture and his extensive travels, aligned with the Company's goals of continuous innovation and market expansion. He neither belong to Promoter Group of the Company nor holds Equity Shares in the Company.

While discussing the candidature of Sh. Baid, the members of Nomination and Remuneration Committee evaluated his performance during his existing tenure and of requirement of the Company in terms of skill, knowledge, experience, capabilities, role and expertise required for this position and on the basis of such evaluation, the Committee members recorded their satisfaction that Sh. Baid is having such required skills, knowledge, experience, capabilities and expertise. Accordingly, his continued association with the Company as Independent Director would be of immense benefits to the Company.

**(c) Brief particulars of Dr. Sujata, whose candidature is proposed for re-appointment as Independent Directors in the ensuing Annual General Meeting**

Dr. Sujata, an Independent Directors of the Company, was appointed as such, by the Shareholders of the Company in the 35th Annual General Meeting, on the recommendation of the Board of Directors ("Board") and Nomination and Remuneration Committee ("NRC"), for a term of 3 years commencing with effect from 29th September, 2021 upto 28th September, 2024. Accordingly, her term as Independent Director



of the Company will come to end on 28th September 2024.

She is a distinguished counselor based in Karnal, Haryana and her deep understanding of human behavior and psychology has enhanced the Company's approach to employee well-being and stakeholder engagement. She has written Books and articles on various subjects in relation to Psychology, National and Spiritual aspects. Her research outcomes were published in National Journals and presented at various conferences in India and overseas Countries. Her research and thought leadership contribute to the Company's innovation. Throughout her career, she has been performing various social and welfare related activities and won various awards from Govt. of Haryana like Brand Ambassador for "Beti Bachao Beti Padhao", "Sarav Dharam Samman", "Rani Jhansi", "Empowered Woman" and "Best Social Worker." All such awards reflect her alignment with our values of ethical conduct and social responsibility. She neither belongs to Promoter Group of the Company nor holds Equity Shares in the Company.

While discussing the candidature of Dr. Sujata, the members of Nomination and Remuneration Committee evaluated her in terms of skill, knowledge, experience, capabilities, contribution in the Company, role and expertise required for this position and on the basis of such evaluation, the Committee members recorded their satisfaction that Dr. Sujata is having such required skills, knowledge, experience, capabilities and expertise. Accordingly, her continued association with the Company as Independent Director would be of immense benefits to the Company.

### 3. Committee(s) of the Board

In order to comply with the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of Your Company has constituted the following Statutory Committees:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders' Relationship Committee;
- d. Management Committee; and
- e. Corporate Social Responsibility Committee

The frequency of meetings for these Committees is determined by the Chairman of the Board in consultation with the Company Secretary and the

respective Committee Chairpersons subject to the adhering prescribed provisions of Statutory Acts. The Committees, comprising both Executive and Non-Executive Directors, including invitees such as independent professionals, entrepreneurs and senior Officials of the company with diverse industry knowledge and overall expertise, provide their recommendations to the Board for approval.

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 2023-24 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. Arvind Bali Kumar, Independent Director, was the Chairman of the Committee till May 11, 2023. Thereafter the Committee was reconstituted and Sh. Aditya Khemka, Independent Director, was appointed as Chairman of the

Committee w.e.f. May 24 2023. Sh. Aditya Khemka acted as Chairman of the Audit Committee Meetings held on May 29, 2023, August 11 2023, November 06 2023, February 14 2024 and March 30 2024 during the year under consideration. The time interval separating two successive meetings was less than one hundred and twenty days.

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.

#### **The 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. Aditya Khemka*	Chairman	NID (I)	5(5)
2.	Sh. Fiyush Dixit**	Member	NID (I)	5(3)
3.	Sh. Gautam Baid	Member	NID (I)	5(3)
4.	Sh. Sunil Bansal	Member	ED	5(5)
5.	Sh. Munish Kakra	Company Secretary	Secretary	5(5)

\*Appointed as Chairman w.e.f. 24th May 2023

\*\*Appointed as Member w.e.f. 5th September, 2023

#### **Meetings held during the year**

During the financial year 2023-24, 5 (Five) Audit Committee meetings were held on May 29, 2023, August 11 2023, November 06 2023, February 14 2024 and March 30 2024. 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, 2024 were reviewed by the Audit Committee in its Meeting held on 29th May, 2024. 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. During the year under consideration, Sh. Arvind Bali Kumar, Independent Director, was the Chairman of the Nomination and Remuneration Committee of the Board till May 24 2023. Thereafter the Committee was reconstituted and Sh. Aditya Khemka, Independent Director, was appointed as Chairman of the Committee w.e.f. May 24 2023. 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 composition of Nomination & Remuneration 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. Aditya Khemka*	Chairman	Independent	2(1)
2.	Dr. Sujata	Member	Independent	2(2)
3.	Sh. Gautam Baid	Member	Independent	2(2)
4.	Sh. Munish Kakra	Company Secretary	Secretary	2(2)

\*Appointed as a Chairman w.e.f 24th May 2023

**Meetings held during the year**

During the financial year 2023-24, the meetings of the members of the Nomination and Remuneration Committee were held on August 11, 2023 and March 30, 2024

**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. 27

**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 is reviewed by Nomination and Remuneration Committee of the Board as and when the need arises and the required changes are made therein. The Nomination and Remuneration

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](http://www.libertyshoes.com) and set out in Annexure I of the Directors 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:-**

Except as stated above, 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 Four Executive Directors each and ₹ 3,50,000/- per month to Sh. Ashak 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 ₹ 3,50,000/- respectively.

Perquisites are evaluated as per Income Tax Rules, 1962 wherever applicable, and in the absence of any such rules, perquisites are evaluated at actual cost; And Use of chauffer driven car for official purpose and telephone/mobile at residence 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 is in accordance with the rules of the Company.

Accordingly, during the financial year 2023-24, 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*	Ex-Executive Director	12,00,000	NIL	NIL	NIL
2.	Sh. Shammi Bansal	Executive Director	48,00,000	NIL	NIL	NIL
3.	Sh. Sunil Bansal	Executive Director	48,00,000	NIL	NIL	NIL
4.	Sh. Adish Kumar Gupta	Executive Director	48,00,000	NIL	NIL	NIL
5.	Sh. Ashok Kumar	Executive Director	33,00,000	NIL	NIL	NIL

\*Ceased to hold office of Director and Executive Director w.e.f. 30th September 2023

#### 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.
- 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 times on 30th May 2023, 11th August 2023, 6th November 2023 and 14th February, 2024.

**The composition of Stakeholder & Relationship 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. Aditya Khemka	Chairman	NID (I)	4(4)
2	Sh. Sunil Bansal	Member	ED	4(4)
3	Sh. Adish Kumar Gupta	Member	ED	4(4)
4	Sh. Munish Kakra	Company Secretary	Secretary	4(4)

**Name and designation of Compliance Officer**

In accordance with the SEBI (LODR) Regulations, 2015, Sh. Munish Kakra, CFO & Company Secretary is the Compliance Officer of the Company and he acts as Secretary of the Committee. His contact details are as follows:

Liberty Shoes Ltd.

19th Floor, Magnum Global Park, Tower-2, Golf Course Extension Road, Sector-58, Gurugram-122011, 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, 2024 stood as under:

Nature of References/Requests Grievances/Complaints	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 Requests/Pending
IEPF Claim/Unclaimed Dividend Issue of duplicate/Loss of Certificate	1	1	NIL	NIL
Procedure for Issue of Duplicate Share Certificate	1	1	NIL	NIL
Received from regulatory bodies such as Ministry of Corporate Affairs, SEBI (SCOREs) and Stock Exchanges etc.	NIL	NIL	NIL	NIL
<b>Total</b>	<b>2</b>	<b>2</b>	<b>NIL</b>	<b>NIL</b>

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, 2024.

**(d) Management Committee**

The Company is having Management Committee for

facilitation of various urgent and day to day discussion relating to operational matters. It also assist to the Board of Directors for various strategic discussion and implementation thereof.

Major risks that have been recognized by the companies and functions are systematically addressed by taking mitigation measures on a regular basis. In sessions of the Management Committee, several topics are covered.

During the year, the Members of the Management Committee met 6 times on May 29 2023, June 16 2023, August 04, 2023, November 01, 2023, February 07, 2024 and March 28, 2024.

The composition of the Management 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. Adesh Gupta*	Member	ED	6(-)
2	Sh. Adish Gupta	Member	ED	6(6)
3	Sh. Shammi Bansal	Member	ED	6(6)
4	Sh. Raman Bansal	Member	COO	6(6)
5	Sh. Anupam Bansal	Member	Head-Retail	6(6)
6	Sh. Murish Kakra	Company Secretary	Secretary	6(6)

\* Ceased to be Member w.e.f. 5th September 2023.



**(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 has been reconstituted from time to time as per the requirement.

The Board has defined the terms of reference of the 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 composition of the Corporate Social Responsibility 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. Shammi Bansal	Chairman	ED	1(1)
2	Sh. Adish Kumar Gupta	Member	ED	1(1)
3	Dr. Sujata	Member	NED (J)	1(1)
4	Sh. Murish Kakra	Company Secretary	Secretary	1(1)

During the year 2023-24, one meeting of the Corporate Social Responsibility Committee were held on 5th September 2023.

**CSR Policy**

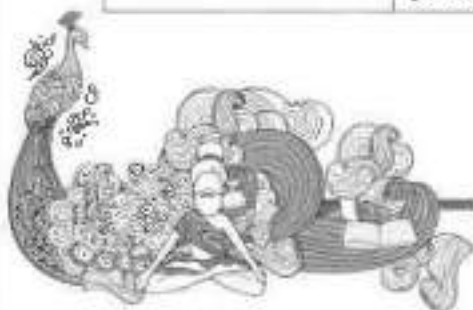
The Board of Directors on the recommendation of the CSR

Committee has approved the CSR policy of the Company during the financial year 2014-15 and the same was amended by Board of Directors from time to time as per the requirement. The CSR policy is available on the website of the Company viz. [www.libertyshoes.com](http://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.	<a href="http://investor.libertyshoes.com/doc/Code_of_Conduct.pdf">http://investor.libertyshoes.com/doc/Code_of_Conduct.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/Code_of_Conduct.pdf">http://investor.libertyshoes.com/doc/Code_of_Conduct.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/Whistle_Blower_Policy.pdf">http://investor.libertyshoes.com/doc/Whistle_Blower_Policy.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/NOMINATION_AND_REMUNERATION_POLICY.pdf">http://investor.libertyshoes.com/doc/NOMINATION_AND_REMUNERATION_POLICY.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/CSR_Policy.pdf">http://investor.libertyshoes.com/doc/CSR_Policy.pdf</a>
Related Party Transactions Policy	The policy regulates all transactions between the Company and its related parties	<a href="http://investor.libertyshoes.com/doc/Related_part_transaction.pdf">http://investor.libertyshoes.com/doc/Related_part_transaction.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/Liberty_Policy_on_Determination_of_Materiality_of_Events.pdf">http://investor.libertyshoes.com/doc/Liberty_Policy_on_Determination_of_Materiality_of_Events.pdf</a>
Website Archival Policy	The Policy deals with the archival of Corporate records of the Company.	<a href="http://investor.libertyshoes.com/doc/Liberty_Archival_Policy.pdf">http://investor.libertyshoes.com/doc/Liberty_Archival_Policy.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/Risk_Management_Policy.pdf">http://investor.libertyshoes.com/doc/Risk_Management_Policy.pdf</a>
Policy for preservation of Documents	This policy obligates the Company or preservation of documents in order to prevent from being altered, damaged or destroyed	<a href="http://investor.libertyshoes.com/doc/Preservation_of_Transaction_Policy.pdf">http://investor.libertyshoes.com/doc/Preservation_of_Transaction_Policy.pdf</a>
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.	<a href="http://investor.libertyshoes.com/doc/Sexual_HarassmentPolicy_LibertyShoesLtd.pdf">http://investor.libertyshoes.com/doc/Sexual_HarassmentPolicy_LibertyShoesLtd.pdf</a>



**5. Subsidiary Monitoring Framework**

As on date of this Report, the company is not having any 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/Time	Venue/Deemed Venue	Day & Date
37th Annual General Meeting	2023/11.00A.M.	Registered Office*	Saturday, 30th September, 2023
36th Annual General Meeting	2022/11.00A.M.	Registered Office*	Friday, 30th September, 2022
35th Annual General Meeting	2021/11.00A.M.	Registered Office*	Tuesday, 28th September, 2021

\* Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

**b. Extraordinary general meeting:** No extraordinary general meeting of the members was held during the year 2023-24.

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

37th Annual General Meeting on 30th September, 2023	36th Annual General Meeting on 30th September, 2022	35th Annual General Meeting on 28th September, 2021
<b>No. of Special Business: 3</b>	<b>No. of Special Business: 1</b>	<b>No. of Special Business: 8</b>
1. Appointment of Sh. Piyush Dixit (DIN:03514223) as an Independent Director of the Company (Special Resolution) 2. Appointment of Sh. Anand Das Mundhra (DIN:00167418) as an Independent Director of the Company. (Special Resolution) 3. Removal of Sh. Adesh Kumar Gupta as a Director/Executive Director of the Company (Ordinary Resolution)	1. Appointment of Sh. Gautam Baid (DIN:00021400) as an Independent Director of the Company. (Special Resolution)	1. Re-appointment of Sh. Adesh Kumar Gupta (DIN: 00143192) as CEO & Executive Director of the Company and fixation of his remuneration (Special Resolution) 2. Re-appointment of Sh. Shammi Bansal (DIN: 00138792) as Executive Director of the Company and fixation of his remuneration (Special Resolution) 3. Re-appointment of Sh. Sunil Bansal (DIN: 00142121) as Executive Director of the Company and fixation of his remuneration (Special Resolution) 4. Re-appointment of Sh. Adish Kumar Gupta (DIN: 00137612) as Executive Director of the Company and fixation of his remuneration (Special Resolution) 5. Re-appointment of Sh. Ashok Kumar (DIN: 06883514) as Executive Director of the Company and fixation of his remuneration (Special Resolution) 6. Appointment of Sh. Sanjay Bhatia (DIN:0080533) as Independent Director of the Company (Ordinary Resolution) 7. Appointment of Dr. Sujata (DIN:09289128) as Independent Director of the Company (Ordinary Resolution) 8. Appointment of Smt. Nidhi Lal (DIN:01363845) as Independent Director of the Company (Ordinary Resolution)



Sh. Sukesh Gupta of M/s Sukesh Gupta & Co., Chartered Accountant (Firm Registration No. 036441N), was appointed as scrutinizer by the Board and present at the above 37th, 36th and 35th Annual General Meetings for supervising and monitoring the voting through Remote E-voting 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.

Further, none of the items to be transacted at the ensuing Annual General Meeting is required to be passed by postal ballot exercise.

**ii. Group As on 31st March, 2024:**

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. Kamlevari, 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.

During the year under review, Sh. Arpan Gupta and Arpan Gupta Karta of Dinesh Kumar Gupta (HUF), belonging to promoter group, have submitted request(s) with the Company for re-classification from Promoter Group to Public under Regulation 31A of SEBI (LODR), Regulations, 2015 (as amended). In compliance with the stated regulations, the Board of Directors has analyzed the above two request(s) and considering various grounds discussed in their meeting including incompleteness of information and facts in the application(s) formed its opinion that the above promoters do not satisfy the requirements of the Board as well as the above regulations for re-classifying them from Promoter group to Public.

**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](http://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, 2024 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 during the Financial Year 2023-24:



**iii) Disclosure on compliance with Corporate Governance Requirements specified in the Listing Regulations**

The Company has adhered to the stipulations outlined in sub-paragraphs (2) to (10) of Part C (corporate governance report) of Schedule V of the Listing Regulations.

Furthermore, the Company has complied with the corporate governance requirements specified in Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46, and Regulation 62 of the Listing Regulations, and the requisite disclosures have been included in this corporate governance report.

**iv) Inter-se relationships between Directors and Key Managerial personnel of the Company: Directors:**

Sr. No.	Name of Directors as on 31st March 2024	Relationship with other Directors /KMPs
1.	Sh. Shammi Bansal	Brother of Sh. Sunil Bansal
2	Sh. Sunil Bansal	Brother of Sh. Shammi Bansal
3	Sh. Adish Kumar Gupta	None
4	Sh. Ashok Kumar	None
5	Sh. Piyush Dixit	None
6	Dr. Sujata	None
7	Sh. Aditya Khemka	None
8	Sh. Anand Das Mundhra	None
9	Sh. Gautam Baid	None

**Key Managerial Personnel:**

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

**v) 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](http://www.libertyshoes.com). No personnel in the Company have been denied access to the Audit Committee.

**vi) Compliance with Mandatory requirements**

As on 31st March, 2024 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 (i) 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), 17(1A), 17(1B)	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
		17(11)	Recommendation of Board	Yes
	17A	Maximum number of Directorship	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 (2A)	Quorum of Nomination and Remuneration Committee Meeting	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19 (3A)	Meeting of Nomination and Remuneration Committee	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders Relationship Committee	20(1), (2), (2A) & (3) (3A)	Composition & Meeting of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1), (2) & (3) (3A)	Composition & Meeting 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 Transaction	23(1), (1A), (5), (6), (7) & (8)	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.
		23 (9)	Disclosure of related party transactions on consolidated basis	Yes
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	Annual Secretarial Compliance Report	24A	Annual Secretarial Compliance Report	Yes
10.	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
		25(8) & (9)	Declaration from Independent Director	Yes
		25(10)	D&O Insurance for Independent Director	Yes
11	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
12	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
13	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) (i)	Details of familiarisation programmes imparted to Independent Directors	Yes

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

**viii. 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. 85 of this Annual Report.

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

In terms of Listing Regulations, there have been no instances during the year under consideration when

recommendations of any of the Committees were not accepted by the Board.

**x. 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.31(b) to the Financial Statements.

**xi. 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

**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

**xiii. 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**

Liberty displays its quarterly, half yearly and annually financial results on its website [www.libertyshoes.com](http://www.libertyshoes.com) and also publish its results in widely circulated newspapers. We publish the voting results of shareholders' meetings / Postal Ballots and make it available on our website [www.libertyshoes.com](http://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, 2024.

**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](http://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](http://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, 2023.

#### **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 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](http://www.libertyshoes.com).

#### **Reminder to Investors**

Periodical reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the Company. These details are also uploaded on website of the Company at [www.libertyshoes.com](http://www.libertyshoes.com).

### **8. General Shareholder Information:**

#### **i. Annual General Meeting:**

Day, Date & Time	: Friday, 27th September, 2024 at 11:00 A.M.
Venue	: Through Video Conference (VC)/Other Audio Video

Means (OAVM), as per the General Circular dated 5th, May 2020, January 13, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 issued by the MCA read with SEBI Circular dated 12th May 2020, 15th January 2021, 13th May 2022, 5th January, 2023 and 7th October, 2023. The proceedings of the AGM were deemed to be conducted at the Registered Office of the Company which shall be deemed venue of the AGM.

Books Closure Date	: Saturday, 21st September, 2024 to Friday, 27th September, 2024 (both days inclusive)
Last date for receipt of Proxy Forms	: In terms of the relaxations granted by the MCA, the facility for appointment of proxies by Members will not be available for the ensuing AGM

#### **ii. Financial Year & Financial Calendar (Tentative):**

Financial Results for the Quarter ended 30th June, 2024	: 9th August, 2024
Financial Results for the Quarter ended 30th September, 2024	: By 14th November, 2024*
Financial Results for the Quarter ended 31st December, 2024	: By 14th February, 2025*
Financial Results for the Quarter ended 31st March, 2025	: By 30th May, 2025*
Annual General Meeting for the year ended 31st March, 2025	: By August / Sept. 2025*

\*or by such date(s) as may be prescribed by SEBI/MCA from time to time. 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, 2024 are disclosed in Notes to the financial statements.

**I. Dividend Payment Date:**

The Board of Directors after considering financial performance and prevailing business environment, decided to reinvest the profits of the Company as growth capital into the business of the Company, therefore did not recommend any dividend for the financial year under review.

**ii. 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

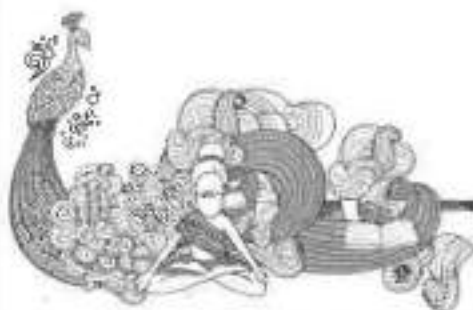
ISIN of Equity Shares of the Company:

INE557B01019

The Annual Listing fee for the financial year 2024-25 has been paid to both the Stock Exchange(s).

**iii. Stock Market Data:**

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

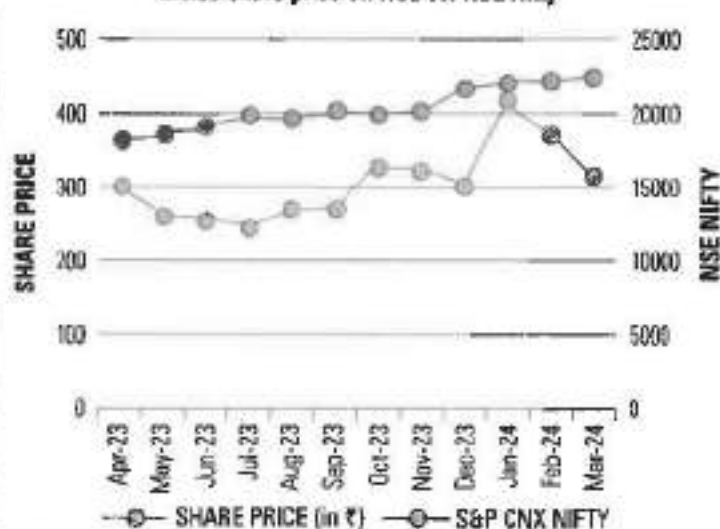


### Performance in Comparison to S&P Nifty

Index vs. Share Price

S. No.	YEAR (2023-24)	S & P CNX NIFTY	SHARE PRICE (IN ₹)
1	April-23	18089.15	300.90
2	May-23	18662.45	261.80
3	June-23	19201.70	256.50
4	July-23	19991.85	245.10
5	August-23	19678.25	269.60
6	September-23	20222.45	272.95
7	October-23	19849.75	328.00
8	November-23	20104.65	322.85
9	December-23	21801.45	303.00
10	January-24	22124.15	413.30
11	February-24	22249.40	373.00
12	March-24	22452.55	314.70

Listed share price on NSE vs. NSE Nifty

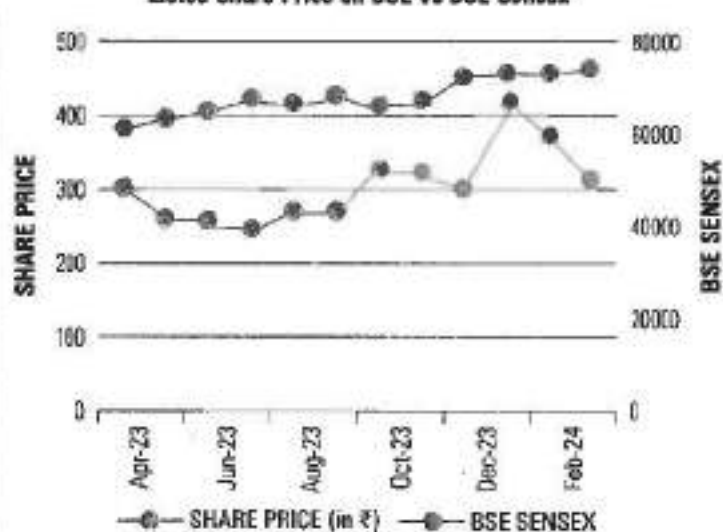


### Performance in Comparison to Sensex

Index vs. Share Price

S. No.	YEAR (2023-24)	BSE SENSEX	SHARE PRICE (IN ₹)
1	April-23	61209.46	300.65
2	May-23	63036.12	262.00
3	June-23	64769.58	256.30
4	July-23	67619.17	245.50
5	August-23	66658.12	269.60
6	September-23	67927.23	272.70
7	October-23	66592.16	327.75
8	November-23	67069.89	322.65
9	December-23	72484.34	302.95
10	January-24	73427.59	413.05
11	February-24	73413.93	373.00
12	March-24	74245.17	314.00

Listed 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, 2024 are as under:



**KEY INDICATORS:****Equity Share Price movement on NSE & BSE (April 2023-March 2024)**

	(Price in ₹)				Volume (In No. of Shares)	
	High		Low		NSE	BSE
Year (2023-24)	NSE	BSE	NSE	BSE		
April-23	300.90	300.65	192.05	193.00	7305539	511723
May-23	261.80	262.00	223.35	221.00	2378947	252647
June-23	256.50	256.30	218.90	220.00	4287966	384412
July-23	246.10	245.50	227.65	216.90	1433723	156565
August-23	269.60	269.60	224.95	225.20	5899345	438206
September-23	272.95	272.70	242.90	242.90	4757350	588858
October-23	326.00	327.75	261.60	261.85	10747139	1111013
November-23	322.85	322.85	278.25	275.00	22804690	406022
December-23	303.00	302.95	270.05	272.70	2072435	168606
January-24	413.30	413.05	276.00	276.05	11484492	862061
February-24	373.00	373.00	279.15	282.00	1204771	151226
March-24	314.70	314.00	243.65	246.10	664500	80832
<b>Total</b>					<b>6535641</b>	<b>5112171</b>

**vii. Registrar and Share Transfer Agent:**

Link Intime India Private Limited  
 Noble Heights, 1st Floor, Plot No.  
 NH2, 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 of 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](http://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 JVS & Associates, Practicing Company Secretary 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 JVS & Associates, Practicing Company Secretary 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, 2024:

Shareholding of nominal value of	Number of Shareholders		Number of Shares		Amount (in ₹)
	Number	% of total	Number	% of total	
Upto 500	24394	95.29	1745119	10.24	17451190
501-1000	616	2.41	488157	2.86	4881570
1001-2000	281	1.10	428509	2.51	4285090
2001-3000	91	0.36	234360	1.38	2343600
3001-4000	27	0.11	95480	0.56	954800
4001-5000	40	0.16	190511	1.12	1905110
5001-10000	72	0.28	535796	3.14	5357960
10001-50000	80	0.31	13322068	78.18	133220680
<b>Total</b>	<b>25601</b>	<b>100</b>	<b>17040000</b>	<b>100</b>	<b>170400000</b>

#### Category wise List of Shareholders as on 31st March, 2024

Category	No. of Shares held	Voting Strength (%)
<b>Promoters Holding:</b>		
A. Individual Promoters	54,95,829	32.25
B. Bodies Corporate(s)	44,72,517	26.25
<b>Total promoters holding</b>	<b>99,68,346</b>	<b>58.50</b>
<b>Public Holding</b>		
A. FI's, NRI's & Banks etc.	2,28,971	1.34
B. Indian public including Private corporate bodies.	68,42,683	40.16
<b>Total Public Holding</b>	<b>70,71,654</b>	<b>41.50</b>
<b>Grand Total</b>	<b>1,70,40,000</b>	<b>100</b>



**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, 2024, 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	1,68,99,026	99.17
2	Physical	1,40,974	0.83
	<b>Total</b>	<b>1,70,40,000</b>	<b>100</b>

The trading in the equity shares of the Company is permitted only in dematerialized form.

**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 Pardeep Tayal & Co. 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 Paonta 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](http://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:

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year-Nil
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year-Nil
- Number of shareholders to whom shares were transferred from suspense account during the year-Nil
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year-Nil
- 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. 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](http://www.libertyshoes.com) and also submitted with the Stock Exchanges for their records in compliance with the SEBI guidelines.

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

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs effective September 7, 2016, as amended, all shares (eligible FY 2013-14 and FY 2014-2015 Final) in respect of which dividend has remained unpaid/unclaimed by the shareholders for seven consecutive years or more were transferred in the demat account of Investor Education and Protection Fund (IEPF) Authority.

The Company had sent notices to the concerned shareholders whose dividend and shares are liable to be transferred to IEPF Authority/Suspense Account have also been uploaded on Company's website at [www.libertyshoes.com](http://www.libertyshoes.com)

An option to claim from IEPF Authority, all unpaid/unclaimed dividends or other amounts and the unclaimed shares transferred to IEPF, is available to members. Members may make their claim by following

the due procedure for refund as prescribed under the said Rules. Details of refund process are also available on the website of the Company at [www.libertyshoes.com](http://www.libertyshoes.com)

Details of dividends remaining unpaid/unclaimed have been duly uploaded on the website of the Company at [www.libertyshoes.com](http://www.libertyshoes.com) and at the website of IEPF Authority at [www.iepf.gov.in](http://www.iepf.gov.in).

**Investor Education and Protection Fund claim Guidelines**

With effect from September 7, 2016, Investors/depositors whose unpaid dividends and shares have been transferred to IEPF under Companies Act, 2013, can claim the amounts and shares from the IEPF Authority as per the procedures/ guidelines stated below:

- (a) Create a login on the website of MCA (<http://www.mca.gov.in/>).
- (b) Login to the MCA website with your login credentials.
- (c) Select Form IEPF-5 under MCA Services.
- (d) Fill the online form with required details and submit. Rule 7 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 or FAQs from the website of IEPF Authority may also be referred for further clarification.
- (e) Take a printout of the duly filled and submitted Form IEPF- 5 and the copy of the acknowledgement generated.
- (f) Following documents to be arranged after submission of online form:
  - I. Indemnity Bond (original) with claimant signature to be executed.

**Note:** In case of refund of dividend amount of ₹ 10,000 or more and/or market value of shares, nonjudicial stamp paper of appropriate value as prescribed under Stamp Act according to state is required.

For claim of only amount of ₹ 10,000 or less, indemnity bond can be executed on a plain paper.

- II. Original share certificate (in case of securities held in physical form) or copy of transaction statement in case of securities held in demat form.
- III. Self-attested copy of PAN and Aadhaar Card.



- IV. Proof of entitlement/original share certificate/dividend warrant (if any).
  - V. Original cancelled cheque leaf.
  - VI. Copy of Passport, OCI and PIO card in case of foreigners and NRIs.
  - VII. Client Master List duly self-attested by the claimant.
  - VIII. In case any joint holder is deceased, notarised copy of death certificate is to be attached. In case of NRI, self-attested copy of Overseas Indian Card (OIC) issued by MiHA or Copy of Passport of PIO card, apostille as per Hague Convention is to be provided.
- (g) Submit all the above and self-attested copy of e-form along with the other documents as mentioned in the Form IEPF-5, if any, to the Nodal Officer IEPF of the Company at its registered office in an envelope marked "Claim for refund from IEPF Authority.

The Company had received applications from various claimants, both in physical as well as in electronic form during the year.

The claims of only those claimants are considered to whom the entitlement letters are issued either by the Company or Link Intime India Private Limited.

The Company has appointed Sh. MunishKakra, CFO & Company Secretary as Nodal Officer of the Company for the purpose of coordinating with IEPF Authority, ensuring verification of claims.

#### xx. Arbitration Mechanism

SEBI issued Circular No. SEBI/HQ/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 on May 30, 2022, which outlines the Standard Operating Procedures (SOP) for

dispute resolution under the Stock Exchange arbitration mechanism concerning disputes between a Listed Company and/or Registrars to an Issue and Share Transfer Agents (RTAs) and its Shareholder(s)/ Investor(s).

For shareholders' information and reference, this information, along with the circular, is available on SEBI's website at [www.sebi.gov.in](http://www.sebi.gov.in)

#### xxi. Disclosure of certain types of agreements binding listed entities

There are no agreements that are required to be disclosed in terms of Schedule V, Para G to the Listing Regulations.

The Company has duly complied with the requirements of corporate governance report under sub-para (2) to (10) of Para C of Schedule V to the Listing Regulations. Other items which are not applicable to the Company have not been separately commented upon.

#### xxii. CIN: L19201HR1986PLC033185

#### xxiii. CEO/CFO certification

In compliance with Regulations 17(8) of the SEBI (Listing Regulations and Disclosure Requirement) Regulations, 2015, a certificate from Executive Director & 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.

#### xxiv. 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:

#### Liberty Shoes Ltd.

19th Floor, Magnum Global Park,  
Tower -2, Golf Course Extension Road,  
Sector-58, Gurugram, 122011, Haryana  
Tel: (91) 124-4616200  
Fax: (91) 124-4616222  
Email: [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com)

#### Link Intime India Pvt. Ltd.

(Registrar and Share Transfer Agent)  
Noble Heights, 1st Floor, Plot No.  
NH2, G-1 Block, Near Savitri Market,  
Janshpuri, New Delhi-110058  
Tel: (91)-11-41410592-94  
Fax: (91)-11-41410591  
Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)



**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, 2024. 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, 2024 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, 2023 to March 31, 2024:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Nomination and Remuneration Committee;
    - (d) Stakeholders Relationship Committee;
    - (e) Corporate Social Responsibility Committee; and
    - (f) Management 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, 2024, 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.

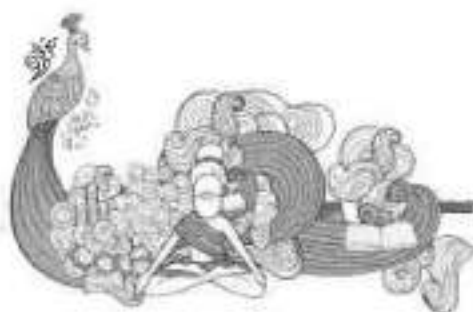
10. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used 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 Pardeep Toyal & Co.  
Firm Registration No. 002733N  
Chartered Accountants

**Sukesh Gupta**  
Partner

Place: Gurugram, Haryana  
Dated: Wednesday, 29th May, 2024 UIN: 24514675BKCAZF5923  
Membership No. 514675



**CEO/CFO CERTIFICATION PURSUANT TO  
THE SECURITIES AND EXCHANGE BOARD OF INDIA  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Board of Directors

**Liberty Shoes Ltd.**

We, the undersigned, in the representative capacity of Executive Director 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, 2024 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, 2024, 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, 2024;
  - 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, 2024; 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.

**Sunil Bansal**  
Executive Director  
DIN-00142121

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

Place: Gurugram, Haryana  
Dated: Wednesday, 29th May, 2024



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS OF LIBERTY SHOES LIMITED

**LIBERTY**

(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, PO. Bastara, Karnal, Haryana-132114

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, PO-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](http://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 31 st March, 2024 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	Mr. Sunil Bansal	00142121	26/09/1990
2	Mr. Shammi Bansal	00138792	01/04/2010
3	Mr. Adish Kumar Gupta	00137612	12/08/2011
4	Mr. Ashok Kumar	06883514	23/01/2015
5	Mr. Aditya Khemka	00514552	27/09/2019
6	Ms. Sujata	09289128	29/09/2021
7	Mr. Gautam Baid	00021400	01/04/2022
8	Mr. Anand Das Mundhra	00167418	11/08/2023
9	Mr. Piyush Dixit	03514223	11/08/2023

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 JVS & Associates  
Company Secretaries

**Jyoti Sharma**

Proprietor

Practicing Company Secretary

FCS No. 8843; CP No.10196

Firm Registration No.: I2011DE843300

UDIN: FC08843F000477841

PR No. 851

Date: 29th May, 2024

Place: New Delhi



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The discussion under this head covers the financial results for the year ended 31st March 2024 and other related developments concerning the business of the company.

### The Footwear Industry-Structure and Development

Before presenting the important facts of the Indian footwear industry, let us first understand the vision of the Govt. of India with regard to promising footwear industry. While confirming its significant contribution in terms of major foreign exchange earnings and formation of job opportunities (approx. 40% women), Govt. further envisage that footwear industry in future has the potential to become world's largest and best quality manufacturer. Indian Footwear industry is expected to take advantage of execution of Free Trade Agreements (FTA) by Govt. with various countries, explore Joint Ventures for manufacturing of non leather footwear to explore the emerging opportunities for increasing exports and development of domestic market with Indian Footwear. Going forward, in future, the consumers will have the option of Indian size of footwear (presently of US & European) also which would help distinguishing Indian footwear around the globe and reduce dependence on foreign sizing trends.

In the past, Indian footwear industry was confronted with the major challenge of sub standards imports and also with the quality specifications. BIS (Bureau of Indian Standards) recent mandatory compliance requirements are set to revolutionize the industry with encouragement to local manufacturing. Industry has few concerns regarding applicability of BIS particularly for the existing inventories, its costs etc but hopeful that in the near future these would be satisfactorily resolved.

With all these developments together with the existing policies of PLI, IDLS etc Indian Footwear industry is all balanced for exploiting the emerging opportunities.

Indian Footwear Market size was valued at USD 15.1 billion in 2022 and is poised to grow from USD 17.05 billion in 2023 to USD 45 billion by 2031, growing at a CAGR of approx. 13%. The indicative trends for 2024 are in line with the projected numbers.

India is the second largest global producer of footwear after China. In 2024, the revenue generated in the Footwear market in India amounts to US\$26.06bn. It is also expected that the market will grow annually by around 5% (CAGR 2024-2028). The Leather Footwear segment is the largest

segment in the market, with a market volume of US\$18.08bn in 2024. When compared globally, the highest revenue is generated in the United States, which is expected to generate US\$91.51bn in 2024. In relation to the total population figures, it is expected that per person/year revenues of US\$18.20 will be generated in the Footwear market in India in 2024. The continuous trends in the Indian markets positively indicate increase in per capita footwear consumption which is very healthy sign for the overall development of the Indian footwear industry.

The Indian footwear market is broadly segmented based on its type of formal, casual, sales channel-offline or on line and demographics.

Presently, Offline channels including stores at Malls, high street and various other markets account for most sales of footwear in the Indian market. The presence of well-established retail infrastructure and preference of consumer to test the product for fit and feel before purchase is all contributing to the dominance of offline sales channels in the Indian footwear marketplace. However, the contribution of online channels are expected to increase at a robust pace over the coming years. Emergence of young age consumers coupled with increasing penetration of smart phones and internet in India has progressed to a boom in the e-commerce space of the country and its growing trends also projects a significant growth of this segment in the future. The increasing product availability through various distribution channels, such as e-commerce and footwear stores, has made purchasing Footwear products more convenient for consumers. Online marketplaces and brand websites offer a wide selection of footwear options, allowing consumers to compare prices and styles easily.

Geographically South India is projected to account for a dominant share of the Indian footwear marketplace. The presence of key footwear production facilities in this region is what allows it to hold a dominant stance in the Indian footwear market. North India is estimated to emerge as the fastest-growing region in the Indian footwear market over the coming years. Increasing population density and growing disposable income of people in this region are key factors driving market growth. Indian Footwear has a mounting presence in the global arena also and industry is aggressively working to improve its presence further in the growing global market by meeting the specific expectations.



Factors influencing Indian footwear markets, such as the launch of seasonal shoe collections like school shoes, wedding collection etc, changing fashion trends/ colours and increasing popularity of stylish and trendy footwear, have driven the demand for dress shoes, casual sneakers, and sandals. Consumers are increasingly seeking comfortable and versatile footwear suitable for various occasions, from casual outings to work environments. The growing emphasis on health and fitness further boosts the athletic shoe market, as individuals prioritize comfort and performance during physical activities. This segment growth is driven by factors, such as rising health consciousness, increasing participation in sports and fitness activities, and growing popularity of athleisure wear. In addition, endorsements from sportsmen, celebrities, and influencers have played a significant role in driving consumer interest and demand for specific athletic shoe brands and styles.

The women's footwear market is highly diverse, offering many styles and designs to meet the multifaceted needs of women. Heels, flats, boots, sandals, and sneakers are among the most popular categories. The children's footwear industry focus on providing comfortable, durable, and age-appropriate footwear. Sneakers and athletic shoes are popular for boys and girls, prioritizing support and functionality. School shoes, sandals, and boots are also essential categories designed to meet the specific needs of different age groups and activities. Parents, for their kids, have become more conscious of the importance of proper foot support and development, leading them to seek shoe brands having comfort and durability also.

Moderns trends wherein Footwear brands collaborate with fashion designers, celebrities, and other brands to create limited-edition collections and offer altogether new range aiming for new market segments. Also, numerous brands are launching limited-edition shoes and premium and luxury footwear for consumers aiming to live aspirational lifestyles. Footwear Companies and consumers both use social media to launch/discover new trends and to popularise this new concept social media influencers are playing a very dominant role amongst footwear lovers.

#### **Opportunities, Risks, Threats and Challenges**

Moderns footwear market is characterized by a high degree of innovation, driven by technological advancements

and changing consumer preferences. Manufacturers continuously introduce new materials, designs, and technologies to meet evolving demands for comfort, style, and functionality. This innovation fuels market growth and fosters competition among brands. The market also experiences significant levels of M&A activities as companies seek to expand their market share, gain access to new technologies, or consolidate their position in the industry.

Rising disposable incomes, particularly in emerging economies, have increased spending on new fashionable footwear. Consumers prioritize comfort and functionality, leading to a surge in demand for athletic shoes, sneakers, and casual footwear. Rapid growth in the population, particularly in urban areas, has increased the demand for footwear, especially for daily use and fashionable and comfortable styles. Rapid Urbanization is a key trend that is estimated to bolster the demand for footwear in India over the coming years. As urbanization increases it also affects consumer preferences and purchasing power, which in turn, favors sales of footwear products as well. The growing popularity of online shopping platforms and social media marketing have made it easier for consumers to access a wider variety of shoe options and brands, further boosting sales. Technological advancements, such as the use of 3D printing and advanced materials, are creating new opportunities for innovation and customization in product design. Increasing disposable income and growing availability of different footwear products from world-renowned brands are also slated to promote Indian footwear market growth in the future. Availability of cheap raw materials and labor also makes India a highly opportune space for footwear manufacturers.

However, besides drivers of footwear market, there are certain restraints also for the footwear sector namely, stiff competition from domestic and international brands, Price Sensitivity, rapidly change in customer preferences, disrupting supply chain, non-availability of raw material, inflation, increasing interest rates and its impact on availability of retail space, rate of economic growth, fiscal and monetary policies of governments, ion, consumer credit availability, unemployment trends, Geo political threats, , exchange rate fluctuation, availability and retention of talent, tackling counterfeit goods, impact of strategic and marketing initiatives, data security and other matters that influence consumer confidence and spending.



The abundance of imitation and counterfeit footwear products in India is a key constraint for the overall Indian footwear market growth as this damages the brand image of established footwear companies and also spoils their sales.

Govt. regulations play a crucial role in the footwear industry, particularly regarding safety standards, environmental concerns, and labor practices. Compliance with these regulations ensures product quality, protects consumers, and minimizes environmental impact. Regulatory changes can significantly impact market participants, requiring them to adapt their production processes and strategies.

Liberty is focusing on the development and launch of new products with better designs that are also affordable for the Indian consumer base. It is also making experiment with newer and modern marketing strategies to improve its sales and revenue generation potential in the future.

Recognizing the importance of risk management in a competitive market, Liberty has implemented robust processes to identify, assess, and mitigate risks inherent in the business environment. The company's board actively reviews the risk policy, while the audit committee oversees the effectiveness of risk management systems. This proactive approach enables Liberty to navigate uncertainties and challenges effectively, ensuring the sustained growth and success of the company in the dynamic footwear industry..

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 ₹ 2021.21 Lakh as on 31st March, 2024 as compared to the previous year ₹ 2192.23 Lakh as on 31st March, 2023.

#### **Internal Control System and its Adequacy**

Liberty's has a well recognized 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.

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 further strengthen the internal control system and their adequacy and evaluating them from time to time, the Company has appointed experienced firm of Chartered Accountants as Internal Auditors. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and also places its report in the audit committee meetings. However, audit is a continuous process and the findings of the internal auditors, though not very significant, have been resolved in consultation with department's heads and concerned Directors. During a routine internal audit, a deviation in settlement of few specific vendors and also acquisition of vehicle has been noted and the audit team, in consultation with the Management Committee, has taken requisite and decisive action to prevent its reoccurrence.

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 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 Executive Director's/CFO certification provided elsewhere in the Annual Report confers the adequacy of internal control systems and procedures followed by the Company.

#### **Discussion on Financial Performance**

The Company's current year operations and financial performance has been satisfactory despite unforeseen challenges faced at the year end due to major fire incident happened at one of the blocks of Company's warehouse at Panipat. The Company's performance improved to its highest level in terms of operational profit before exceptional items & taxes and it remained at ₹ 2,019.15 Lakh during the financial year ended 31st March 2024 as compared to ₹ 1,815.43 Lakh during previous year ended 31st March, 2023. Your Company's net profit



remained at ₹ 1,115.75 for the financial year ended 31st March 2024 as against net profit of ₹ 1,291.13 Lakh during the previous year ended 31st March, 2023. The Earning per share (EPS-Basic & Diluted) of your Company for the financial year ended 31st March, 2024 remained at ₹ 6.40 as compared to the EPS for the previous financial year ended 31st March, 2023 at ₹ 7.88.

The Company has been strengthening its working capital management with a target to reduce its short term borrowing by improving inventory turn, trade receivables collection and managing its trade payables with better terms. The cash flows and internal accruals were efficiently used for working capital and the working capital borrowings against availability of higher drawing power remained at ₹ 6,812.63 Lakh, during the financial year ended 31st March 2024 as compared to ₹ 7,579.92 Lakh during the previous financial year ended 31st March 2022. During the year, the Company has repaid its long term loan availed as Guaranteed Emergency Credit Line 2.0 as per the Scheme of Government of India introduced to counter COVID impact before its maturity/end of tenure. The Company has availed some Long term vehicles loans which remained at ₹ 236.38 Lakh (Including Current Maturities) during the financial year ended 31st March, 2024 as compared to ₹ 1,124.37 Lakh during the financial year ended 31st March 2023.

Your Company has not availed any particular/specific term loan for funding of its capital expenditure and the entire routine capital expenditure has been funded through internal accruals. The capital expenditure incurred for purchase of furniture & fixtures, new moulds, innovations & technology and supporting machinery at plants as well as towards other normal capital expenditure in furtherance to the business operations of the Company was ₹ 1,520.38 Lakh (Other than Leasehold rights) during the year under review as compared to ₹ 2,349.16 Lakh in the previous year. In addition to the same, during the year in accordance to the Ind-AS-116, the Company has recognized its leasehold rights at present value aggregating to ₹ 2,541.09 Lakhs on account of addition and adjusted ₹ 94.51 Lakhs on account of termination of earlier recognized contracts and the same have been made part of the intangible Assets. During the year the Company, in its exercise to physically verify and rationalize its gross block, has leveled out its fully depreciated Gross Block of Tangible Assets (Not under Lease) aggregating to ₹ 4,606.95 Lakhs with corresponding accumulated

depreciation of the same amount. The non current investments and other Financial Assets were at ₹ 0.45 Lakh and ₹ 725.42 Lakh during the financial year ended 31st March, 2024 as compared to ₹ 0.45 Lakh and ₹ 726.64 Lakh respectively during the previous financial year ended 31st March 2023.

The other highlights of the financial performance of the Company during the year ended 31st March, 2024 have been stated in the Directors' Report for the year ended 31st March, 2024, which appears separately in the Annual Report.

#### **Material developments in Human Resources/ Industrial Relations front and Number of people employed**

Liberty by its name known as about the people and people include not only customers and other stakeholders but its Human Resources also who make this statement of the Company true with their continuous efforts and support. Liberty's Human resource is blend of talent, skill, young & energetic coming from multiple areas/statuses. The Company has prime focus on seamless hiring with career plan & growth for job satisfaction with their regular engagement on the job. Through advanced technology and simplified process, Liberty is dedicated to enriching employees' career from beginning till retirement with rewarding experience at all stages of their employment with the Company. Liberty has prime focus on team development and training whereby it prioritized and invests in creating conducive environments for team development and training. The aim of training is towards improving customer centricity and overall experience in Company's retail stores, distribution business and to increase skills in our manufacturing plants. Through regular interaction with people working down the senior management people and also talent retention and development initiatives being undertaken from time to time, your Company is putting effort for improving knowledge and skills of employees necessary for a future role & responsibilities.

Liberty is committed to provide a safe work environment, harassment free with prime focus on no tolerance policy for sexual harassment. Awareness session on the Prevention of Sexual Harassment were conducted at Workplace across Liberty Offices/plants and proudly declares that during the reviewed period, no cases were filed under the Sexual Harassment of Women at Workplace



(Prevention, Prohibition, and Redressal) Act, 2013. Cordial industrial relations with staff and workers further strengthen the harmonious work atmosphere.

Liberty understands that its employees are key to its success, and by investing in their growth and well-being, the company aspires to retain its position as a preferred employer and an industry leader. Upholding ethical standards and fostering an inclusive workplace, Liberty seeks to sustain the dedication and excellence of its workforce in achieving the organization's objectives.

During the year under consideration, the management committee considering the strength of its work force and also increasing labour compliance requirements, has implemented HR audit through external Labour Law

experts at its Gharaunda Plant and satisfy with the outcome of this audit process agreed to cover other plants in future once in a year.

As on 31st March, 2024, the total employees' strength of the Company stood at 2047 as compared to previous year's 2090.

**Details of significance changes in key financial ratios along with detailed explanations**

In compliance with the requirement of the Listing Regulations, the key financial ratios of the Company along with explanation for significant changes (i.e. 25% or more as compared to the immediately previous financial year will be termed as "significant changes"), has been provided here under:

Sr. No.	Particulars	2023-24	2022-23
1	Debtors to Sales (in Days)	53	51
2	Inventory to Turnover (In Days)	101	101
3	Interest Coverage Ratio	2.19	2.77
4	Current Ratio	1.85	1.76
5	Debt Equity Ratio	0.34	0.44
6	Operating Profit Margin (%)	7.30%	6.64%
7	Net Profit Margin [excluding exceptional items](%)	2.48%	2.11%
8	Return on Net Worth [excluding exceptional items] (%)	7.76%	7.09%

**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.



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, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity 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, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

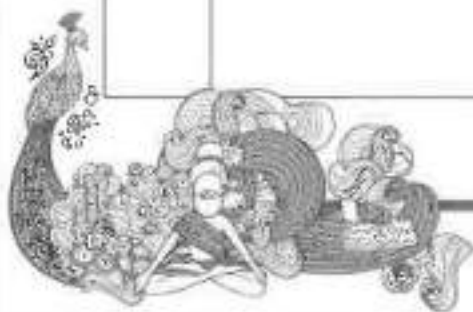
We conducted our audit of the financial statements

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 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 MattersPrincipal
(i)	<b>Trade Receivables-Outstanding for more than 180 days</b>	<p><b>Principal Audit Procedures followed:</b></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"> <li>• Obtained the detail of parties having outstanding for more than 180 days;</li> <li>• Evaluated the facts, terms &amp; conditions, relevant correspondence, status of legal proceedings wherever initiated and management's rationale for the recoverability of the outstanding dues;</li> <li>• Meeting with the management.</li> </ul>



<p><b>(II)</b></p>	<p><b>Contingent Liabilities-relating to VAT, Service Tax, Labour, Income Tax and TDS (Note 38 [(III) to (VII)])</b></p> <p>There are certain pending matters relating to VAT for the year financial year 2005-06, 2006-07, 2007-08 &amp; 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, few labour matters pertaining to earlier years and demand on account of non-deduction of tax at source and disallowance of certain business expenditure.</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"> <li>• Obtained the status of the cases from the related department and their view on the matter;</li> <li>• 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;</li> <li>• Meeting with management and reading/reviewing the correspondences Memos and Notes on related matters.</li> <li>• Reliance has been placed on the legal views and decisions on similar matters and probability of the liability arising there from pending final judgement/decisions;</li> <li>• 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".</li> </ul>
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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 and we have nothing to report in this regard.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

### 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 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 Standards on Auditing (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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the 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 financial statements of the financial year ended March 31, 2024 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 financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 Ind AS, 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.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

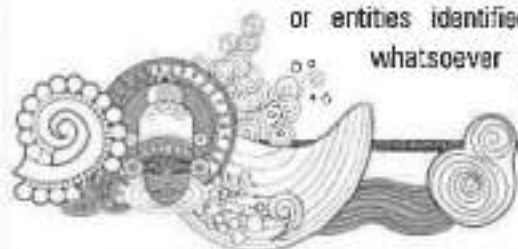
("Ultimate Beneficiaries") or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis statement.
  - (v.) The Company has not declared or paid Dividend during the year.
  - (vi.) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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 Pardeep Toyal & Co.  
Firm Registration No. 02733N  
Chartered Accountants

**Sukesh Gupta**  
Partner

Place: Gurugram, Haryana Membership No. 514675  
Dated: Wednesday, May 29, 2024 UDIN: 24514675BKCA275923



## 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, 2024 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, 2024, 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 Pandeep Toyal & Co.  
Firm Registration No. 02733N  
Chartered Accountants

**Sukesh Gupta**  
Partner

**Place:** Gurugram, Haryana

Membership No. 514675

**Dated:** Wednesday, May 29, 2024 UDIN: 24514675BKCAZF5923



## ANNEXURE-B TO INDEPENDENT AUDITORS' REPORT

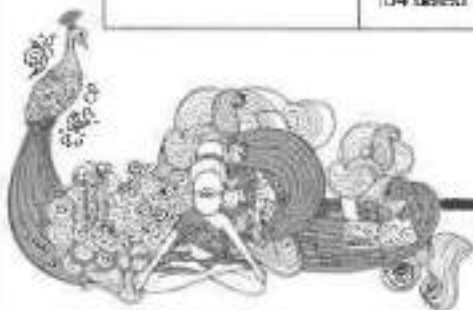
(Referred to in paragraph 2 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Reg.: Liberty Shoes Limited (the Company)

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.
- b) All the Property, Plant & Equipment have not been physically verified by the management during the year but there exists a regular programme of verification of Property, Plant & Equipment 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.
- d) According to the information and explanation given by the management, the Company has not revalued any of its Property, Plant & Equipment and/or intangible assets during the year.
- e) According to the information and explanation given by the management, the Company does not hold any benami property in accordance to the provisions of the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and no proceeding has been initiated against the Company under the said Act.
- 2) a) The management has conducted the physical verification of inventory at reasonable intervals during the year which, in our opinion, is reasonable having regard to the size of the Company and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.
- b) During the year the Company has been sanctioned/ renewed the working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets and according to the information and explanation given by the management, the quarterly returns/statements filed by the Company with such bankers are in agreement with the unaudited books of accounts of the Company of the respective months/quarters and no material discrepancies have been observed.
- 3) According to information and explanations given to us, the Company has not made any investment in nor have provided any guarantee or security or have granted any loans or advances in the nature of loans, secured or unsecured, to the Companies, firms, Limited Liability partnerships or any other parties. Accordingly, the provisions of clause 3 (iii) (a) to (f) 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 are applicable and hence not commented upon.
- 5) The Company has not accepted any deposits from the public or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act. Hence reporting under clause (v) of the paragraph 3 of the Order is not applicable.
- 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 for the products of the Company.
- 7) According to the information, explanations given to us and on the basis of our examination of records of the Company in respect of statutory dues:
  - a) The Company is regular in depositing the undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax, Cess and other statutory dues applicable to it with appropriate authorities.
  - b) According to the records of the Company, the statutory dues referred to sub-clause (a) which have not been deposited on account of any dispute, are as follows:



Nature of Statute	Nature of dues	Amount (in ₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Service Tax Act, 1994	Service Tax on GTA Services	2.33	January 2005 to March 2007	Customs, Excise and Tax Appellate Tribunal, Chandigarh
Service Tax Act, 1994	Service Tax on GTA Services	2.95	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	Financial Year 2006-07	Remanded back by Deputy Commissioner (Appeals) to Assessing Authority and is pending for assessment.
Punjab Value Added Tax, 2005	Value Added Tax on account of classification of goods at different rate of tax	22.30	Financial Year 2007-08	Deputy Commissioner (Appeals)
Uttarakhand Value Added Tax, 2005	Value Added Tax on account of classification of goods at different rate of tax	45.35	Financial Year 2016-17	Joint Commissioner (Appeal), Goods & Service Tax
Income Tax	Disallowance of certain expenditure on a/c of non-deduction of tax at source which otherwise are not liable for deduction in terms of applicable provisions of the law. Company's appeal filed against the alleged non-deduction of tax, which was the basic premise for the related disallowances, has been decided by the appellate authority in favour of the Company.  Further the Company's appeal specifically filed against the referred disallowance during the course of assessment proceedings is pending before the appellate authority.	173.36	Financial Year 2016-17 (Assessment year 2017-18)	Commissioner (Appeals)
Income Tax	Disallowance of certain expenditure for the assessment year 2020-21 on a/c of non-allow-ability of certain expenditures, considering some of expenditure as of enduring nature, grossly ignoring the past assessment history of the Company for earlier years and other additions for which Company has preferred an appeal before appellate authority. The related demand has been reduced by ₹113.29 lakhs vide order passed u/s 154 dated 10/05/2023.	851.52	Financial Year 2019-20 (Assessment year 2020-21)	Commissioner (Appeals)



Nature of Statute	Nature of dues	Amount (in ₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	On account of short deduction of Tax at Source in the case of erstwhile subsidiary company M/s Liberty Retail Revolutions Limited for the assessment year 2011-12, 2012-13, 2013-14 & 2014-15, for which Company has filed appeals before the appropriate authority and are pending for adjudication. Out of the same matter relating to assessment year 2011-12 for ₹ 8.64 Lakhs has been decided by the Hon'ble ITAT, Delhi in favour of the Company and the related demand stands reduced to that extent.	31.38	Financial Year 2010-11, 2011-12, 2012-13 & 2013-14 (Assessment) year 2011-12, 2012-13, 2013-14 & 2014-15)	ITAT, New Delhi & CIT (Appeals), NFAC, New Delhi
Income Tax	On account of short deduction of Tax at Source for the assessment year 2018-19 which otherwise are not liable for deduction in terms of applicable provisions of the law and for which Company has filed appeals before the appropriate authority and are pending for adjudication.	9.76	Financial Year 2017-18 (Assessment) Year 2018-19	CIT(A), NFAC, New Delhi
Income Tax	On account of arbitrary additions made for the assessment year 2014-15 against which partly relief has already been granted by the appellate authority in favour of the Company and the department as well as the Company are in appeal before the Hon'ble ITAT for the same and the department as well as the Company's appeal before the Hon'ble ITAT for the same have been disposed off in a consolidated order by remanding back the matter to CIT(A) and is yet pending for adjudication.	46.84	Financial Year 2013-14 (Assessment) Year 2014-15	ITAT, New Delhi
Income Tax	On account of reduction of deduction u/s 80IC of Income Tax Act, 1961 for the assessment year 2013-14 due to non-considering part of business income as industrial income, for which Company's appeal is pending before Hon'ble Punjab & Haryana High Court duly allowing the interim relief as regard to the related matter.	59.14	Financial Year 2012-13 (Assessment) Year 2013-14	Hon'ble Punjab & Haryana High Court



- 8) According to the information and explanations given to us, during the year the Company has not surrendered or disclosed any transactions not recorded in the books of accounts as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- 9) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in payment of interest thereon to any lender.
- b) According to the information and explanations given to us, the Company has not been declared as willful defaulter by the bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, the term loans taken by the Company during the year have been applied for the purpose for which the loan was obtained.
- d) In our opinion and according to the information and explanations given to us, the funds raised on short term basis have not been utilized by the Company for long term purposes.
- e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10) a) 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 or further public offer (including debt instruments) and hence reporting under clause (x) (a) of paragraph 3 of the Order is not applicable.
- b) According to the information and explanations given by the management, the Company during the year has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- 11) a) 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 has been noticed or reported during the year.
- b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us by the management, we report that the Company has not received any whistle blower complaint during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) (a) to (c) 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 wherever applicable and the details have been disclosed in the notes to the Financial Statements as required by the applicable Ind-AS.
- 14) a) According to information and explanations given to us the Company has an internal audit system commensurate with the size and nature of its business and
- b) The reports of the internal auditors for the period under audit have duly been considered.
- 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 them and hence provisions of section 192 of the Companies Act 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 (2



of 1934) and accordingly, the provisions of clause 3 (xvi) (a) to (d) of the Order are not applicable to the Company.

- 17) In our opinion and according to the information and explanations given by the management, the Company has not incurred any cash losses during the year and in the immediately preceding financial year.
- 18) During the year there has been no resignation of the statutory auditors of the Company.
- 19) In our opinion on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of Board of Directors and management plans, there exists no material uncertainty on the date of the audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within the period of one year from the balance sheet date. However, we state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get

discharged by the Company as and when they fall due.

- 20) In our opinion and according to the information and explanations given by the management, there are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing and other than ongoing projects requiring transfer of funds to a fund specified in Schedule VII to the Companies Act, 2013 in compliance to the second proviso to sub-section (5) of section 135 and sub-section (6) of section 135 of the said Act. Accordingly, the provisions of clause (xx) (a) & (b) of the Order have not been comment upon.
- 21) According to the information and explanations given by the management, the Company does not have any subsidiaries, joint venture or associate companies, so the provisions of clause (xxi) of the Order are not applicable to the Company.

For Pardeep Toyal & Co.  
Firm Registration No. 02733M  
Chartered Accountants

**Sukesh Gupta**  
Partner

Place: Gurugram, Haryana

Membership No. 514675

Dated: Wednesday, May 29, 2024

UIDIN: 24514675BKCAZF5923



# BALANCE SHEET

# LIBERTY

As at 31<sup>st</sup> March, 2024

(Amount in ₹ Lakh)

Particulars	Notes	As at 31.03.2024	As at 31.03.2023
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, Plant & Equipments	2(a)	9,734.43	8,658.48
Capital Work in Progress	2(c)	1.37	19.98
Intangible Assets	2(b)	38.62	40.44
Right of Use Assets	2(d)	7,681.74	7,311.42
Financial Assets			
Non-current Investments	3	0.45	0.45
Other Financial Assets	4	725.42	728.63
Other Non-current Assets	5	24.48	16.28
<b>Total Non Current Assets</b>		<b>17,266.51</b>	<b>16,773.78</b>
<b>Current Assets</b>			
Inventories	6	15,841.13	19,427.53
Financial Assets			
Trade Receivables	7	9,779.27	8,746.54
Cash and Cash Equivalents	8	252.89	162.38
Bank Balances other than Cash and Cash Equivalents	9	388.60	199.67
Other Financial Assets	10	98.23	109.64
Other Current Assets	11	2,801.81	1,649.93
<b>Total Current Assets</b>		<b>29,171.90</b>	<b>30,245.59</b>
<b>Total Assets</b>		<b>46,378.41</b>	<b>47,069.38</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	12	1,704.00	1,704.00
Other Equity	13	19,202.79	18,112.63
<b>Total Equity</b>		<b>20,906.79</b>	<b>19,816.63</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	14	88.05	742.23
Lease Liabilities	15	7,581.75	7,311.43
Other Financial Liabilities	16	1,829.90	1,889.69
Provisions	17	100.38	115.64
Deferred Tax Liability (Net)	18	-	-
<b>Total Non-current Liabilities</b>		<b>9,703.06</b>	<b>10,058.99</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	19	6,960.96	7,962.08
Lease Liabilities		-	-
Trade Payables			
a) Total outstanding due of Micro and Small Enterprises		2,284.23	1,347.54
b) Total outstanding due other than Micro and Small Enterprises	20	4,398.86	6,208.06
Other Financial Liabilities		-	-
Other Current Liabilities	21	1,833.76	1,577.89
Provisions	22	180.83	87.91
Current Tax Liabilities (Net)	23	110.12	-
<b>Total Current Liabilities</b>		<b>15,768.56</b>	<b>17,193.46</b>
<b>Total Equity and Liabilities</b>		<b>46,378.41</b>	<b>47,069.38</b>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 85		

The accompanying notes are an integral part of these financial statements.

Signed in terms of our Audit Report of even date.

for and on behalf of the Board

For Pardeep Singh & Co.  
Firm Registration No.02733N  
Chartered Accountants

**Sukesh Gupta**  
Partner  
Membership No. 514879

**Sunil Bansal**  
Executive Director  
DIN-00142121

**Shammi Bansal**  
Executive Director  
DIN - 00138732

**Piyush Dixit**  
Independent Director  
DIN-03514223

**Manish Kukra**  
CFO &  
Company Secretary  
M.No. ACS 6282

Place: Gurugram, Haryana  
Dated: Wednesday, 29th May, 2024



**STATEMENT OF PROFIT & LOSS**For the year ended 31<sup>st</sup> March, 2024

(Amount in ₹ Lakhs)

Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>REVENUE</b>			
Revenue from Operations	24	63,695.92	65,432.70
Other Income	25	38.91	17.42
<b>Total Revenue</b>		<b>63,724.83</b>	<b>65,450.12</b>
<b>Expenses</b>			
Cost of Raw Materials & Components Consumed	26 (a) & (b)	22,349.73	25,661.44
Purchase of Stock-in-trade	26 (c)	6,670.52	9,532.64
Change in Inventories of Finished Goods, Goods in Process and Stock-in-Trade	27	1,417.61	(2,721.09)
Employee Benefit Expenses	28 & 50	10,908.16	10,396.11
Finance Cost	29	1,358.71	1,208.60
Depreciation & Amortisations	30	3,375.58	3,158.62
Other Expenses	31	15,625.31	16,398.38
<b>Total Expenses</b>		<b>61,705.60</b>	<b>63,634.78</b>
<b>Profit before exceptional items and tax</b>		<b>2,019.15</b>	<b>1,815.42</b>
Exceptional Items	32	489.78	29.55
<b>Profit before Tax</b>		<b>1,529.37</b>	<b>1,785.47</b>
<b>Income Tax Expense:</b>			
Current tax	33	431.16	471.93
Income Tax for Earlier Years		(17.54)	22.43
Deferred Tax Charges/(credit)		-	-
<b>Total Tax Expenses</b>		<b>413.62</b>	<b>449.50</b>
<b>Profit for the year</b>		<b>1,115.75</b>	<b>1,291.11</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss in subsequent period			
Remeasurement Gains/(Losses) on Defined Benefit Plan	50	(34.80)	68.78
Income Tax effect on above		8.71	(17.31)
<b>Other Comprehensive Income for the year, net of income tax</b>		<b>(26.09)</b>	<b>51.47</b>
<b>Total Comprehensive Income for the year</b>		<b>1,089.66</b>	<b>1,342.58</b>
(comprising profit and other comprehensive Income)			
Earnings/(Losses) per equity share (nominal value per share of ₹ 10/- Each)			
Basic		6.40	7.88
Diluted		6.40	7.88
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 85		

The accompanying notes are an integral part of these financial statements

Signed in terms of our Audit Report of even date.

for and on behalf of the Board

For Pardeep Teyal &amp; Co.

Firm Registration No.02733N

Chartered Accountants

**Sukesh Gupta**

Partner

Membership No. 514675

**Sunil Bansal**

Executive Director

DIN-00142121

**Shammi Bansal**

Executive Director

DIN - 00198792

**Piyush Dixit**

Independent Director

DIN-03514223

**Munish Kakra**

CFO &amp;

Company Secretary

M.No. ACS 6262

Place: Gurugram, Haryana

Dated: Wednesday, 25th May, 2024



# STATEMENT OF CHANGES IN EQUITY

## LIBERTY SHOES LIMITED

**LIBERTY**

**A) Equity Share Capital**

**1) Current Reporting Period**

(Amount in ₹ Lakh)

Balance at the beginning of the Current reporting period	Changes in Equity Share Capital due to prior period errors	Recasted balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
1,704.00	-	1,704.00	-	1,704.00

**2) Previous Reporting Period**

(Amount in ₹ Lakh)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Recasted balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
1,704.00	-	1,704.00	-	1,704.00

**B) Other Equity**

**1) Current Reporting Period**

(Amount in ₹ Lakh)

Particulars	Reserves & Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance at the beginning of the Current reporting period	4.00	1,127.21	12,270.09	4,711.64	-	18,112.93
Changes in accounting policies/prior period errors	-	-	-	-	-	-
Recasted balance at the beginning of the current reporting period	4.00	1,127.21	12,270.09	4,711.64	-	18,112.93
Total Comprehensive Income for the current year	-	-	-	1,089.86	-	1,089.86
Dividends	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-
Balance at the end of current reporting period	4.00	1,127.21	12,270.09	5,801.50	-	19,202.79

**2) Previous Reporting Period**

(Amount in ₹ Lakh)

Particulars	Reserves & Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance at the beginning of the previous reporting period	4.00	1,127.21	12,270.09	3,795.03	-	17,196.33
Changes in accounting policies/prior period errors	-	-	-	-	-	-
Recasted balance at the beginning of the previous reporting period	4.00	1,127.21	12,270.09	3,795.03	-	17,196.33
Total Comprehensive Income for the previous year	-	-	-	1,342.60	-	1,342.60
Dividends	-	-	-	426.00	-	426.00
Transfer to Retained Earnings	-	-	-	-	-	-
Balance at the end of previous reporting period	4.00	1,127.21	12,270.09	4,711.64	-	18,112.93

Signed in terms of our Audit Report of even date,

for and on behalf of the Board

For Pardeep Toyal & Co.  
Firm Registration No.02733N  
Chartered Accountants

**Subesh Gupta**

Partner

Membership No. 514675

**Suril Bansal**

Executive Director

DIN-00142121

**Shamini Bansal**

Executive Director

DIN - 00138792

**Piyush Dhot**

Independent Director

DIN-03514223

**Munish Kukra**

CFO &

Company Secretary

M.No. ACS 6262

Place: Gurgaon, Haryana  
Date: Wednesday, 29th May, 2024



**STATEMENT OF CASH FLOWS**For the year ended 31<sup>st</sup> March, 2024

(Amount in ₹ Lakh)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>A</b>		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Income Tax from		
Continuing Operations	1,529.37	1,795.48
Discontinued Operations	-	-
<b>Profit before Income Tax including discontinued operations</b>	<b>1,529.37</b>	<b>1,795.48</b>
Adjustments for:		
Depreciation and amortisation expense	3,375.50	3,158.62
Loss/(Gain) on sale of Non-current Assets (including goods/assets destroyed in fire)	489.78	29.95
Bank & Other Interest classified as investing cash flows	(38.91)	(17.42)
Finance Cost	1,358.71	1,208.60
Unrealised Foreign Exchange Difference	(48.04)	(65.18)
Actuarial Gain/(Loss) on Defined Benefit Plan (net of tax effect)	(25.89)	51.48
Changes in operating assets and liabilities		
(Increase)/Decrease in Trade Receivables	(1,102.98)	901.33
(Increase)/Decrease in Inventories	3,596.39	(2,632.04)
Increase/(Decrease) in Trade & Other Payables	752.27	4,731.70
(Increase)/Decrease in other non-current assets	18.66	(20.85)
(Increase)/Decrease in Loans & Advances	11.42	35.51
(Increase)/Decrease in other current assets	(857.05)	847.02
Increase/(Decrease) in Provision for doubtful debts	70.23	(39.40)
Increase/(Decrease) in other current liabilities	-	-
<b>Cash generated from operations</b>	<b>9,111.52</b>	<b>9,995.80</b>
Direct Taxes Paid	294.73	586.97
<b>Net Cash Flow from Operating Activities</b>	<b>8,816.73</b>	<b>9,398.83</b>
<b>B</b>		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for Purchase/Acquire of Non-current Assets (including capitalisation of leasehold rights in accordance to IndAS 116 - (Refer to Note No. 2 (d) 5-43)	(4,042.86)	(6,050.39)
Proceeds from Sale of Non-current Assets (net of adjustments on a/c of goods/assets destroyed in fire)	(248.23)	466.91
(Increase)/Decrease in Fixed Deposits with Banks for Margin Money against LCs/BGs	(189.64)	8.14
Bank and Other Interest	38.91	17.42
<b>Net Cash outflow from Investing Activities</b>	<b>(4,441.82)</b>	<b>(5,567.92)</b>
<b>C</b>		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of Lease Liabilities	(2,876.27)	(1,934.24)
Proceeds from long term borrowings	-	172.23
Repayment of long term borrowings	(867.96)	(471.89)
Interest paid	(1,358.71)	(1,208.60)
Dividend paid	-	(438.00)
<b>Net Cash inflow/outflow from Financing Activities</b>	<b>(4,322.97)</b>	<b>(3,868.50)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>52.44</b>	<b>(37.59)</b>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<b>167.66</b>	<b>140.66</b>
<b>Unrealised Foreign Exchange Difference</b>	<b>48.04</b>	<b>65.18</b>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>268.14</b>	<b>167.66</b>
<b>Components of Cash &amp; Cash Equivalents</b>		
Cash in hand including imprest	127.61	97.96
Balance with Scheduled Banks	-	-
Current Accounts	44.87	26.58
Cheques on hand	82.74	71.38
<b>Total</b>	<b>268.14</b>	<b>167.66</b>

Notes: 1) Purchase of Fixed Assets include movements of capital work in progress between the beginning & at the end of the year and leasehold rights recognised during the financial year in accordance to Ind-AS-116

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 and on behalf of the Board

For Pardeep Toyal & Co.

Firm Registration No. 02733N

Chartered Accountants

**Sukesh Gupta**

Partner

Membership No. 514675

**Sunil Bansal**

Executive Director

DIN-00142121

**Shammi Bansal**

Executive Director

DIN - 00138792

**Prayash Dixit**

Independent Director

DIN-03514223

**Munish Kakra**

CFO &

Company Secretary

IA No. ACS 6262

Place: Gurugram, Haryana

Dated: Wednesday, 23<sup>rd</sup> May, 2024



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**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, accessories and lifestyle products through its retail, e-commerce 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 Ind-AS requires a change in accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis except financial assets and liabilities including derivative financial instruments and investments, defined benefit plans which are to be measured at fair value.

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 and Ind AS 1 "Presentation of financial statements".

**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; or

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.

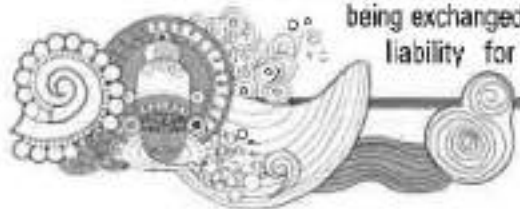
The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non current 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 GST 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 Duty Drawback Scheme and the Remission of Duties and Taxes on Exported Products (RoDTEP). 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, if any, on transfer of Duty Credit Entitlements received under the DEPB Scheme is accounted for in the year of transfer.
- Other operating revenue include revenue arising from a Company's operating activities, i.e., either its principal or ancillary revenue-generating activities, but which is not revenue arising from sale of products or rendering of services. The other operating revenue of the company includes revenue from freight, exchange rate fluctuations etc.
- Interest income from a financial asset is recognised



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**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 Taxes, wherever applicable. Scrap, if any, at the year-end does not form part of the closing inventory.

**e) Evaluation of Trade Receivables, Loans & Advances and Provisioning**

Recoverability status of all the debtors and Loans & Advances are duly evaluated/reviewed and necessary provision/writing off is considered by the Company on annual basis. However, from the financial year 2020-21 onwards the Company has been consistently reviewing/evaluating the same on case to case basis in timely manner and going for the required writing off/provisioning as per the following depending upon the age of related debtors/advances:

Outstanding for	Policy
> 3 years	@ 100% irrespective of the status of legal proceeding initiated
> 2 year < 3 years	@ 30%
> 1 year < 2 years	@ 10%

**f) Property, Plant & Equipment, Intangible Assets and Capital Work in Progress**

Property, Plant & Equipment and Intangible 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 property, plant & equipment under installation

and other incidental expenses. Items of property, plant & equipment 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 Property, Plant & Equipment which are carried at cost are recognized in the Statement of Profit and Loss.

**g) 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:

Assets individually costing less than ₹ 5,000/- are fully depreciated in the year of acquisition.

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

**h) 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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.

**i) Operating Lease**

The Company, as a lessee, recognizes leasehold rights and leasehold obligations for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The leasehold rights are depreciated/amortized using the straight-line method from the commencement date over the shorter of lease term or useful life of right to use.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a remeasurement of the lease liability with a corresponding adjustment to the right-of-use asset. Any gain or loss on modification is recognised in the statement of profit and loss.

**j) 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.

**k) Financial Instruments**

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

**Financial Assets**Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. These include trade receivables, cash & cash equivalents, bank balances other than cash & cash equivalents and other financial assets.

Classification and Subsequent Measurement

Financial assets are subsequently measured at amortised cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset contractual cash flow characteristics.

Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The company may make an irrevocable election to present subsequent changes in the fair value of equity investment not held for trading in other comprehensive income.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

### Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

### Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial assets. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 "Financial Instruments" for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

## **Financial Liabilities**

### Initial Recognition and Measurement

Financial liabilities include borrowings, lease liability, trade payables and other financial liabilities. All financial liabilities are recognised initially at fair value and in the case of borrowings and trade payables, net of directly attributable transaction costs.

### Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'financial liabilities at amortised cost'. Financial liabilities at Fair Value through Profit or Loss Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It

includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognised in the statement of profit and loss.

### Financial liabilities at Amortised Cost

Other financial liabilities (including borrowings and trade payables etc.) are subsequently measured at amortised cost using effective interest method.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition is included in the statement of profit and loss when the liability is derecognised.

### Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### Effective Interest Method (EIR)

Financial assets and liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

### Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

**Financial Liabilities and Equity Instruments**

Classification as Debt or Equity Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument.

**Equity Instruments**

An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity. Dividend paid on equity instruments is directly reduced from equity.

**l) Provisions and Contingent Liabilities and Contingent Assets**

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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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 however the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income

that will never be realised. However, when the realisation of income is virtually certain,

then the related asset is not a contingent asset and is recognised.

**m) Employee Benefits**

(i) Employee benefits like salaries, wages etc. payable wholly within twelve months of rendering the service are classified as short-term employee benefits. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Contribution towards provident fund and employee state insurance is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Such contributions are charged to the statement of profit and loss for the period of service rendered by the employees.

(iii) 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.

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.

**n) Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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.

**o) 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.

**p) Assessment of risks**

The Company follows the process of assessing the financial risks relating to its business activities. Its principal financial liabilities comprising borrowings, trade and other payables etc. are part of its working capital for the purpose of its business operations and for the purpose of funding its principal financial assets including cash and cash equivalents, trade receivables and security deposits directly derived from its operations. The Company is exposed to credit risk, liquidity risk and market risk summarised as under:

Credit Risk:

Credit risk may arise on not meeting of its financial

obligations by other party, primarily relating to trade receivables and may lead to financial loss to the Company. Company during the course of its business operations to reduce the risk with trade receivables, follows the mechanism of setting credit limits to respective parties and reviews their outstanding on time to time basis to access the likely impairment.

Liquidity Risk:

Liquidity risk may result in not meeting Company's financial obligations and to mitigate the same and meet its financial obligations in timely manner the Company reviews its Trade Payables and other long term and short-term financial liabilities on time to time basis and manages the resources availability of cash and cash equivalents and credit lines and borrowing facilities from banks.

Market Risk

Market risk may be the risk of fair value of Company's assets and liabilities on account of change in foreign exchange rates and applicable rate of interest on borrowings having variable interest terms. Exposure of the Company to foreign exchange risk majorly relates to its operating activities to the extent denominated in foreign currency and the Company goes for forward exchange contracts to mitigate the risk. Similarly to get de-risked to maximum extent from changes in variable rate of interest, depending upon its funds utilization plan on time to time basis the Company further gets the part of related facilities converted into fixed rate for specific period.

Price Risk:

Key raw materials used in the manufacturing of footwear are EVA, PU material etc. are subject to price volatility depending upon the fluctuation in the price of crude oil and it's derivatives. To mitigate the pricerisk the Company takes several measures including continuous monitoring the price trend of key materials, value engineering of goods and passing of the cost on the product wherever required in timely manner.

**q) Fair Value Measurement**

The fair value of the assets and liabilities are assessed at balance



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

sheet date considering normal circumstances as per the following:

- a) Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, borrowings and other financial assets and liabilities at their carrying amount due to their short-term nature.
- b) Financial assets and liabilities with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty.
- c) Assessment by the Management about the carrying value of financial assets including leasehold rights and obligations due to be amortised.
- d) Forward exchange contracts using exchange rates at the balance sheet date.

**r) Provision for Taxation**

Provision for taxation is made taking into consideration the provisions of Income Tax Act, 1961. Adjustment, if any, arising out of the assessment is made in the year the assessment is completed. Current tax assets and liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Income tax expense represents the sum of current and deferred tax. Tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such case the tax expense is also recognised directly in equity or in other comprehensive income.

Any subsequent change in income tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

**s) Provision for Deferred Taxation**

Deferred tax is recognised on temporary timing differences between the carrying

amount of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach.

Deferred tax liabilities are recognised for all taxable temporary timing differences and deferred tax assets are recognised for all deductible temporary timing differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax asset and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

The carrying amount of deferred tax asset, if any, is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set-off current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority and no deferred tax asset is recognized as on the date of reporting.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

## 2(a) Property, plant and equipment

(Amount in ₹ Lakh)

Particulars	Freehold Land	Buildings	Plant & Equipments	Furniture & Fixture	Vehicles	Office Equipments	Moulds	Total
<b>Gross carrying amount</b>								
As at 31st March 2022	1,226.76	2,637.04	8,854.11	3,901.59	2,306.54	2,012.45	4,007.18	24,945.68
Additions	-	142.10	858.99	478.31	354.85	204.16	298.40	2,337.81
Disposals/Adjustments	-	-	357.48	452.96	59.14	93.10	-	962.68
As at 31st March 2023	1,226.76	2,779.14	9,355.62	3,926.94	2,602.25	2,123.52	4,306.58	26,320.81
Additions	-	71.53	522.63	397.88	150.66	157.23	206.19	1,506.12
Disposals/Adjustments	-	6.53	2,840.94	466.99	483.38	469.46	691.35	4,958.65
As at 31st March 2024	1,226.76	2,844.14	7,037.31	3,857.83	2,269.53	1,811.29	3,821.42	22,868.28
<b>Accumulated Depreciation</b>								
As at 31st March 2022	-	1,317.92	7,278.12	2,640.46	1,566.53	1,693.64	2,857.47	17,354.15
Depreciation Charge for the year	-	68.88	290.62	284.11	190.57	127.85	239.71	1,211.74
Disposals/Adjustments	-	-	350.94	400.26	57.95	91.43	-	903.57
As at 31st March 2023	-	1,406.80	7,207.80	2,521.32	1,699.15	1,730.07	3,097.18	17,662.32
Depreciation Charge for the year	-	93.33	243.21	267.98	176.51	114.02	388.19	1,293.24
Disposals/Adjustments	-	-	2,815.56	365.85	474.55	464.36	691.33	4,811.70
As at 31st March 2024	-	1,500.13	4,635.42	2,423.45	1,401.11	1,379.71	2,794.04	14,133.86
<b>Net carrying amount</b>								
As at 31st March 2023	1,226.76	1,372.34	2,147.82	1,405.62	903.10	393.45	1,209.40	8,658.49
As at 31st March 2024	1,226.76	1,344.01	2,401.89	1,434.38	868.42	431.58	1,027.38	8,734.42

## 2(b) Intangible Assets

(Amount in ₹ Lakh)

Particulars	Patents	Softwares	Total
<b>Gross Carrying Amount</b>			
As at 31st March 2022	0.16	364.35	364.51
Additions	-	11.35	11.35
Disposals/Adjustments	-	26.71	26.71
As at 31st March 2023	0.16	348.99	349.15
Additions	-	14.26	14.26
Disposals/Adjustments	-	0.14	0.14
As at 31st March 2024	0.16	363.11	363.27
<b>Accumulated Depreciation</b>			
As at 31st March 2022	0.04	312.75	312.79
Amortisation Charge for the year	-	22.63	22.63
Disposals/Adjustments	-	26.71	26.71
As at 31st March 2023	0.04	308.67	308.71
Amortisation Charge for the year	0.01	16.07	16.08
Disposals/Adjustments	-	0.14	0.14
As at 31st March 2024	0.05	324.60	324.65
<b>Net carrying amount</b>			
As at 31st March 2023	0.12	40.32	40.44
As at 31st March 2024	0.11	38.51	38.62



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

## 2(c) Capital work in progress

(Amount in ₹ Lakh)

Particulars	Building Under Construction	Assets under Installation	Total
<b>Gross carrying amount</b>			
<b>As at 31st March 2022</b>	<b>0.59</b>	<b>1.39</b>	<b>1.98</b>
Additions	18.00	-	<b>18.00</b>
Capitalised	-	-	-
<b>As at 31st March 2023</b>	<b>18.59</b>	<b>1.39</b>	<b>19.98</b>
Additions	1.37	-	1.37
Capitalised	18.59	1.39	19.98
<b>As at 31st March 2024</b>	<b>1.37</b>	<b>-</b>	<b>1.37</b>

## Ageing of CWIP

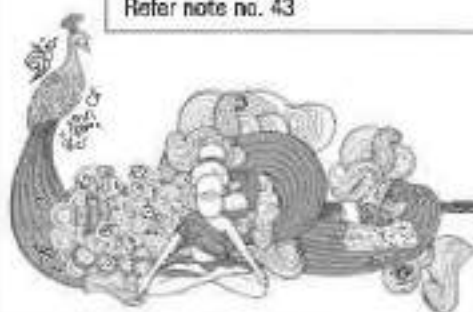
(Amount in ₹ Lakh)

As at 31st March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Building under construction	1.37	-	-	-	1.37
Assets under Installation	-	-	-	-	-
<b>Total</b>	<b>1.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.37</b>
As at 31st March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years 3 years	More than 3 years	
Building under construction	18.00	0.59	-	-	18.59
Assets under Installation	-	-	-	1.39	1.39
<b>Total</b>	<b>18.00</b>	<b>0.59</b>	<b>-</b>	<b>1.39</b>	<b>19.98</b>

## 2(d) Right-of-use Assets

(Amount in ₹ Lakh)

Right-of-use Assets (ROU Assets)	As at 31st March, 2024	As at 31st March 2023
	<b>Buildings</b>	
<b>Opening Balance</b>	7,311.42	5,990.21
Additions for the new leases	2,541.09	3,693.21
Depreciation Expenses for the year	(2,076.26)	(1,934.24)
Deletions for terminated leases	(94.51)	(437.78)
<b>Closing Balance</b>	<b>7,681.74</b>	<b>7,311.42</b>
Refer note no. 43		



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

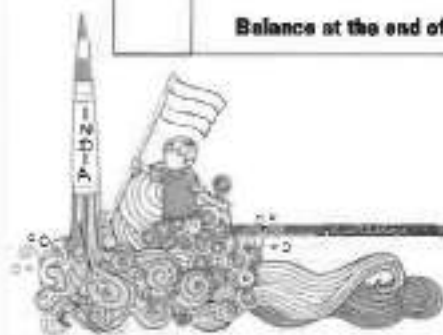
	As at 31st March, 2024	As at 31st March, 2023
<b>3 Non-current Investments (Non-Trade)</b>		
<b>Investments in Government Securities (Valued at Cost)</b> (6 Years National Saving Certificates VII Issue)	0.45	0.45
<b>Total Non-current Investments</b>	<b>0.45</b>	<b>0.45</b>
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	0.45	0.45
Aggregate Market Value of Quoted Investments	-	-
<b>4 Other Financial Assets-Non Current</b> (Unsecured and considered good unless stated otherwise)		
Security Deposits		
to Related Parties	60.00	60.00
to Others	662.51	690.41
Bank Deposits having maturity for more than 12 months	32.69	6.01
	755.20	756.42
Less: Provision for doubtful security deposits to others	29.78	29.78
<b>Total Other Financial Assets- Non Current</b>	<b>725.42</b>	<b>726.64</b>
<b>5 Other Non-current Assets</b> (Unsecured and considered good unless stated otherwise)		
Capital Advance	24.48	16.39
<b>Total Other Non-current Assets</b>	<b>24.48</b>	<b>16.39</b>
<b>6 Inventories (As valued and certified by the Management)</b>		
Raw Materials	3,856.87	4,191.44
Goods in Process	1,687.19	2,207.38
Finished Goods		
Manufactured	6,270.80	10,803.29
Traded	1,093.62	1,405.16
Packing Materials	315.12	342.31
Stores & Spares	392.10	450.12
Oil & Lubricants	25.43	27.82
<b>Total Inventories</b>	<b>15,841.13</b>	<b>19,427.52</b>
<b>7 Trade Receivables</b>		
Trade Receivables, Unsecured		
Trade receivables-Considered Good	9,253.60	8,346.02
Trade receivables from Related Parties-Considered Good	525.67	400.53
Credit Impaired	413.76	343.49
	10,193.03	9,090.04
Less: Allowance for Doubtful Trade Receivables (Expected Credit Loss Allowance)	413.76	343.49
<b>Total Trade Receivables</b>	<b>9,779.27</b>	<b>8,746.55</b>
<b>8 Cash and Cash Equivalents</b>		
Balances with banks:		
In Current Accounts	39.69	21.70
Cheques on hand	95.56	42.72
Cash in hand including imprest	127.61	97.96
<b>Total Cash &amp; Cash Equivalents</b>	<b>262.86</b>	<b>162.38</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

		As at 31st March, 2024	As at 31st March, 2023
9	<b>Bank Balances other than Cash and Cash Equivalents</b> Earmarked balances with Banks-Unpaid Dividend Accounts Deposits with Banks with original maturity of more than 3 months and having remaining maturity up to 12 months*	5.28 383.32	5.28 194.29
	<b>Total Bank Balances other than Cash and Cash Equivalents</b> * includes deposit held as lien with banks for bank guarantee of ₹ 383.32 Lakh (Previous year ₹ 194.29 Lakh)	<b>388.60</b>	<b>199.57</b>
10	<b>Other Financial Assets-Current</b> (Unsecured and considered good unless stated otherwise) Security Deposit for less than 12 Months to Related Parties to Others Loans and advances to employees	- 16.78 81.45	- 5.50 104.14
	<b>Total Other Financial Assets-Current</b>	<b>98.23</b>	<b>109.64</b>
11	<b>Other Current Assets</b> (Unsecured and considered good unless stated otherwise) Advances recoverable in cash or in kind or for the value to be received (Refer to note 41) Considered good Considered doubtful (Credit Impaired) Balances with Statutory or Government Authorities (including GST, VAT recoverable and taxes paid under protest) Prepaid Expenses	721.30 23.36 1,807.51 273.00	700.79 23.36 891.83 257.30
	Less: Allowance for Doubtful Advances (Expected Credit Loss Allowance) (Refer to Note 39)	2,825.17 23.36	1,673.28 23.36
	<b>Total Other Current Assets</b>	<b>2,801.81</b>	<b>1,649.82</b>
	<b>Equity</b>		
12	<b>Equity Share Capital</b>		
	<b>Authorised Share Capital</b> 6350000 (Previous year 6350000 Equity Shares) of ₹ 10 each	6,350.00	6,350.00
	<b>Issued, Subscribed &amp; Fully Paid Up Capital</b> 17040000 (Previous year 17040000) Equity Shares of ₹ 10 each fully paid up.	1,704.00	1,704.00
		<b>1,704.00</b>	<b>1,704.00</b>
12(a)	<b>Reconciliation of Number of Shares</b>		
	<b>Equity Shares</b>		
	<b>Balance at the beginning of the year</b> 17040000 (Previous year 17040000) Equity Shares of ₹ 10 each fully paid up.	1,704.00	1,704.00
	Add: Shares issued during the year	-	-
	<b>Balance at the end of the year</b>	<b>1,704.00</b>	<b>1,704.00</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- 12 (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.

12 (c) **Detail of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at 31st March, 2024		As at 31st March, 2023	
	% of shareholding	No. of Shares	% of shareholding	No. of Shares
<b>Equity Shares</b>				
Geofin Investments Private Limited	4472517	26.25	4472517	26.25
<b>Total</b>	<b>4472517</b>	<b>26.25</b>	<b>4472517</b>	<b>26.25</b>
<b>12 (d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the five years immediately preceding the reporting date preceding the reporting</b>				
<b>Equity Shares</b>	<b>Nil</b>		<b>Nil</b>	

12 (e) **Shareholding of Promoters**

Sr. No.	Name of Promoter	Shareholding at the beginning of the year 01.04.2023			Shareholding at the end of the year 31.03.2024			% 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	Adesh Kumar Gupta (Karta)	660000	3.99	-	660000	3.99	-	-
2	Adesh Kumar Gupta (Karta)	660000	3.87	-	660000	3.87	-	-
3	Arpan Gupta Karta of Dinesh Kumar Gupta (HUF)	366012	2.15	-	366012	2.15	-	-
4	Sh. Arpan Gupta	509250	2.99	-	509250	2.99	0.15	-
5	Sh. Anupam Bansal	492886	2.89	-	492886	2.89	-	-
6	Sh. Ayush Bansal	300000	1.78	-	300000	1.78	-	-
7	Sh. Pankaj Bansal	300000	1.78	-	300000	1.78	-	-
8	Smt. Richa Bansal	300000	1.78	-	300000	1.78	-	-
9	Sh. Shammi Bansal	259640	1.52	-	259640	1.52	-	-
10	Sh. Akshat Gupta	241660	1.42	-	241660	1.42	-	-
11	Sh. Vivek Bansal	233640	1.37	-	233640	1.37	-	-
12	Sh. Raman Bansal	232640	1.37	-	232640	1.37	-	-
13	Sh. Sunil Bansal	232640	1.37	-	232640	1.37	-	-
14	Sh. Adesh Kumar Gupta	189360	1.11	-	189360	1.11	-	-
15	Sh. Manan Bansal	150000	0.88	-	150000	0.88	-	-
16	Sh. Vaibhav Bansal	150000	0.88	-	150000	0.88	-	-
17	Sh. Adesh Kumar Gupta	95000	0.56	-	95000	0.56	-	-
18	Smt. Rehti Devi	83360	0.49	-	83360	0.49	-	-
19	Smt. Kamalwati	13600	0.08	-	13600	0.08	-	-
20	Sh. Adarsh Gupta	-	-	-	10	0.00	-	0.00
21	Sh. Anmol Gupta	6132	0.04	-	6132	0.04	-	-
22	M/s Geofin Investments Private Limited	4472517	26.25	-	4472517	26.25	-	-
	<b>Total</b>	<b>9968336</b>	<b>58.50</b>	<b>-</b>	<b>9968346</b>	<b>58.50</b>	<b>0.15</b>	<b>0.00</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

	As at 31st March, 2024	As at 31st March, 2023
<b>Other Equity</b>		
<b>13 Reserves &amp; Surplus</b>		
<b>a) Capital Reserve</b>	<b>4.00</b>	<b>4.00</b>
b) Securities Premium Account		
Balance at the beginning of the year	1,127.21	1,127.21
Add: Additions/(Utilisations) during the year	-	-
<b>Balance at the end of the year</b>	<b>1,127.21</b>	<b>1,127.21</b>
<b>c) General Reserve*</b>		
Balance at the beginning of the year	12,270.09	12,270.09
Add: Transfer from surplus in the Statement of Profit & Loss	-	-
<b>Balance at the end of the year</b>	<b>12,270.09</b>	<b>12,270.09</b>
<b>d) Retained Earnings**</b>		
Balance at the beginning of the year	4,711.63	3,795.03
Add: Profit for the year	1,089.86	1,342.60
	5,801.49	5,137.63
Less: Transfer to General Reserve	-	-
Interim Dividend on Equity Shares (Dividend per share NIL (Previous year ₹ 2.50/-))	-	426.00
<b>Balance at the end of the year</b>	<b>5,801.49</b>	<b>4,711.63</b>
<b>Total Reserves &amp; Surplus</b>	<b>19,202.79</b>	<b>18,112.93</b>

\*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. Further, under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. Hence, no amount has been transferred to general reserve while declaring and paying the interim dividend during the year."

\*\*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 ₹ Lakh)

<b>14 Long Term Borrowings</b>	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current Maturities	Non Current	Current Maturities
<b>Secured measured at amortised cost</b>				
<b>Term Loans</b>				
Rupee Term Loans from Banks	88.05	148.33	742.24	382.14
Less: Amount disclosed under Borrowings (Refer note 19)	-	148.33	-	382.14
<b>Net Long Term Borrowings</b>	<b>88.05</b>	<b>-</b>	<b>742.24</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakhs)

Particulars of Loan	Detail of Security	Outstanding Balance as at 31.03.2024	Repayment Terms
From Banks			
Guaranteed Emergency Credit Line 2.0 from State Bank of India	Extension of charge (2nd charge) over the existing Primary securities created in favour of the Bank on pari-passu basis.	82.95	3 Monthly instalments of ₹ 24.79 Lakhs each for Apr 2024 to June 2024 and ₹ 8.58 Lakhs for July 2024.
Vehicle Loans from HDFC Bank	Hypothecation of Vehicles	153.43	43% in Monthly Installment during Apr-24 to Mar-25 24% in Monthly Installment during Apr-25 to Mar-26 23% in Monthly Installment during Apr-26 to Mar-27 and 10% in Monthly Installment during Apr-27 to Mar-27
<b>Total</b>		<b>236.38</b>	

(Amount in ₹ Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>15 Lease Liabilities</b>		
Lease Rental Obligations (refer to Note 43)	7,681.73	7,311.43
<b>Total Lease Liabilities</b>	<b>7,681.73</b>	<b>7,311.43</b>
<b>16 Other Financial Liabilities</b>		
Security Deposits	1,829.90	1,899.69
<b>Total Other Financial Liabilities</b>	<b>1,829.90</b>	<b>1,899.69</b>
<b>17 Provisions-Non Current</b>		
Provision for Gratuity	103.38	115.64
<b>Total Provisions-Non Current</b>	<b>103.38</b>	<b>115.64</b>
<b>18 Deferred Tax Liability (Net)</b>		
Balance at the beginning of the year	-	-
Add. for the year	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>19 Borrowings-Current</b>		
<b>Secured</b>		
Loans repayable on demand*		
From Banks	6,812.63	7,579.92
Current Maturities of Long Term Debts (refer Note 14)		
From Banks	149.33	362.14
<b>Total Borrowings-Current</b>	<b>6,960.96</b>	<b>7,962.06</b>

\*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 pari-passu charge on Plant & Machinery.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakhs)

		As at 31st March, 2024	As at 31st March, 2023
<b>20</b>	<b>Trade Payables</b>		
	Trade Payables for goods & services (Includes sundry creditors)		
	a) Total outstanding due of Micro and Small Enterprises	2,284.23	1,347.54
	b) Total outstanding due other than Micro and Small Enterprises	4,398.66	6,208.06
	<b>Total Trade Payables</b>	<b>6,683.09</b>	<b>7,555.60</b>
	For ageing of trade payable and details of MSME disclosures, refer to note 44 & 45		
<b>21</b>	<b>Other Current Liabilities</b>		
	<b>Other Payables</b>		
	Advances from Customers	384.18	357.33
	Expenses Payable	1,008.73	878.69
	Other Liabilities	440.79	341.88
	<b>Total Other Current Liabilities</b>	<b>1,833.76</b>	<b>1,577.90</b>
<b>22</b>	<b>Provisions-Current</b>		
	Provision for Gratuity	115.63	97.91
	Provision for third party liability on a/c of fire	65.00	-
	<b>Total Provisions-Current</b>	<b>180.63</b>	<b>97.91</b>
<b>23</b>	<b>Current Tax Liabilities</b>		
	Provision for taxation (Net of Advance Tax, Tax Deducted at Source and Tax Collected at Source)	110.12	-
	<b>Total Current Tax Liabilities</b>	<b>110.12</b>	<b>-</b>
		<b>For the year ended 31st March, 2024</b>	<b>For the year ended 31st March, 2023</b>
<b>24</b>	<b>Revenue from Operations</b>		
(a)	<b>Sale of Products</b>		
	Footwear & Other Products, Accessories etc	63,577.14	65,149.05
	<b>Total</b>	<b>63,577.14</b>	<b>65,149.05</b>
(b)	<b>Other Operating Income</b>		
	Freight	9.36	48.42
	Miscellaneous Income	80.45	100.61
	Gain on Exchange Rate Fluctuations	19.48	88.26
	Bad Debts Recovered	0.50	48.37
	<b>Total</b>	<b>108.78</b>	<b>283.66</b>
	<b>Total Revenue from Operations</b>	<b>63,685.92</b>	<b>65,432.71</b>
<b>25</b>	<b>Other Income</b>		
	Bank and Other Interest (Tax deducted at Source ₹ 1.12 Lakhs [Previous Year ₹ 1.16 Lakhs])	38.91	17.41
	<b>Total Other Income</b>	<b>38.91</b>	<b>17.41</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

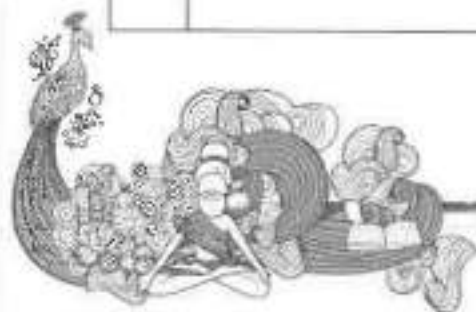
		For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>25</b>	<b>Cost of Materials consumed and Finished Goods Purchased</b>		
	<b>a) Raw Materials (Refer to Note 46 &amp; 47)</b>		
	Stock at the beginning of the year	4,191.44	4,339.17
	Add: Purchases	19,681.91	22,996.82
		<u>23,873.35</u>	<u>27,335.99</u>
	Less: Stock at the end of the year	3,856.87	4,191.44
	<b>Raw Materials Consumed</b>	<b>20,016.48</b>	<b>23,144.55</b>
	<b>b) Packing Materials (Refer to Note 47)</b>		
	Stock at the beginning of the year	342.30	317.96
	Add: Purchases	2,306.12	2,541.23
		<u>2,648.42</u>	<u>2,859.19</u>
	Less: Stock at the end of the year	315.11	342.31
	<b>Packing Materials Consumed</b>	<b>2,333.31</b>	<b>2,516.88</b>
	<b>c) Finished Goods Purchased (Refer to Note 47)</b>	<b>6,670.52</b>	<b>9,532.64</b>
	<b>Total Cost of Materials consumed and Finished Goods Purchased (a + b + c)</b>	<b>29,020.31</b>	<b>35,194.07</b>
<b>27</b>	<b>Change in Inventories of Finished Goods, Goods in Process and Stock-in-Trade</b>		
	<b>a) Inventories at the end of the year</b>		
	Finished Goods/Stock-in-Trade	9,364.42	12,208.45
	Goods in Process	1,887.19	2,207.38
	Total	<u>11,251.61</u>	<u>14,415.83</u>
	<b>b) Inventories at the beginning of the year</b>		
	Finished Goods/Stock-in-Trade	12,208.45	9,873.90
	Goods in Process	2,207.38	1,820.84
	Total	<u>14,415.83</u>	<u>11,694.74</u>
	<b>(Increase)/Decrease in Inventories (b - a)</b>	<b>3,164.22</b>	<b>(2,721.09)</b>
	<b>Breakup of (Increase)/Decrease in Inventories</b>		
	on a/c of business operations	1,417.61	(2,721.09)
	on a/c of fire (Refer to Note No. 57)	1,746.61	-
	<b>Total (Increase)/Decrease in Inventories</b>	<b>3,164.22</b>	<b>(2,721.09)</b>
<b>28</b>	<b>Employee Benefits Expense</b>		
	Salaries, Wages and Bonus	10,119.93	9,558.16
	Directors' Remuneration	187.62	223.62
	Contribution to Provident and Other Funds (Refer to Note 50)	505.72	409.51
	Remeasurement Gains/(Losses) on Defined Benefit Plan	(34.60)	68.76
	Staff Welfare Expenses	129.50	135.04
	<b>Total Employee Benefits Expense</b>	<b>10,908.16</b>	<b>10,396.11</b>
<b>29</b>	<b>Finance Cost</b>		
	Interest Expense		
	to Banks	645.46	563.95
	to others	612.57	481.67
	Bank Charges	100.68	162.98
	<b>Total Finance Cost</b>	<b>1,358.71</b>	<b>1,208.60</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakhs)

		For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>30</b>	<b>Depreciation and Amotisation Expenses</b>		
	Depreciation on Property, Plant & Equipments- Refer to note 2(a)	1,283.24	1,211.74
	Amortisation of Intangible Assets- Refer to note 2 (b)	16.08	22.63
	Depreciation on Right-of- use Assets - Refer to note 2(d)	2,076.26	1,934.24
	<b>Total Depreciation and Amortisation Expenses</b>	<b>3,375.58</b>	<b>3,168.62</b>
<b>31</b>	<b>Other Expenses</b>		
	<b>a) Manufacturing Expenses</b>		
	Freight Inwards	233.77	254.68
	Upper Production Charges	1,243.58	1,351.02
	Oil & Lubricants	109.39	132.03
	Electricity Charges	839.00	817.27
	Repairs to Machinery	571.80	526.31
	Land Lease Rent	4.27	3.88
	Franchise Fee	125.00	125.00
	<b>Total</b>	<b>3,126.81</b>	<b>3,210.19</b>
	<b>b) Administration, Selling and Other Expenses</b>		
	Printing & Stationery	47.25	54.08
	Claims	653.11	699.56
	Tour, Travelling and Conveyance	930.67	892.00
	Insurance Charges	162.14	182.29
	Fees and Taxes	471.98	138.16
	Postage, Telegram, Telephone and Telex	114.72	115.18
	Subscriptions	18.51	17.28
	Advertisements	1,214.36	2,588.59
	Rent (refer to Note 43)	(186.19)	(120.46)
	Donations	40.32	32.89
	Export CIF Expenses	202.50	208.68
	Freight Outward	1,515.79	1,313.20
	Samples	5.10	0.79
	Auditors' Remuneration:		
	Statutory Audit Fee	10.25	10.25
	GST & Tax Audit Fee	6.00	6.00
	Certification Fee	1.00	1.00
	Cost Audit Fee	-	-
	Miscellaneous Expenses	366.32	361.13
	Royalty	2,324.08	2,039.00
	Entertainment Expenses	55.95	53.92
	Commission	2,532.31	2,561.41
	Sales Promotion Expenses	844.82	799.83
	Newspapers & Periodicals	0.89	1.17
	Debts written off (Refer to Note 40)	5.83	85.55
	Allowance for Doubtful Trade Receivables & Advances (refer to Note 39)	70.27	(39.40)
	Consultancy & Professional Charges	733.09	638.20
	Repairs & Maintenance Expenses-Building	65.04	262.11
	Repairs & Maintenance Expenses-Others	391.79	275.99
	<b>Total</b>	<b>12,498.50</b>	<b>13,178.20</b>
	<b>Total Other Expenses (a + b)</b>	<b>15,625.31</b>	<b>16,388.39</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

		For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>32</b>	<b>Exceptional Items:</b>		
	<b>a) Profit/Loss on sale/scrapping of Fixed Assets:</b>		
	Profit on sale of Fixed Assets	(43.41)	(22.01)
	Loss on sale/scrapping of Fixed Assets	63.05	51.96
	<b>Total 'a'</b>	<b>19.64</b>	<b>29.95</b>
	<b>b) Loss on a/c of fire (net of claim receivable) - (Refer to Note 57)</b>		
	Value of Stock destroyed in Fire	1,764.35	-
	Insurance Claim receivable against Stocks	(1,425.00)	-
	Loss on scrapping of Fixed Assets destroyed in Fire	65.79	-
	Loss of Third Party Capital Goods destroyed in Fire	65.00	-
	<b>Total 'b'</b>	<b>470.14</b>	<b>-</b>
	<b>Total Exceptional Items (a + b)</b>	<b>489.78</b>	<b>29.95</b>
<b>33</b>	<b>Income Tax Expenses</b>		
	Current Tax	431.16	471.93
	Deferred Tax	-	-
	Tax for earlier years	(17.54)	22.43
	<b>Total Income Tax Expenses</b>	<b>413.62</b>	<b>494.36</b>
	<b>Reconciliation of Tax Expenses</b>		
	Profit before Tax	1,494.77	1,354.25
	Domestic Tax Rate	25.168%	25.168%
	Tax using the Company's domestic tax rate	376.20	466.68
	<b>Increase/reduction in taxes on account of</b>		
	Deductions/exemptions in taxable income/other non deductible expenses (net)	54.96	5.25
	Tax for earlier years	(17.54)	22.43
	<b>Income tax expenses charged to statement of profit and loss</b>	<b>413.62</b>	<b>494.36</b>
	effective tax rate	27.67%	26.66%



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**34. Details of Managerial Remuneration:**

(Amount in ₹ Lakh)

Particulars	31.03.2024	31.03.2023
Payment and provision for remuneration to: • Executive Director(s)	247.62	223.62

**Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013, for calculation of commission paid/payable to directors:**

(Amount in ₹ Lakh)

Particulars	31.03.2024	31.03.2023
Profit before tax as per Statement of Profit & Loss	1,494.77	1,854.26
Add:		
Directors' Remuneration	247.62	223.62
(Profit)/Loss on sale of Fixed Assets (Net) [Refer to Note 32 (a)]	19.64	29.95
Directors' Sitting Fees	7.75	7.50
(Profit)/Loss on sale of Investments	-	-
<b>Net Profit as per Section 198 of the Companies Act, 2013</b>	<b>1,769.78</b>	<b>2,115.33</b>
<b>Commission paid/payable to Directors</b>	<b>-</b>	<b>-</b>

During the year under consideration, no remuneration has been paid to Non-Executive Directors except sitting fees of ₹ 7.75 Lakh (Previous year ₹ 7.50 Lakh) to Independent Directors.

35. 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.
36. During the course of its business the Company usually extends credit terms for more than six months to some of its customers more particularly to overseas and institutional customers and during the year ended 31st March, 2024 the outstanding for more than six months from customers has increased to ₹ 1,884.61 Lakhs as against ₹ 1,005.28 Lakhs as on 31st March, 2023.
37. Against the arbitrary deductions/claims done by the appropriate authority, on account of shortages, late deliveries etc., while releasing the payments in the financial year 2022-23 aggregating to ₹ 2,246.32 Lakhs as full & final payment against one of the government tender supplies made by the Company in the financial

year 2019-20 for ₹ 2,682.88 Lakhs Company's petition before the Hon'ble High Court of Andhra Pradesh for appointment of an Arbitrator has been allowed by the Hon'ble High Court and the Company has also filed its claim statement against the said arbitrary deduction for ₹ 436.56 Lakhs and interest accrued thereon for the period of delay before the Learned Arbitrator by explaining all the arbitrary deductions made and the matter is presently sub-judice before the Learned Arbitrator.

As informed earlier also, the arbitrary deduction for ₹ 436.56 Lakh had been written off after adjusting the outstanding amount of ₹ 268.82 Lakh towards related vendors in the year of receipt of payment i.e. in the financial year 2022-23 and there is no impact of the same on the profit and loss statement for the year under consideration.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**38. Ageing schedule of Trade Receivables:** Disclosure on ageing schedule of trade receivables in pursuant to Division II-Ind AS Schedule III to the Companies Act, 2013 is as under:

(Amount in ₹ Lakh)

Particulars	Outstanding for following periods from date of invoice/due date					Total
	< 6 Months	> 6 Months < 1 Year	> 1 Year < 2 Years	> 2 Years < 3 Years	< 3 Years	
<b>As at March 31, 2024</b>						
(i) Undisputed Trade receivables-considered good	8,308.42	977.30	477.78	15.76	-	<b>9,779.26</b>
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	53.09	6.76	353.91	<b>413.76</b>
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>8,308.42</b>	<b>977.30</b>	<b>530.87</b>	<b>22.52</b>	<b>353.91</b>	<b>10,193.02</b>
<b>As at March 31, 2023</b>						
(i) Undisputed Trade receivables-considered good	8,084.76	431.71	204.61	25.26	0.20	<b>8,746.54</b>
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	22.74	10.82	309.93	<b>343.49</b>
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>8,084.76</b>	<b>431.71</b>	<b>227.35</b>	<b>36.08</b>	<b>310.13</b>	<b>9,090.03</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**39. Provision for doubtful debts:**

During the year out of overdue outstanding towards customers and advances to vendors, the Company has considered debts/advances for ₹ 437.12 Lakh (Previous year ₹ 366.85 Lakh) as doubtful debts/advances/securities and also has withdrawn ₹ Nil Lakh (Previous year ₹ 22.96 Lakh) out of the provisions made in the

earlier years for the same and has written off as bad debts ₹ Nil Lakh (Previous year ₹ 33.92 Lakh). 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 ₹ Lakh)

Particulars	2023-24	2022-23
Provision for the year	466.90	396.63
Less: Provision made for doubtful debts in earlier years	396.63	436.03
Net debited/(credited) to Statement of Profit & Loss	70.27	(39.40)

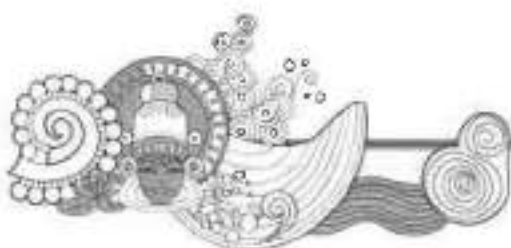
**Balance Sheet**

(Amount in ₹ Lakh)

Particulars	2023-24	2022-23
Opening Balance	396.63	436.03
Add/(Less): Provision for the year	70.27	(16.44)
Total	466.90	419.59
Less: Amount withdrawn during the year	-	22.96
Closing balance	466.90	396.63
Trade Receivables (Refer to Note No. 7)	413.76	343.49
Other Current Assets (Refer to Note No. 11)	23.36	23.36
Security Deposits to Others (Refer to Note No. 4)	29.78	29.78

40. In accordance to its policy as regards to evaluation of its trade receivables, considering the non-recoverability of some of the debts/advances, the

Company has written off the debts/advances amount to ₹ 5.83 Lakh (Previous year ₹ 51.64 Lakh).



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

## 41. Ageing Schedule of Other Current Assets:

(Amount in ₹ Lakh)

Particulars	Outstanding for following periods from date of payment					Total
	< 6 Months	> 6 Months < 1 Year	> 1 Year < 2 Years	> 2 Years < 3 Years	< 3 Years	
<b>As at March 31, 2024</b>						
(i) Undisputed Advances-considered good	604.64	17.86	23.96	62.90	11.85	<b>721.21</b>
(ii) Undisputed Advances-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Advances-credit impaired	-	-	-	-	23.36	<b>23.36</b>
(iv) Disputed Advances-considered good	-	-	-	-	-	-
(v) Disputed Advances-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Advances-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>604.64</b>	<b>17.86</b>	<b>23.96</b>	<b>62.90</b>	<b>35.21</b>	<b>744.57</b>
<b>As at March 31, 2023</b>						
(i) Undisputed Advances-considered good	639.77	-	61.02	-	-	<b>700.79</b>
(ii) Undisputed Advances-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Advances-credit impaired	-	-	-	-	23.36	<b>23.36</b>
(iv) Disputed Advances-considered good	-	-	-	-	-	-
(v) Disputed Advances-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Advances-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>639.77</b>	<b>-</b>	<b>61.02</b>	<b>-</b>	<b>23.36</b>	<b>724.16</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

42. 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 leasehold rights are depreciated/amortized using the straight line method from the commencement date over the shorter of lease term or useful life of right to use.

43. The Company implemented the Ind-AS-116 with effect from 1st April, 2019 and accordingly is considering all the persisting leasehold rights having maturity for more than 12 months including entered during the year 2023-24 at its present value as Intangible Rights in Schedule of

Fixed Assets and is amortizing the leasehold rights on year on year basis. During the year 2023-24 the Company has capitalized/(adjusted) the present value of leasehold rights entered during the year (net of terminated) for ₹ 2,446.58 Lakhs (Previous year ₹ 3,255.46 Lakhs) and has amortized the leasehold rights (net of terminated) for ₹ 2,076.26 Lakhs (Previous year ₹ 1,934.24 Lakhs).

Further while amortizing the leasehold rights for the year, decrease in leasehold obligations agreed with the some of the landlords has not been factored being temporary in nature and the said decrease in leasehold obligations aggregating to ₹ 186.39 Lakhs (Previous year ₹ 120.46 Lakhs) has been passed on through Profit & Loss account for the year.

44. **Ageing schedule of Trade Payables:** Disclosure on ageing schedule of trade payables in pursuant to Division I-Ind AS Schedule III to the Companies Act, 2013 is as under:

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Within 1 year (31/03/23)	Between 1 and 2 years (31/03/22)	Between 2 and 3 years (31/03/21)	More than 3 years	
<b>As at March 31, 2024</b>						
Undisputed dues:						
Micro and Small Enterprises	2,284.23	-	-	-	-	<b>2,284.23</b>
Others	3,426.02	728.51	3.82	2.21	113.69	<b>4,274.25</b>
ii) Disputed Dues:						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	124.61	-	-	-	<b>124.61</b>
<b>Total</b>	<b>5,710.25</b>	<b>853.12</b>	<b>3.82</b>	<b>2.21</b>	<b>113.69</b>	<b>6,683.09</b>
<b>As at March 31, 2023</b>						
Undisputed dues:						
Micro and Small Enterprises	1,347.54	-	-	-	-	<b>1,347.54</b>
Others	4,591.74	1,410.24	49.17	82.37	74.54	<b>6,208.06</b>
ii) Disputed Dues:						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>	<b>5,939.28</b>	<b>1,410.24</b>	<b>49.17</b>	<b>82.37</b>	<b>74.54</b>	<b>7,555.60</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

45. The Company has maintained separate record of its suppliers as micro & small on the basis of 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, 2024 as Micro or Small Enterprise. Disclosure is hereby given in pursuant to requirement of section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

(Amount in ₹ Lakh)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year		
Principal Amount	2,284.23	1,347.54
Interest Due	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 46. Detail of Raw Materials consumed [Refer to Note 26 (a)]:

(Amount in ₹ Lakh)

Description	2023-24	2022-23
PVC Compound	655.24	1,027.12
Laminated Leather Fabric	2,203.32	2,778.09
PU Chemicals	2,119.17	2,562.86
Leather	1,801.37	2,461.51
PU Soles	2,409.27	2,623.53
EVA Resin	601.42	729.39
Shoe Uppers/Components	4,553.43	4,540.51
Others	5,850.28	6,573.40
Total	20,193.50	23,296.41
Less: Amount of:		
Export Incentives	177.02	151.86
<b>Net Consumption</b>	<b>20,016.48</b>	<b>23,144.55</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

## 47. Consumption/Purchase of Imported and Indigenous Materials and percentage thereof:

(Amount in ₹ Lakh)

Description	2023-24		2022-23	
	Amount	%	Amount	%
<b>Raw Materials Consumed</b> [Note 26 (a)]				
Imported	1,028.72	5.14	887.95	3.84
Indigenous	18,987.76	94.86	22,256.60	96.16
<b>Total</b>	<b>20,016.48</b>	<b>100.00</b>	<b>23,144.55</b>	<b>100.00</b>
<b>Packing Materials Consumed</b> [Note 26 (b)]				
Imported	-	-	13.29	0.53
Indigenous	2,333.31	100.00	2,503.59	99.47
<b>Total</b>	<b>2,333.31</b>	<b>100.00</b>	<b>2,516.88</b>	<b>100.00</b>
<b>Finished Goods Purchased</b> [Note 26 (c)]				
Imported	93.29	1.40	1,196.29	12.55
Indigenous	6,577.23	98.60	8,336.35	87.45
<b>Total</b>	<b>6,670.52</b>	<b>100.00</b>	<b>9,532.64</b>	<b>100.00</b>
<b>Consumable Stores &amp; Spares</b> [Note 31 (a)]				
Imported	82.09	14.36	62.55	11.89
Indigenous	489.71	85.64	463.76	88.11
<b>Total</b>	<b>571.80</b>	<b>100.00</b>	<b>526.31</b>	<b>100.00</b>

## 48. Derivative Instruments and Unhedged Foreign Currency Exposure, which are not intended for Trading or Speculation Purpose:

## Forward Contracts outstanding as at Balance Sheet date:

(Amount in ₹ Lakh)

Particulars of Forward Contracts	Currency	March 2024	March 2023	Purpose
Purchase	USD	-	5416687.17	To hedge the Trade Payables and Short Term Bank Borrowings
Sales	USD	75000	50000.00	To hedge the Trade Receivables
	GBP	40000	-	



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet date:**

(Amount in ₹ Lakhs)

Particulars of Unhedged Foreign Currency Exposure	Amount in Foreign Currency			Amount in Indian Currency (₹ in Lakhs)	
	Currency	March 2024	March 2023	March 2024	March 2023
Trade Payables	USD	50200.00	445634.54	41.84	365.92
	EURO	422.70	19521.92	0.38	17.43
Advance for Import Purchases	USD	7500.00	18363.45	6.25	15.08
	EURO	-	-	-	-
Advance from Customers	USD	40472.87	54033.17	33.73	44.37
	EURO	1078.99	19217.02	0.97	17.15
	GBP	2000.00	13255.50	2.10	13.46
Trade Receivables	USD	1326038.32	1216259.08	1105.25	998.70
	EURO	38961.91	51641.43	35.10	52.45
	GBP	83539.32	29873.81	87.91	26.67

**49. Expenditure & Earnings in Foreign Currency:**

(Amount in ₹ Lakhs)

Description	2023-24	2022-23
a) CIF Value of Imports		
Raw Materials & Others	1,272.20	2,214.18
Capital Goods	281.92	594.62
Stores & Spares	52.21	43.21
b) Expenditure in Foreign Currency		
Travelling Expenses	0.28	3.18
Export Commission	186.95	197.46
Customer Claims	-	0.44
Advertisement/Business Promotion	29.39	15.92
Legal & Professional Charges	12.32	-
c) FOB Value of Exports of		
Finished Goods	3,619.25	3,802.30

**50. 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 TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**Statement of Profit & Loss:****a) Net Employee Benefit Expense (recognized in Employee Cost):**

(Amount in ₹ Lakh)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2024	31.03.2023
1.	Current Service Cost	61.78	103.04
2.	Interest Cost on Benefit Obligation	53.36	60.20
3.	Expected return on Plan Assets	(50.04)	(46.32)
4.	Actuarial Loss/(Gain)	34.60	(68.79)
5.	Net Benefit Expenses	99.70	48.14

**Balance Sheet****b) Details of Provision for Gratuity**

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2024	31.03.2023
1.	Present Value of Defined Benefit Obligation	903.43	870.74
2.	Fair value of Plan Assets	726.99	693.86
3.	Surplus/(Deficit)	(176.44)	(176.88)
4.	Net Asset/(Liability)	(176.44)	(176.88)

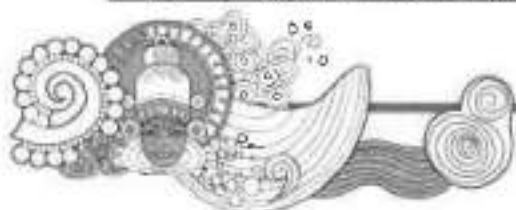
**c) Changes in Present Value of the Defined Benefit Obligation are as follows:**

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2024	31.03.2023
1.	Defined Benefit Obligation at the beginning of the year	870.74	849.56
2.	Current Service Cost	61.78	103.04
3.	Interest Cost	53.36	60.20
4.	Actuarial (Gain)/Loss on Obligation*	34.60	(68.78)
5.	Benefits paid	(117.05)	(73.28)
6.	Defined Benefit Obligation at the end of year	903.43	870.74

\*recognized in other comprehensive income/(expense)

**d) Changes in Fair Value of Plan Assets are as follows:**

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2024	31.03.2023
1.	Opening Fair Value of Plan Assets	693.86	627.88
2.	Expected Return	50.04	46.32
3.	Contribution by employer	100.14	92.94
4.	Benefits paid	(117.05)	(73.28)
5.	Actuarial (Gain)/Loss	-	-
6.	Closing Fair Value of Plan Assets	726.99	693.86



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

## e) The principle assumptions used in determining Gratuity Obligations are as follows:

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2024	31.03.2023
1.	Discount Rate	7.25%	7.25%
2.	Expected Rate of Return on Plan Assets	7.00%	7.00%
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 current and previous periods are as follows:

(Amount in ₹ Lakh)

Sr. No.	Particulars	Gratuity (Funded)	
		31.03.2024	31.03.2023
1.	Defined Benefit Obligation	(903.43)	(870.74)
2.	Plan Assets	726.99	693.86
3.	Surplus/(Deficit)	(176.44)	(176.89)
4.	Experience adjustments on Plan Liabilities	(176.44)	(176.89)
5.	Experience adjustments on Plan Assets	-	-

## 51. Basic and Diluted Earnings per share: The basic and diluted earnings per share of the Company is as under:

(₹ in Lakh except EPS and nominal value of Share)

Description	2023-24	2022-23
Basic & Diluted		
Profit after Taxation (A)	1,089.86	1,342.60
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)	6.40	7.88

## 52. In light of Section 135 of the Companies Act, 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹ 32.25 Lakh (Previous year ₹ 26.38 Lakh) for CSR activities:

(Amount in ₹ Lakh)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	21.06	18.10
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	32.25	26.38



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

53. Contemplating the long-term benefits for unlocking the shareholders' value through acquisition of the tangible and intangible assets including business rights of two partnership firms, in which few Directors of the Company are interested as partners, namely Liberty Enterprises (LE) & Liberty Group Marketing Division (LGMD), the Company had entered into a Memorandum of Understanding (MOU) on March 31, 2015, with these two Partnership Firms for acquisition of their respective business of footwear. Since then, due to certain technical reasons, this MOU and the subsequent MOU for the related matter have not been materialized to the envisaged extent. The Company, keeping in view the protection of its shareholders interest and also to ensure long term continuance of the arrangements with these partnership firms till materialization of the acquisition of their respective business of footwear has extended the validity of earlier executed agreements and is assessing the business rights of the two firms with its availability till March 2028.

During the year in terms of above referred arrangements, the Company has paid/provided for franchise fee of ₹ 115 Lakh (Previous year ₹ 115 Lakh) to LE and ₹ 746.03 Lakh (Previous year ₹ 786 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 trademarks "LIBERTY", for granting exclusive rights of usage of the trademark "LIBERTY" for a period of fifteen years from April 1, 2013 onwards, the Company has paid/provided for trademark license fee of ₹ 1,377.43 Lakh (Previous year ₹ 1,263 Lakh) to LFC.

As informed earlier also that during the year 2022-23, few of the partners of LE, LGMD and LFC had served notices to the Company for termination of the ongoing franchise/trade mark license arrangements w.e.f. 01/04/2023 onwards which had been suitably replied by the Company duly reemphasizing its right of usage of tangible and intangible assets of these firms till March 2028 by virtue of the above referred agreements besides invoking the arbitration clause of the respective agreements with LFC & LGMD and has filed petition under Section 9 of The Arbitration and Conciliation Act, 1996 before the appropriate court at Karnal against

these partnership firms and keeping in view the submission, the Hon'ble Court vide its order dated 16/03/2023 and 20/07/2023 respectively has directed both the parties to maintain status-quo till further orders. The Company has also filed applications under Section 11 of The Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Punjab & Haryana for appointment of the arbitrators and till the date of signing of the financial statement the company's applications are pending for adjudication.

The Board of Directors of the Company while approving the financial statement for the year under consideration have also considered for seeking extension of its existing arrangements of Franchise/Royalty beyond 31st March 2028 subject to mutual understanding and the related legal compliance.

54. During the year, Sh. Adesh Kumar Gupta, the erstwhile CEO & Executive Director (the Petitioner) along with few other shareholders (the Petitioners), had filed a Petition No. CA No. 179/2023 and CP No. 89/Chd/Hry/202 before the Hon'ble National Company Law Tribunal (NCLT) at Chandigarh u/s 241 & 242 of the Companies Act, 2013 against his removal initiated in accordance to the provisions of Section 169 of the Companies Act 2013 also alleging certain acts of oppression and mismanagement on the part of the Company and its management.

The Company contested the same by rebutting all his allegations duly leveling counter allegations against him.

The above referred petitions filed by the erstwhile CEO & Executive Director were dismissed by the Hon'ble Bench vide its order dated 20/11/2023 on the technical ground of maintainability being not having adequate shareholding for filing the petition and the Petitioners have preferred their appeal before the Hon'ble National Company Law Appellate Tribunal (NCLAT) against the order passed by the NCLT, Chandigarh and is pending for adjudication as on the date of signing of this balance sheet.

The Company, in consultation with its legal experts, is appositely contesting this appeal at NCLAT, New Delhi.

55. During the year owing to some reservations emerged subsequently with the supplies viz. -a.-viz. billed by few of the Company's vendors, payments against their supplies were put on hold for the want of few more



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

details/supporting required for releasing the payments. In the meanwhile, due to earlier availability of multi authorisation with the authorised signatories the part payment against the disputed supplies was released to the vendors by one of the signatory ignoring the board mandate of the joint signatures for release of payment through bank. The cheques issued were not as per the authorisation matrix approved by the board and also not as per the bank mandate due to which it got dishonoured by the bank.

Against such dishonoring the concerned vendors have filed criminal complaints under Section 138 of the Negotiable Instrument Act, 1881 against three of the Executive Directors and the Company as well before the Judicial Magistrate at Panipat (Haryana).

The Company is taking appropriate legal remedies in this regard in due consultation with the legal counsels of the Company. Besides this show cause notice has also been served upon the erstwhile signatory questioning the issuance of cheques in disobedience to the board authorisation.

56. During the year under consideration, few Cheques, amounting to Rs. 15.39 Lakh issued by erstwhile CEO and Executive Director Sh. Adesh Kumar Gupta for unapproved expenses, remained pending for consideration in the books of account of the Company. The Company has considered this amount as recoverable from him by debiting to his account and accordingly shown in Note no. 11 of financial statements. Sh. Adesh Kumar Gupta in his suit for defamation filed against Sh. Sunil Bansal & Sh. Adish Gupta, Executive Directors at Delhi High Court has

referred the expenses against these cheques which were vehemently objected by the Company.

57. During the year, there had been a fire incident in one of the block of Company's Central Warehouse (CWH) situated in rented premises in Panipat (Haryana) on February 07, 2024 due to electric short-circuit which had resulted in complete damage of stocks of finished goods and packing materials stored there for the value aggregating to ₹ 1,763.92 Lakhs. In addition there had been a complete loss of rented building of particular block including additions made by the Company on the superstructure and plant & machinery (including petty & office equipment) having tentative value of ₹ 150.79 Lakhs including third party claim for loss of property estimating to ₹ 65Lakhs (net of salvage). Against the reported loss, the Company in terms of its insurance policy had filed its claim with the insurance company and as per management's estimates based upon documents/cover note available, the total insurance claim recoverable is expected to be for ₹ 1,425 Lakhs only. Accordingly with reference to the Note No. 32 (b) the differential of loss occurred and claim estimated amounting to ₹ 470.14 Lakhs has been charged to Profit & Loss account for the year under Exceptional Items.
58. During the year the Company, in its exercise to physically verify and rationalize its gross block, has leveled out its fully depreciated Gross Block of Tangible Assets (Not under Lease) aggregating to ₹ 4,606.95 Lakhs, detailed hereunder, and the Sale/Adj. during the year aggregating to ₹ 4,958.65 Lakhs in Note No. 2-Fixed Assets includes the same:

Particulars	Gross Block	Accumulated Depreciation
	31.03.2024	31.03.2023
Plant & Machinery	2,794.32	2,794.32
Furniture & Fixture	208.86	208.86
Vehicle	462.44	462.44
Office Equipment	451.34	451.34
Moulds	689.99	689.99
<b>Total</b>	<b>4,606.95</b>	<b>4,606.95</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

## 59. Contingent Liabilities

(Amount in ₹ Lakh)

Particulars	2023-24	2022-23
I. Bank Guarantees issued on behalf of the Company submitted with various institutional customers in terms of their orders.	229.71	214.87
II. Letter of Credits (LCs) issued in favour of the Domestic and Overseas vendors for supply of materials/goods are for ₹ Nil Lakh (Previous year ₹ 227.40 Lakh) out of which liabilities for ₹ Nil Lakh (Previous year ₹ 137.95 Lakh) have been part of Trade Payables as on 31st March, 2024	-	89.45
III. Value Added Tax <sup>1</sup> for the financial year 2005-06, 2006-07, 2007-08 & 2008-09 on account of classification of goods at different rate of tax.	55.70	55.70
IV. Value Added Tax <sup>2</sup> for the financial year 2016-17 on account of classification of goods at different rate of tax.	45.35	45.35
V. Service Tax on GTA Services for the period from January 2005 to March 2007	5.29	5.29
VI. On account of few labour matters pertaining to earlier years which are pending before Hon'ble Labour Commissioner, Chandigarh and have been challenged by the Company being time barred.	210.00	210.00
VII. Disallowance of certain expenditure on a/c of non-deduction of tax at source <sup>3</sup> which otherwise are not liable for deduction in terms of applicable provisions of the law and for which Company is under appeal. Company has also preferred an appeal against the same before the appropriate authority and is pending for adjudication.	173.36	172.89
VIII. Disallowance of certain expenditure for the assessment year 2020-21 on a/c of non-allow-ability and terming some as of enduring nature, grossly ignoring the past assessment history of the Company for earlier years, for which Company is under appeal (refer to Note No. 63 & 64). The related demand stands reduced by ₹ 113.32 Lakhs vide order passed u/s 154 dated 10/05/2023.	851.52	964.84
IX. On account of litigation initiated by some of the vendors and third parties for disputed claims before respective authorities	350.00	75.00
X. On account of short deduction of Tax at Source <sup>4</sup> in the case of erstwhile subsidiary company M/s Liberty Retail Revolutions Limited for the assessment year 2011-12, 2012-13, 2013-14 & 2014-15, for which Company has filed appeals before the appropriate authority and are pending for adjudication. Out of the same matter relating to assessment year 2011-12 for ₹ 8.64 Lakhs has been decided by the Hon'ble ITAT, Delhi in favour of the Company and the related demand stands reduced to that extent.	31.38	40.03
XI. On account of short deduction of Tax at Source for the assessment year 2018-19 which otherwise are not liable for deduction in terms of applicable provisions of the law and for which Company has filed appeals before the appropriate authority and are pending for adjudication.	9.76	27.51
XII. On account of arbitrary additions made for the assessment year 2014-15 against which partly relief has already been granted by the appellate authority in favour of the Company and the department as well as the Company's appeal before the Hon'ble ITAT for the same have been disposed off in a consolidated order by remanding back the matter to CIT(A) and is yet pending for adjudication however is having neutralized impact due to the tax paid for the year under MAT regime in accordance to the provisions of section 115JB of the Income Tax Act, 1961	-	161.24
XIII. On account of reduction of deduction u/s 80IC of Income Tax Act, 1961 for the assessment year 2013-14 due to non-considering part of business income as industrial income, for which Company's appeal is pending before Hon'ble Punjab & Haryana High Court duly allowing the interim relief as regard to the related matter.	59.14	59.14



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

Particulars	2023-24	2022-23
XIV. On account of disallowance made in accordance to the provisions of section 14A of the Income Tax Act, 1961 and disallowance of certain legitimate expenses of business for the assessment year 2012-13, which has been decided by the appellate authority in favour of the Company against which the department preferred further appeal before the Hon'ble ITAT, Delhi which has also been dismissed vide order dated 19/07/2023.	-	70.93

<sup>1</sup>Including amount deposited under protest ₹ 13.82 Lakh (Previous year ₹ 13.82 Lakh)

<sup>2</sup>Appeal Fee paid ₹ 7.10 Lakh (Previous year ₹ 7.10 Lakh)

<sup>3</sup>Amount deposited under protest ₹ 21.25 Lakh (Previous year ₹ 21.25 Lakh)

<sup>4</sup>Amount deposited under protest ₹ 2.32 Lakh (Previous year ₹ 2.32 Lakh)

60. The assessment of the Company in respect of Income Tax is completed up to the Assessment Year 2023-24 under summary assessment in accordance to the provisions of section 143(1) of the Income Tax Act, 1961 vide order dated 26/12/2023.

61. The assessment of the Company in respect of Income Tax for the Assessment Year 2020-21 was completed under scrutiny assessment by National Faceless Assessment Unit (NFAU) vide order dated 27.03.2023 with an assessed income for ₹ 4038.41 Lakhs as against returned income for ₹ 2014.05 Lakhs on account of arbitrary disallowances and additions majorly due to terming the legitimate revenue expenses on account of trademark license fee, being paid/payable on year on year basis in accordance to the terms of the respective agreements for the arrangements in existence since 2003, on prevailing terms since 2013 onwards as expenses of enduring nature completely misinterpreting the respective agreements, grossly ignoring the provisions of the law, submissions made during the course of assessment proceedings as well as virtual hearing and also the past assessment history of the Company for last 16 years. The Company has preferred an appeal before the appropriate authorities against these arbitrary disallowances/additions and as per the opinion and precedents available will succeed in its contentions.

In addition against the above referred high-pitched and unreasonable assessment framed for the Assessment Year 2020-21 by the NFAU, during the year the Company also raised its grievance before the Jurisdictional Grievance Committee, constituted by the CBDT as an alternate administrative remedy for such type of high-pitched/unreasonable assessments

framed under faceless mechanism and non-faceless assessment regime, which was disposed off by it in a cryptic and mechanical manner without considering the grievance petition in its true intent & spirit that too without granting an opportunity of hearing. Being aggrieved with the functioning of Jurisdictional Local Committee the Company preferred a Civil Writ Petition (CWP) before the Hon'ble High Court of Punjab & Haryana vide CWP-6536-2024 which has been dismissed by the Hon'ble Bench leaving it open to raise all the arguments before the appellate authority duly dismissing the review petition bearing RA-CW-136-2024 as well. Against the same the Company is contemplating to prefer a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.

Further the proceedings initiated by the Assessing Officer vide order dated 05.04.2023 passed u/s 148A (d) of the Income Tax Act, 1961, alleging escaped income aggregating to ₹ 1,557.99 Lakhs for the Assessment Year 2016-17 and seeking certain clarifications as regards to salaries for ₹ 64.07 Lakhs, receipts of foreign remittances for ₹ 1454.43 Lakhs and shipping bills for exports for ₹ 39.48 Lakhs on the basis of information uploaded on Insight Systems of the Income Tax Department, have been stayed by the Hon'ble High Court of Punjab & Haryana in CWP-13252-2023 filed by the Company and next date of hearing is fixed for 09.07.2024.

62. 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.

63. The assessment/audit of



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

the Company's Manufacturing Plants, situated in the State of Haryana, Himachal Pradesh and Uttarakhand under respective GSTINs, in accordance to the provisions of GST Law has been completed up to financial year 2018-19.

64. During the year, the Company has capitalized the borrowing cost of ₹ Nil (Previous year ₹ Nil) as part of the cost of the qualifying assets.
65. Capital commitments not provided for are estimated at ₹ 50 Lakh (Previous year ₹ 25 Lakh).
66. The Board of Directors of the Company presently considers and maintains "Footwear" as the main business segment of the Company. Further 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 2023-24 on account of Sales and Net Profits for ₹ 570.93 Lakhs and ₹ 68.10 Lakhs respectively (Previous year ₹ 471.82 Lakhs and ₹ 34.79 Lakhs respectively)

**67. Related Party Transactions:**

The Company has made the following transactions with related parties as defined under the provisions of Ind-AS-24:

A) Name 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):

(Amount in ₹ Lakh)

Name	Designation
Sh. Adesh Kumar Gupta	Erstwhile CEO & Executive Director
Sh. Adish Kumar Gupta	Executive Director
Sh. Sunil Bansal	Executive Director
Sh. Shammi Bansal	Executive Director

**(ii) Key Management Personnel (KMP):**

Name	Designation
Sh. Ashok Kumar	Executive Director
Sh. Munish Kakra	CFO & Company Secretary

**(iii) Entities where Individuals and Key Management Personnel (KMP) as defined in (i) above exercise significant influence:**

Liberty Enterprises
Liberty Footwear Co.
Liberty Group Marketing Division
Anything Skool Limited (formerly known as Liberty Innovative Outfits Limited)
Little World Constructions Private Limited
LFO
A.P. Packaging
Total Print & Packing
Sanjeev Bansal Charitable Trust



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(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	Designation
Sh. Harish Kumar Gupta	Brother of Executive Director
Sh. Raman Bansal	Brother of Executive Directors
Sh. Vivek Bansal	Brother of Executive Directors
Sh. Anupam Bansal	Brother of Executive Directors
Sh. Ayush Bansal	Son of Executive Director
Sh. Manan Bansal	Son of Executive Director
Sh. Akshat Gupta	Son of Executive Director

**(v) Independent Directors**

Sh. Aditya Khemka  
 Sh. Arvind Bali Kumar  
 Sh. Sanjay Bhatia  
 Dr. Sujata  
 Sh. Gautam Baid  
 Sh. Piyush Dixit  
 Sh. Anand Das Mundhra

**B) Related Party Transactions**

The Following table provides the total amount of transactions that have been entered in to with related parties

**C) Disclosure of significant transactions with related parties:**

Sr. No.	Nature of Transaction	Related Party	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i)	Rent	Little World Constructions Private Limited	5.39	4.79
		Liberty Footwear Co.	0.71	0.71
		Sanjeev Bansal Charitable Trust	5.31	5.31
		Sh. Adesh Kumar Gupta	0.91	0.83
		Sh. Sunil Bansal	1.20	1.20
		Sh. Harish Kumar Gupta	3.35	3.05
		<b>Total</b>	<b>16.87</b>	<b>15.88</b>
(ii)	Purchase of Goods & Business Promotional Materials (inclusive of GST)	LFG	609.07	678.19
		Total Print & Packing	555.04	684.12
		A.P. Packaging	-	6.06
		<b>Total</b>	<b>1,164.11</b>	<b>1,368.36</b>
(iii)	Sales of Goods manufactured and dealt in by the Company (inclusive of GST)	Anything Skool Limited	1,515.93	2,107.76
		<b>Total</b>	<b>1,515.93</b>	<b>2,107.76</b>
(iv)	Franchise/License Fee (including GST) <sup>1</sup>	Liberty Enterprises	135.70	135.70
		Liberty Group Marketing Division	880.47	927.48
		Liberty Footwear Co.	1663.74	1,490.34
		<b>Total</b>	<b>2,889.91</b>	<b>2,553.52</b>



Sr. No.	Nature of Transaction	Related Party	As at 31st March 2024	As at 31st March 2023
(v)	Remuneration to Directors and Other Key Managerial Personnel (KMP) <sup>2</sup>	Sh. Adesh Kumar Gupta <sup>3</sup>	12.00	48.00
		Sh. Sunil Bansal	48.00	48.00
		Sh. Shammi Bansal	48.00	48.00
		Sh. Adish Kumar Gupta	48.00	48.00
		Sh. Ashok Kumar	31.62	31.62
		Sh. Munish Kakra	45.07	47.86
		<b>Total</b>	<b>232.69</b>	<b>271.48</b>
(vi)	Remuneration to Relatives of KMP	Sh. Raman Bansal	30.00	30.00
		Sh. Vivek Bansal	30.00	30.00
		Sh. Anupam Bansal	30.00	30.00
		Sh. Ayush Bansal	2.10	2.10
		Sh. Manan Bansal	2.10	2.10
		<b>Total</b>	<b>94.20</b>	<b>94.20</b>
(vii)	Commission (including GST) to relative of KMP	Sh. Akshat Gupta	29.50	29.50
		<b>Total</b>	<b>29.50</b>	<b>29.50</b>
(viii)	Directors' Sitting Fee <sup>4</sup>	Sh. Aditya Khemka	2.50	0.75
		Sh. Arvind Kumar Bali	-	2.25
		Sh. Sanjay Bhatia	-	2.25
		Dr. Sujata	0.75	1.25
		Sh. Gautam Baid	1.75	1.00
		Sh. Anand Das Mundra	1.00	-
		Sh. Pyush Dixit	1.75	-
		<b>Total</b>	<b>7.75</b>	<b>7.50</b>

<sup>1</sup>Taking note of the ongoing dispute among the partners of related partnership firms as regards to its business operations, on the request of majority of the partners besides making the statutory payments of the related partnership firms on time to time basis, the Company, in accordance to the terms of respective agreements, had been discharging its contractual liability towards respective partnership firms till September 2022 by making the payment to respective partners in accordance to the details provided by majority of partners. However thereafter due to serving of notices for termination of these arrangements with respective firms by few of the partners, the Company has, based upon the legal opinion available, stopped following the same practice for want of fresh mandate of majority of the partners and accordingly has now been discharging its contractual liability on timely basis

in the name of respective firms only net of statutory and other payments made on behalf of the respective partnership firms and also adjusting of the expenditure incurred by the Company in defending the false and frivolous litigations initiated by one of the partners of M/s Liberty Footwear Co.

<sup>2</sup>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.

<sup>3</sup>Paid for the period from April-23 to June-23.

<sup>4</sup>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 TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakh)

Balance Outstanding at the end of the year				
Sr. No.	Nature of Balances	Related Party	As at 31st March 2024	As at 31st March 2023
(i)	Trade Receivables	Anything School Limited	525.87	400.53
		<b>Total</b>	<b>525.87</b>	<b>400.53</b>
(ii)	Long Term Loans & Advances	Liberty Enterprises	10.00	10.00
		Liberty Group Marketing Division	50.00	50.00
		<b>Total</b>	<b>60.00</b>	<b>60.00</b>
(iii)	Short Term Loans and Advances	Liberty Enterprises	31.87	-
		<b>Total</b>	<b>31.87</b>	<b>-</b>
(iv)	Trade Payables	Liberty Footwear Co.	101.62	0.62
		Liberty Group Marketing Division	1.80	3.17
		Liberty Enterprises	-	2.57
		LFO	106.08	155.37
		Total Print & Packing	85.34	125.78
		Little World Constructors Private Limited	0.48	0.50
		<b>Total</b>	<b>295.30</b>	<b>288.06</b>
(v)	Expenses Payable-Current Liabilities	Sh. Adesh Kumar Gupta	3.80	2.89
		Sh. Harish Kumar Gupta	0.25	0.23
		Sh. Adish Kumar Gupta	0.18	-
		Sh. Akshat Gupta	-	5.94
		<b>Total</b>	<b>4.23</b>	<b>9.06</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

68. There are no dues payable to the Investor Education and Protection Fund as at 31st March, 2024.

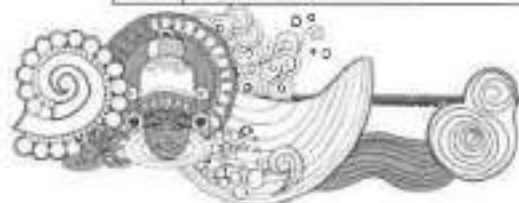
## 69. Financial Ratios:

Sr. No.	Description	2023-24	2022-23	Variation	Reason for change by more than 25% in comparison to previous year
a)	Current Ratio	1.85	1.76	5%	
b)	Debt-Equity Ratio	0.34	0.44	(23%)	
c)	Debt Service Coverage Ratio	5.85	4.57	28%	1
d)	Return on Equity Ratio	11.00%	14.21%	(23%)	
e)	Inventory Turnover Ratio	3.61	3.60	-	
f)	Trade Receivables Turnover Ratio	6.86	7.10	(3%)	
g)	Trade Payable Turnover Ratio	7.51	7.80	(4%)	
h)	Net Capital Turnover Ratio	4.75	4.97	(4%)	
i)	Net Profit Ratio (excluding Exceptional Items)	2.48%	2.11%	18%	
j)	Return on Capital Employed	9.38%	8.37%	12%	
k)	Return on Investment	NA	NA		

<sup>1</sup> Due to better working capital management resulting in a reduction in overall debt during the year.

## Formulas for computation of above ratios are as follows:

Sr. No.	Particulars	Unit of Measurement	Formula
a)	Current Ratio	Times	Current Assets/Current Liabilities
b)	Debt-Equity Ratio	Times	Total Debt/Total Equity
c)	Debt Service Coverage Ratio	Times	Earnings before Interest, Tax and Exceptional Items/Interest Expense + Principal Repayments made during the year for long term loans
d)	Return on Equity Ratio	%	Profit After Tax/Average Net Worth
e)	Inventory Turnover Ratio	Times	Cost of Goods Sold (Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses)/Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade
f)	Trade Receivables Turnover Ratio	Times	Value of Sales & Services/Average Trade Receivables
g)	Trade Payable Turnover Ratio	Times	{Cost of Materials Purchased + Other Expenses}/Average Trade Payables
h)	Net Capital Turnover Ratio	Times	Net Sales/Working Capital (Current Assets - Current Liabilities)
i)	Net Profit Ratio	%	{Profit After Tax + Exceptional items}/Net Sales
j)	Return on Capital Employed	%	{Net Profit After Tax + Finance Cost + Exceptional Items}/Average Capital Employed (Total Assets - Total Current Liabilities)
k)	Return on Investment	%	NA



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

70. As per Company's assessment about recoverability and carrying values of its assets comprising of receivables, inventories, plant and equipment, intangible assets, it expects to recover the carrying amount of these assets.
71. The current year and previous year figures have been rounded off to the nearest lakh of rupee upto two decimal places unless stated otherwise.
72. The Company does not hold any benami property and no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
73. The Company has duly filed Quarterly returns or statements, Unaudited and Audited as the case may be, of its current assets with the banks and are in agreement with its books of accounts.
74. The Company is not declared as wilful defaulter by any bank in accordance with the guidelines on wilful defaulters issued by the RBI.
75. The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013. This is determined to the extent of such parties have been identified on the basis of information available with the Company.
76. The Company has duly registered all the charges or satisfaction thereof with Registrar of Companies (ROC) within the statutory period.
77. The number of layers prescribed under clause (87) section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.
78. During the year, no scheme of arrangements has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.
79. The Company has not advanced or loaned or invested funds to any other persons (intermediaries) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or provide any guarantee in any manner whatsoever on behalf of the Company (ultimate beneficiary). The Company has also not received any fund from any persons with the understanding that the Company shall directly lend or

invest or provide any guarantee to any other persons on behalf of the funding party.

80. The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
81. During the year, the Company has not traded or invested in crypto currency or virtual currency.
82. The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
83. **Fair Value Measurements**

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price and in case of non-reliably determinable, the Company determines the same using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs as per the following:

- a. Foreign exchange forward contracts are valued using market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period.
- b. Unquoted equity instruments where most recent information to measure fair value is not determinable, cost has been considered as best estimate of fair value.
- c. The carrying amount of other financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate any significant difference that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Fair Value Hierarchy**

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed as per Ind-AS 113 "Fair Value Measurement":



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The below table provides comparison by class of carrying amount and fair value of the Company's financial instruments along with fair value hierarchy:

(Amount in ₹ Lakh)

Particulars	Note No.	As at March 31, 2024			As at March 31, 2023		
		Carrying Amount	Fair Value	Fair Value Hierarchy	Carrying Amount	Fair Value	Fair Value Hierarchy
<b>Financial Assets carried at Amortised Cost</b>							
<b>Non-Current Assets</b>							
<b>Financial Assets</b>							
Non-Current Investments	3	0.45	0.45	Level 2	0.45	0.45	Level 2
Other Financial Assets	4						
Security Deposits		704.01	733.79	Level 3	720.63	750.41	Level 3
Bank deposits having maturity for more than 12 months		32.89	32.89	Level 2	6.01	6.01	Level 2
<b>Current Assets</b>							
Trade Receivables	7	9,779.27	9,779.27	Level 3	8,746.54	8,746.54	Level 3
Cash and Cash Equivalents	8	262.86	262.86	Level 1	162.38	162.38	Level 1
Bank Balances other than Cash and Cash Equivalents	9	388.60	388.60	Level 2	199.57	199.57	Level 2
Security Deposits	10	5.50	5.50	Level 3	5.50	5.50	Level 3
Loans and advances to Employees		81.44	81.44	Level 3	104.14	104.14	Level 3
<b>Total</b>		<b>11,254.82</b>	<b>11,284.60</b>		<b>9,945.22</b>	<b>9,945.22</b>	



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note No.	As at March 31, 2024			As at March 31, 2023		
		Carrying Amount	Fair Value	Fair Value Hierarchy	Carrying Amount	Fair Value	Fair Value Hierarchy
<b>Financial Liabilities carried at Amortised Cost</b>							
<b>Non-Current Liabilities</b>							
Lease Liabilities	15	7,681.73	7,681.73	Level 3	7,311.42	7,311.42	Level 3
Other Financial Liabilities	16						
Security Deposits		1,829.90	1,829.90	Level 3	1,889.69	1,889.69	Level 3
<b>Current Liabilities</b>							
Borrowings	19	6,960.96	6,960.96	Level 2	7,962.06	7,962.06	Level 2
Trade Payables							
Micro and Small Enterprises	20	2,284.23	2,284.23	Level 3	1,347.54	1,347.54	Level 3
Other than Micro and Small Enterprises		4,398.86	4,398.86	Level 3	6,208.06	6,208.06	Level 3
Other Financial Liabilities	21	0	0		0	0	0
Advance from Customer		384.19	384.19	Level 3	357.33	357.33	Level 3
Expenses Payable		988.79	988.79	Level 3	878.68	878.68	Level 3
Other Liabilities		440.79	440.79	Level 3	341.88	341.88	Level 3
<b>Total</b>		<b>24,969.45</b>	<b>24,969.45</b>		<b>26,296.66</b>	<b>26,296.66</b>	

**84. Disclosure as per Ind AS 115 "Revenue from Contracts with Customers"**

Reconciliation of revenue (footwear) as per contract price and as recognized in statement of profit and loss:

(Amount in ₹ Lakh)

Particulars	31.03.2024	31.03.2023
Revenue as per Contract Price	64,881.25	66,263.93
Less:		
Rebate, Discounts and Incentives	1,304.11	1,114.89
<b>Revenue as per Statement of Profit and Loss</b>	<b>63,577.14</b>	<b>65,149.04</b>

**85. Sensitivity Analysis**

**a. Foreign Currency Sensitivity**

The following table demonstrate the sensitivity analysis on profit before tax due to change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of unhedged monetary assets and liabilities is given below:

(Amount in ₹ Lakh)

Particulars	31.03.2024	31.03.2023
Impact on Profit Before tax due to change in USD rate ^		
Increase by 2%	23.10	15.99
Decrease by 2%	(23.10)	(15.99)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**b. Interest Rate sensitivity**

The sensitivity analysis below has been determined based on exposure to interest rate for both Term Loans & Working Capital loans. The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Amount in ₹ Lakh)

Particulars	31.03.2024	31.03.2023
Impact on Profit Before Tax due to change in interest rate ^		
Increase by 0.50%	34.48	42.34
Decrease by 0.50%	(34.48)	(42.34)

Signed in terms of our Audit Report of even date,  
For Pardeep Toyal & Co.  
Firm Registration No.02733N  
Chartered Accountants

for and on behalf of the Board

**Sukesh Gupta**  
Partner  
Membership No. 514675

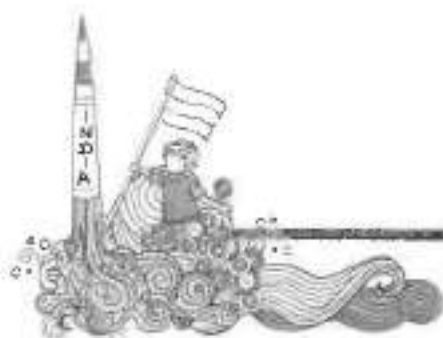
**Sunil Bansal**  
Executive Director  
DIN-00142121

**Shammi Bansal**  
Executive Director  
DIN - 00138792

**Piyush Dixit**  
Independent Director  
DIN-03514223

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

Place: Gurugram, Haryana  
Dated: Wednesday, 29th May, 2024



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**Liberty Shoes Ltd.**

19th Floor Magnum Global Park Tower-2 Golf Course Extension Road Gurugram-122011, Haryana  
E-mail: [investorcare@libertyshoes.com](mailto:investorcare@libertyshoes.com), CIN: L19201HR1986PLC033185