

Notice

Notice is hereby given that the 30th (Thirtieth) Annual General Meeting of the Members of **Liberty Shoes Ltd.** ("the Company") will be held on **Monday, 19th September, 2016 at 11.00 A.M** at the Registered Office of the Company situated at **Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Dist. Karnal -132114, Haryana** to transact the following businesses:-

ORDINARY BUSINESSES:

Item no. 1-Adoption of Financial Statements

To receive, consider and adopt:

- the Audited Financial Statement of the Company for the Financial year ended March 31, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
- the Audited Consolidated Financial Statements of the Company for the Financial year ended March 31, 2016 together with the Reports of the Auditors thereon.

Item no. 2-Appointment of Directors

- To appoint a Director in place of Sh. Adeesh Kumar Gupta (DIN - 00137612), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint a Director in place of Sh. Ashok Kumar (DIN - 06883514), who retires by rotation and being eligible offers himself for re-appointment.

Item no. 3-Ratification of appointment of Auditors

To ratify the appointment of Auditors of the Company, and to fix their remuneration and to pass the following resolution as an **ORDINARY RESOLUTION** thereof:

"RESOLVED THAT, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under and pursuant to the recommendation of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at their 28th Annual General Meeting held on 29th September, 2014, appointment of M/s Pardeep Tayal & Co., Chartered Accountants (Firm Registration No. 002733N) as the Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017 as mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

Item no. 4- Re-appointment of Sh. Adeesh Kumar Gupta (DIN: 00137612) as an Executive Director

To consider and if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with the Schedule V of the Companies Act, 2013 (hereinafter referred to as "the Act" including any modification(s) or re-enactment(s) thereof for the time being in force) and all other applicable provisions of the Act, if any, and in accordance with provisions of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Sh. Adeesh Kumar Gupta (DIN: 00137612) as an "Executive Director" of the Company for a further period of 2 years w.e.f. 1st October, 2016 on the terms and conditions including the remuneration, payable as minimum remuneration as enumerated in the draft Service Agreement which is to be entered into between the Company and Sh. Adeesh Kumar Gupta, salient features of which are specified in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to this Notice, with option to the Board of Directors to vary the terms including increase in remuneration within the limits prescribed under the Act or any re-enactment thereof, and as may be mutually agreed between Sh. Adeesh Kumar Gupta and the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof be and is hereby 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.

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

Place: Gurugram, Haryana
Dated: Monday, 30th May, 2016

Registered Office

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

NOTES:

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

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share capital of the Company. Members holding more than ten percent of total Share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.

3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules framed there under, in respect of the Special Business under item no. 4 of the accompanying Notice is annexed hereto.
4. Pursuant to Section 113 of the Companies Act, 2013 and Rules framed thereunder, Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution and Power of Attorney, if any, authorizing their representative(s) to attend and vote at the Annual General Meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days notice in writing is given to the Company.
6. Pursuant to Section 91 of the Companies Act, 2013 read with Rules framed there under and Regulation 42 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books shall remain closed from Tuesday, 13th September, 2016 to Monday, 19th September, 2016 (both days inclusive).
7. Members are requested to produce the Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participants for admission to the Meeting hall.
8. Members, who held shares in dematerialized form, are requested to bring their Depository Participant (D.P.) I.D. and Client I.D. No(s). for easier identification to record attendance at the Meeting.
9. 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 Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd, 44, Community Centre, Naraina Industrial Area Phase-I, New Delhi-110028.
10. 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 the Depository Participants by the Members.
11. As per Regulation 40(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copy of their Income Tax Permanent Account Number (PAN). Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copy of PAN Card to the Company / Registrar and Share Transfer Agents for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
12. The Investors/Shareholders are to be cautious while submitting the physical documents viz. Demat Request Forms (DRF) and share certificates, etc. with their Depository Participant(s) and should ensure that they (DPs) do not delay in sending the DRF and Share Certificate(s) to the Registrar and Share Transfer Agents (RTA) after generating the Demat Request Number (DRN). Kindly note that if DRF and share certificates, etc. are not received from their Depository Participant(s) by the RTA within a period of 15 days from the date of generation of the DRN for dematerialization, the DRN will be treated as rejected /cancelled. This step is being taken on the advice of Depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited so that no demat request remains pending beyond a period of 21 days. Upon rejection / cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with share certificate(s) by the Depository Participant(s) to the RTA.
13. Unpaid / Unclaimed Dividend:
 - i. Pursuant to Section 205 and Section 205A of the Companies Act, 1956 read with the Companies Unpaid Dividend (Transfer to General Revenue Account of the

- Central Government) Rules, 1978 and amended provisions of Section 205A read with Section 205C of the Companies Act, 1956, all unclaimed/unpaid amount of dividends have been transferred to the General Revenue Account/Investor Education and Protection Fund (IEPF) established by the Central Government, as the case may be. It may be noted that once the unpaid/ unclaimed amount of Dividend is transferred to the IEPF, the same cannot be claimed by the members there from in terms of the provisions Section 205B of the Companies Act, 1956.
- ii. The members, who have not yet claimed their dividends warrants for the financial year ended 31st March, 2014 and 31st March, 2015, are requested to claim the amount of Dividend from the Company immediately by submitting a request letter with the Company or Registrar and Share Transfer Agent M/s Link Intime India Pvt. Ltd. at the above mentioned addresses before the due date of transfer of respective amount of unpaid/unclaimed dividend to IEPF. Unclaimed/Unpaid amount of dividend for the financial year ended 31st March, 2014 and 31st March, 2015 will be transferred to the IEPF on 3rd November, 2021 & 3rd November, 2022 respectively.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd.
15. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.libertyshoes.com under section "Investor Relations". Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company by submitting duly completed Form No SH. 13 with the Company's RTA in case of shares in physical form and their respective depository in case of shares in electronic form. In case of any cancellation or variation in Nomination in respect of their Shareholding in the Company, in this regard Members may download Form SH-14 from the website of the Company www.libertyshoes.com and submit duly completed Form SH. 14 with the Company's RTA in case of shares in physical form and their respective depository in case of shares in electronic form.
16. Members holding shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd., for consolidation in to a single folio.
17. 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.
18. A brief profile along with necessary information of the Directors seeking their appointment/re-appointment in the forthcoming Annual General Meeting in pursuance of Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Notice of this Annual General Meeting as Annexure A of Annexure to the notice.
19. Members are requested to:-
- Bring their copy of the Annual Report and Attendance Slip at the venue of the Meeting.
 - Quote their Folio/DP ID & Client ID No. in all correspondence with Company/Registrar & Share Transfer Agent.
 - Note that no gift shall be distributed at the Annual General Meeting.
 - Note that Members present in person or through registered proxy/authorized representative(s) shall only be entertained.
 - Update their e-mail ID's with their Depository, in case shares holds in Dematerialized form and with RTA in case shares holds in physical form, if not provided earlier.
20. As per Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company/RTA or with their respective Depository participants. Members, who have not registered their e-mail address with the Company/RTA, can now register the same by submitting a duly filled in E-communication Registration form annexed to this Annual Report which is also available on the website of the Company www.libertyshoes.com, to Company/RTA of the Company. Members holding shares in demat form are requested to register their e-mail address with their respective Depository Participants only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
21. The Notice of Annual General Meeting, Annual Report and Attendance slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or

depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copies of the above documents are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members, who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode, are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter at the venue of the AGM to attend the same.

22. Members, desiring any information relating to the accounts, are requested to write to the Company at an early date so as to enable the management to keep the information ready.
23. All the documents referred to in the Notice and Explanatory Statement including Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days between 10.00 A.M. and 1.00 P.M. up to the date of the aforesaid Annual General Meeting or any adjournment thereof, except on Sundays and other holidays.
24. The Ministry of Corporate Affairs (MCA), Government of India has introduced a 'Green initiative in Corporate Governance' by allowing paperless compliances by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder. In case you have not registered your correct e-mail ID, please communicate the same to our Registrar and Share Transfer Agents (RTA) - M/s. Link Intime India Pvt. Ltd. at their above address in respect of the shares held by you in physical mode or communicate to your Depository Participant(s) concerned in respect of shares held by you in demat / electronic mode. Although you are entitled to receive physical copy of the Notices, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail, which will help us in participating in the Green Initiatives of the MCA and protect our environment. In view of the above, the Company has already dispatched earlier written communications to its Members requesting them to register their designated email ID with the Company / RTA. However, Members who are desirous of obtaining physical copy of the Notices, Annual Reports and other documents may forward their written request to the Company / RTA for the same.
25. As required under the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed hereto.
26. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies

(Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting and ballot form facility to the Members to cast their votes electronically on all resolutions set forth in this Notice. This remote e voting facility is in addition to voting that may take place at the meeting venue on Monday 19th September, 2016. The process and general instructions for remote e-voting are given as follows:

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

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

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

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN (160823011) for **LIBERTY SHOES LIMITED** on which you choose to vote.
- (xi) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.
- (xiv) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "**Click here to print**" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (i) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. as on close of business hours of Monday, 12th September, 2016 may follow the same instructions as mentioned above for e-Voting.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- (B) In case of members receiving the physical copy of Notice of Annual General Meeting (for members whose e-mail IDs are not registered with the Company/depository participant(s) or requesting physical copy):**
- Please follow all steps from Sl. no. (I) to Sl. no. (XVII) above to cast vote
- General Instructions:**
- I) The remote e-voting period begins on Thursday, 15th September, 2016 at 09.00 a.m. and ends on Saturday, 17th September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding

- shares either in physical form or in dematerialized form, as on close of business hours of Monday, 12th September, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholders, the Shareholder shall not be allowed to change it subsequently.
- II) In case you have any queries or issues regarding e voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - III) The voting rights of shareholders shall be in proportion to their shares of paid-up equity share capital of the Company as on close of business hours of Monday, 12th September, 2016.
 - IV) Member can also download the notice of the meeting from the website of the Company available at www.libertyshoes.com for exercising their e Voting rights.
 - V) Members desiring to exercise vote by Physical Ballot form are requested to carefully read the instructions printed on the Ballot form and return the form duly completed & signed in the attached pre-paid postage Self addressed envelope so as to reach the scrutinizer not later than close of working hours i.e Saturday, 17th September, 2016 at 5.00 p.m.
 - VI) The Board of Directors has appointed CA Sukesh Gupta, partner of M/s Pardeep Tayal & Co. (Chartered Accountants), Panipat, Haryana as Scrutinizer for conducting the remote e-voting, voting through ballot form and voting at the 30th Annual General Meeting in a fair and transparent manner. The pre-paid postage self addressed envelope attached to this Notice bears the address to which duly completed Ballot form is to be sent.
 - VII) At the end of the remote e-voting period, Scrutinizer will download the entire voting data using its Scrutinizer login.
 - VIII) The Scrutinizer shall, immediately after the conclusion of voting at the 30th Annual General Meeting, first count the votes cast at the 30th Annual General Meeting, thereafter unblock the votes cast through remote e-voting and through ballot form in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizers' report of the total votes cast in favour or against, if any to the chairman or a person authorized by him in writing who shall countersign the same.

- IX) The Chairman of the Meeting or any person of the Company, duly authorised by him, in writing, shall announce the result of remote e-voting, ballot form and voting at the 30th Annual General Meeting through poll after receiving of consolidated scrutinizer's report from the scrutinizer.
- X) The consolidated Results of the above voting along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.libertyshoes.com within three days of passing of the resolutions at the 30th Annual General Meeting of the Company to be held on Monday, 19th September, 2016 and communicated to National Stock Exchange of India Ltd. and BSE Ltd.
- XI) The resolution shall be deemed to be passed on the date of 30th Annual General Meeting, subject to the receipt of sufficient votes through a compilation of voting results (i.e. remote e-voting and ballot form facilities along with the voting held at the Annual General Meeting through Poll).

Those members, who do not have access to remote e-voting facility, may send their assent or dissent in writing on the Ballot Form attached with this Annual General Meeting Notice in the enclosed self addressed postage pre-paid envelope so as to reach the Scrutinizer at 4/42, Punjabi Bagh (West), New Delhi-110026 on or before close of business hours of Saturday, 17th September, 2016 at 5.00 p.m. Any Ballot Form received after this date will be treated as if the reply from the members has not received. The Scrutinizer's decision on the Validity of a Ballot form facilities will be final.

IMPORTANT NOTE:

Liberty Shoes Ltd., being a listed Company and having more than 1000 shareholders, is compulsorily required to provide Remote e-voting facility to members in terms of Section 108 of the Act read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, voting by show of hands will not be available to the members at the 30th Annual General Meeting in view of the further provisions of Section 107 read with Section 114 of the Act.

Annexure to the Notice

(Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013)

ITEM NO. 4

Sh. Adeesh Kumar Gupta (DIN: 00137612) aged 52 years, has been associated with the Company for last several years in different capacities and considering his past contribution towards the Company, was appointed as an Executive Director for a period of 5 years w.e.f. 1st October, 2011 by members of the Company in their

25th Annual General Meeting held on 28th September, 2011. He has been contributing to operations of the Company with his vast experience.

A brief profile of Sh. Adeesh Kumar Gupta detailing the nature of his expertise, qualification, experience, name of Companies in which he holds Directorship and Membership/Chairmanship of Board Committees etc. has been provided in Annexure A to the Annexure to the Notice of this Annual General Meeting.

In view of his valuable contribution and considering his expertise, the Board of Directors on the recommendation of Nomination and Remuneration Committee in their Meeting held on 30th May, 2016 have proposed the re-appointment of Sh. Adeesh Kumar Gupta as an Executive Director for a further period of 2 years w.e.f. 1st October, 2016 subject to the approval of the Members of the Company in the 30th Annual General Meeting on the below mentioned terms and conditions including remuneration, payable as minimum remuneration in terms of the provisions of Schedule V of the Companies Act, 2013 and as set out in the draft Service Agreement to be executed with Sh. Adeesh Kumar Gupta. The above appointment has also been approved by the Nomination and Remuneration Committee of the Board, pursuant to Section 178 of the Companies Act, 2013 and Rules framed there under and also in terms of the Nomination and Remuneration Policy of the Company.

The Company has obtained from Sh. Adeesh Kumar Gupta his consent to be re-appointed as an Executive Director of the Company and also received declaration in Form DIR-8 to the effect that he is not disqualified to be appointed as a Director in any Company.

The Board considers that the continuing association of Sh. Adeesh Kumar Gupta on the Board of Directors of the Company will be of immense benefit to the Company and it would be prudent to re-appoint Sh. Adeesh Kumar Gupta as an Executive Director of the Company and he has requisite qualification and experience for the position he is holding. As a Director of the Company, his office shall be liable to retire by rotation at Annual General Meeting. Accordingly, the Board recommends the resolution no. 4 for the members' approval.

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

Abstract of the terms and conditions of the re-appointment of Sh. Adeesh Kumar Gupta as an Executive Director:

- (i) Period: For a period of 2 years w.e.f. 1st October, 2016.
- (ii) Nature of Duties: Sh. Adeesh Kumar Gupta shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the Company.

(iii) Remuneration:

- a) Salary: ₹4,00,000/- per month subject to the Board reviewing any increase or variation in such salary.
- b) Perquisites: As per the rules of the Company as applicable for the Director for the time being in force. In view of the inadequate profits of the Company, the proposed remuneration payable to Sh. Adeesh Kumar Gupta is the minimum remuneration and the total remuneration, of salary, perquisites, and any other allowances shall not exceed the ceiling as provided in Section II of the Part-II of Schedule V of the Companies Act, 2013 including any amendment thereof from time to time.

No commission of whatsoever nature shall be paid to the Executive Director apart from the aforesaid remuneration.

(iv) Other terms of re-appointment:

- a) The terms and conditions of the re- appointment of Sh. Adeesh Kumar Gupta as Executive Director may be varied or altered from time to time by the Board of Directors or Committee thereof in its discretion, if deemed fit but subject to the provisions of the Companies Act, 2013 or any regulations/ rules made there under.
- b) The Office of Sh. Adeesh Kumar Gupta as Executive Director shall be liable to retire by rotation.
- c) No sitting fee shall be paid to Sh. Adeesh Kumar Gupta for attending the Board or Committee Meeting(s)
- d) Sh. Adeesh Kumar Gupta shall abide by the Company's Code of Conduct or any other Code of Conduct as laid down in terms of Corporate Governance and Insider Trading Regulations, 2015.

Draft of the Service Agreement to be executed with the above Executive Director and other relevant documents are available for inspection at the Company's registered office on any working day between 10:00 A.M. to 1:00 P.M. up to the date of forthcoming AGM.

None of the Directors, Key managerial Personnel of the Company or their relatives of the Company may be deemed to be concerned or interested in the proposed resolution no. 4, except Sh. Adeesh Kumar Gupta to the extent of his shareholding in the Company.

By order of the Board
For Liberty Shoes Ltd.

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

Place: Gurugram, Haryana
Dated: Monday, 30th May, 2016

Annexure-A

A BRIEF PROFILE ALONGWITH THE NECESSARY INFORMATION OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT THEREOF IN THE FORTHCOMING ANNUAL GENERAL MEETING SCHEDULED TO BE HELD ON MONDAY, 19TH SEPTEMBER, 2016 IN PURSUANCE OF REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of the Director	Sh. Ashok Kumar	Sh. Adeesh Kumar Gupta
Age	47 Years	52 Years
Date of Appointment as Director	23rd January, 2015	12th August, 2011
Qualification	LL.B	Graduate
Relationship with other Directors inter se	None	None
Experience / Expertise in specific Functional Areas	<p>He is a law Graduate and has been advising Company on various legal matters of the Company for last several years. He possesses a vast wealth of legal knowledge and has a proven record of providing indispensable legal advice to the Company and delivering of positive outcomes for the Company.</p>	<p>Has been associated with the Company in different capacity for last several years and having vast experience in the field of Human Resource Management and supervision of leather finishing unit. He has been contributing to operations of the Company with his vast experience.</p>
List of directorship held in other Companies	None	<ul style="list-style-type: none"> • Geofin Investments (P) Ltd. • Little world Constructions private Limited
List of membership in committees of other Companies	None	None
Shareholding of Executive/ Non-Executive director(s)	Nil	1,89,360 Equity Shares

Information in terms of Schedule V to the Companies Act, 2013

I. General Information:

- a) **Nature of Industry:** The Company is engaged in the business of manufacturing and trading of footwear and accessories through its retail and wholesale network.
- b) **Date or expected date of commencement of commercial production:** The commercial production of the Company was started in December, 1993.
- c) **Expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** The commercial production of the Company has already commenced in December 1993, therefore not Applicable.
- d) **Financial performance based on given indicators:**
(For the Financial year ended March 31, 2016)
 - Profit/(Loss) before depreciation, interest, tax and exceptional items: ₹43.44 Cr.
 - Profit after tax and Exceptional item: ₹10.20 Cr.
 - Net Worth (excluding Capital reserve): ₹155.11 Cr.
 - Book Value per share of ₹10 each: ₹91.03.
- e) **Foreign Investments and Collaboration as on 31st March 2016:** The Company has no foreign collaboration but has done foreign investment in its wholly owned overseas subsidiary namely Liberty Foot Fashion Middle East, FZE and invested a sum of AED 25,39,376 by way of its equity contribution.

II. Information about the Appointee/Director:

1. Background Details and expertise and experience in specific functional areas:

Sh. Adeesh Kumar Gupta, aged 52 years, is having experience of over two and half decades in the field of Human Resource Management as well as of leather finishing unit. He was earlier associated with the Company as Director during the period of 1990 to 2001 and then joined the Board as Director in the year 2011 and then was appointed as an Executive Director for a period of five years w.e.f. 1st October, 2011 which was approved by the members in their 25th Annual General Meeting of the Company held on 28th September, 2011. He has been contributing to operations of the Company with his vast experience.

2. Past Remuneration:

Initially he was being paid Remuneration of ₹12,00,000/- p.a. plus all the perquisites in terms of the Policy of the Company for the time being applicable or in force. The Board of Directors, considering the manifold responsibilities assigned to Sh. Adeesh Kumar Gupta, his diversified experience and keeping in view the remuneration being paid in the Industry to the person(s) holding the similar

position and on the recommendation of Remuneration Committee of the Board, approved the increase in the remuneration of Sh. Adeesh Kumar Gupta from ₹12,00,000/- to ₹48,00,000/- p.a., inclusive of all the perquisites as per the Policy of the Company for the time being applicable or in force. The members in their 27th Annual General Meeting held on 20th September, 2013 approved the above increase in remuneration paid w.e.f. 1st April, 2013 as minimum remuneration in view of inadequate profit in terms of provisions of Schedule XIII to the Companies Act, 1956.

3 & 4 Recognition or awards/Job Profile and his suitability:

Sh. Adeesh Kumar Gupta has been associated with the Company in different capacity for last several years and contributing to the operations of the Company with his vast experience. He is looking after Human Resource Management of the Company and also supervising the Leather finishing unit of the Company. The Board of Directors are of the opinion that the continuing association of Sh. Adeesh Kumar Gupta on the Board of Directors of the Company will be of immense benefit to the Company and it would be prudent to re-appoint Sh. Adeesh Kumar Gupta as Executive Director of the Company on the same terms and conditions including remuneration to be payable to him and he has requisite qualification and experience for the position he is holding. He has submitted a declaration in form DIR-8 under Section 167 of the Companies Act, 2013 to the effect that he is not disqualified to be appointed as a Director in any Company.

5. Remuneration proposed:

The remuneration proposed to be paid to Sh. Adeesh Kumar Gupta for the position of Executive Director is ₹48,00,000/- p.a. including perquisites as per the rules of the Company within limits of Schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any.

6. Comparative remuneration profile as per published information with respect to industry, size of the Company, profile of the position and person:

Sr. No.	Particulars	(1)	(2)	(3)
1	Name of the Company	Bata India Ltd.	Relaxo Footwear Ltd.	Mirza International Ltd.
2	Type of Industry	Footwear	Footwear	Footwear
3	Financial Year Ended	March, 2016	March, 2016	March, 2016
4	Annual Turnover (Net of Excise Duty)	₹2451.25 Crores	₹1715.27 Crores	₹925.74 Crores
5	Designation, Personal and Remuneration Profile (2016)	<p>(i) CEO & Managing Director, B.E. (Mechanical), 51 years old having 25 years of experience in similar field/industry at a remuneration comprising Salary, Allowances and Perquisites totaling to ₹446.20 Lakh p.a.</p> <p>(ii) Director Finance, Commerce Graduate, Chartered Accountants, 57 years old, having more than 30 years of experience in similar field/industry at a remuneration comprising Salary & allowances and Perquisites totaling to ₹107.00 Lakh p.a.</p>	<p>(i) Managing Director, Graduate, (B.Com Licentiate of LPRI London, 62 years old, having more than 38 years of experience in similar field/industry at a remuneration comprising of Salary & Commission totaling to ₹879.88 Lakh p.a.</p> <p>(ii) Whole Time Director, Graduate, (B.Sc) 66 years, having more than 43 years of experience in similar field/industry at a remuneration comprising Salary & Commission totaling to ₹879.88. Lakh p.a.</p>	<p>(i) Managing Director, diploma in Leather technology, London, 60 years old, having 40 years of experience in similar field/industry at a remuneration comprising salary & perquisites totaling to ₹146.38 Lakh p.a.</p> <p>(ii) Whole Time Director, diploma in Leather Goods Technologies, U.K., 59 years old having 37 years of experience in similar field/industry at a remuneration comprising Salary & Perquisites totaling to ₹118.27 Lakh p.a.</p>

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Sh. Adeesh Kumar Gupta, Executive Director is representing the promoters group of the Company. He is drawing remuneration of ₹48,00,000/- p.a. for the position of Executive Director as per the Policy of the Company and earlier approval by the members in their 27th Annual General Meeting held on 20th September, 2013. He and his relatives have interest as partners in Liberty Footwear Co., Liberty Group Marketing Division and Liberty Enterprises, Partnership firms at Karnal which have assigned exclusive rights to the Company to use their Trademarks, Sub brands, Manufacturing facilities, Sale and Distribution Networks and other assets of the firms on payment of franchise/licensing fees. Sh. Adeesh Kumar Gupta is holding 1,89,360 Equity Shares in the Company. He belongs to the Promoter group of the Company and he is not relative of any Managerial Personnel of the Company in terms of the provisions of Companies Act, 2013 and Listing Regulations.

III. Other Information:

A. Reasons of loss or inadequate profits:

- The Institutional sales segment, being major contributor in total sales, could not succeed in bagging repetitive big Institutional orders which has impacted the Company's top line and resulting in to marginal decline in profitability. The exports due to slowdown in global economy and steep fall in oil prices world over has majorly impacted the Export performance of the Company.
- Regular increase in minimum wages in Haryana where three plants of the Company operates, has impacted bottom line of the Company.
- Inflationary pressure prevailing in Domestic market for last

couple of years affects consumer sentiments.

- Increase in the finance cost due to higher utilization of borrowed funds.

B. Steps taken or proposed to be taken for improvement:

- Expanding the reach in untapped areas/cities for increasing the sales for domestic growth.
- To further strengthen the brand perception & pass on impact of higher costs to consumer.
- Exploring new export market and with focused approach on qualitative products.
- Effective utilisation of working capital loans to reduce the Interest Costs.
- Restructuring of operations of the Company by cost reduction of Administration and other expenses.

C. Expected increase in productivity and profits in measurable terms:

It is difficult at this stage to quantify the effect of the measures taken/being taken by the Company to improve the overall performance in financial terms. However, the measures being taken/to be taken by the Company will add on to the overall value of the Company which will be reflecting through the increase in the profitability of the Company.

IV. Disclosure:

Disclosure in the Board of Director's report under the heading 'Corporate Governance' Report attached to the financial statements:

The requisite details, as required to be disclosed under Corporate Governance Report attached to the Annual Report to the extent applicable to the Company and the Directors, have been disclosed therein.