

Liberty Shoes Ltd.

# 12TH ANNUAL REPORT 1997-98

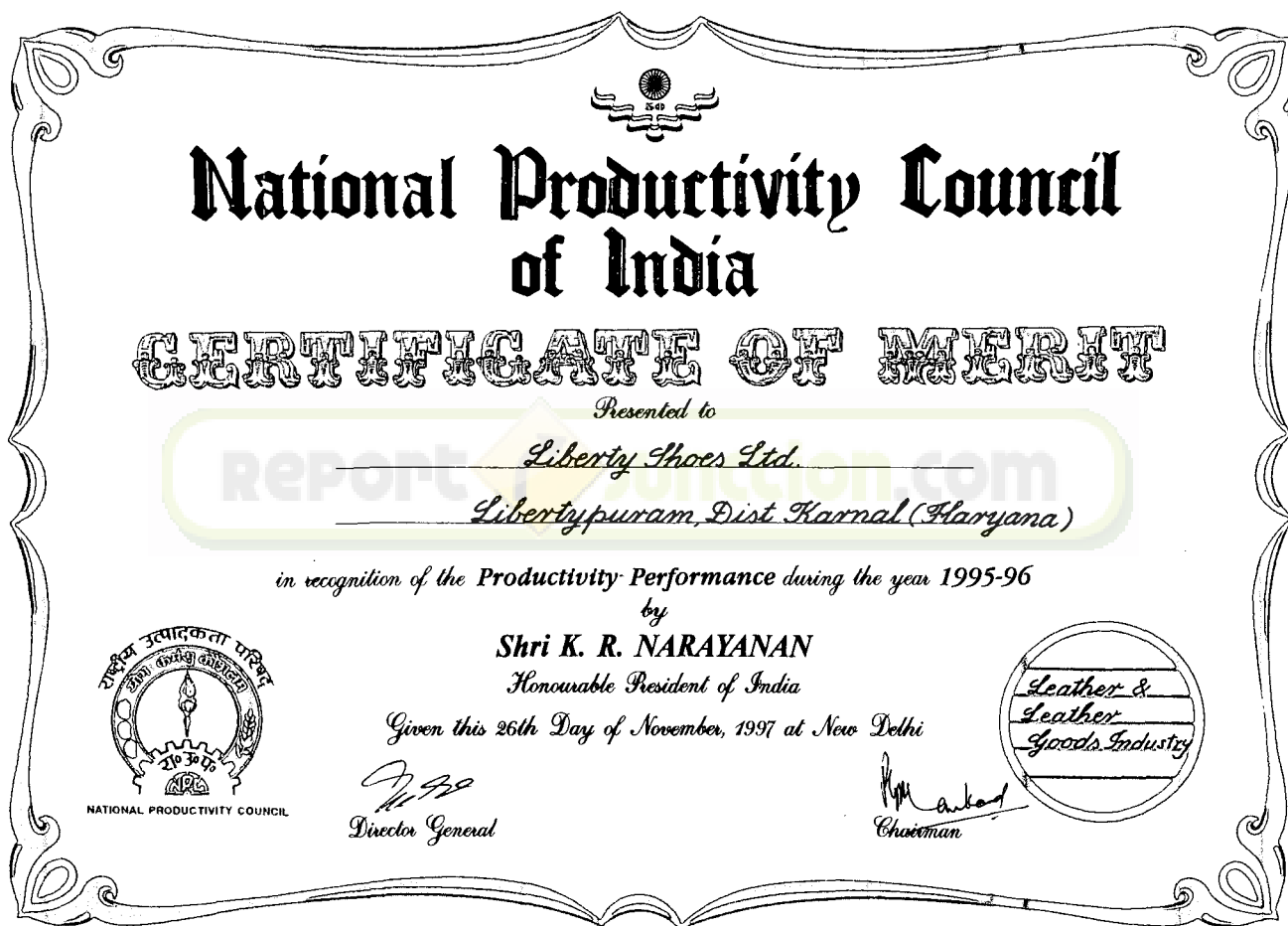


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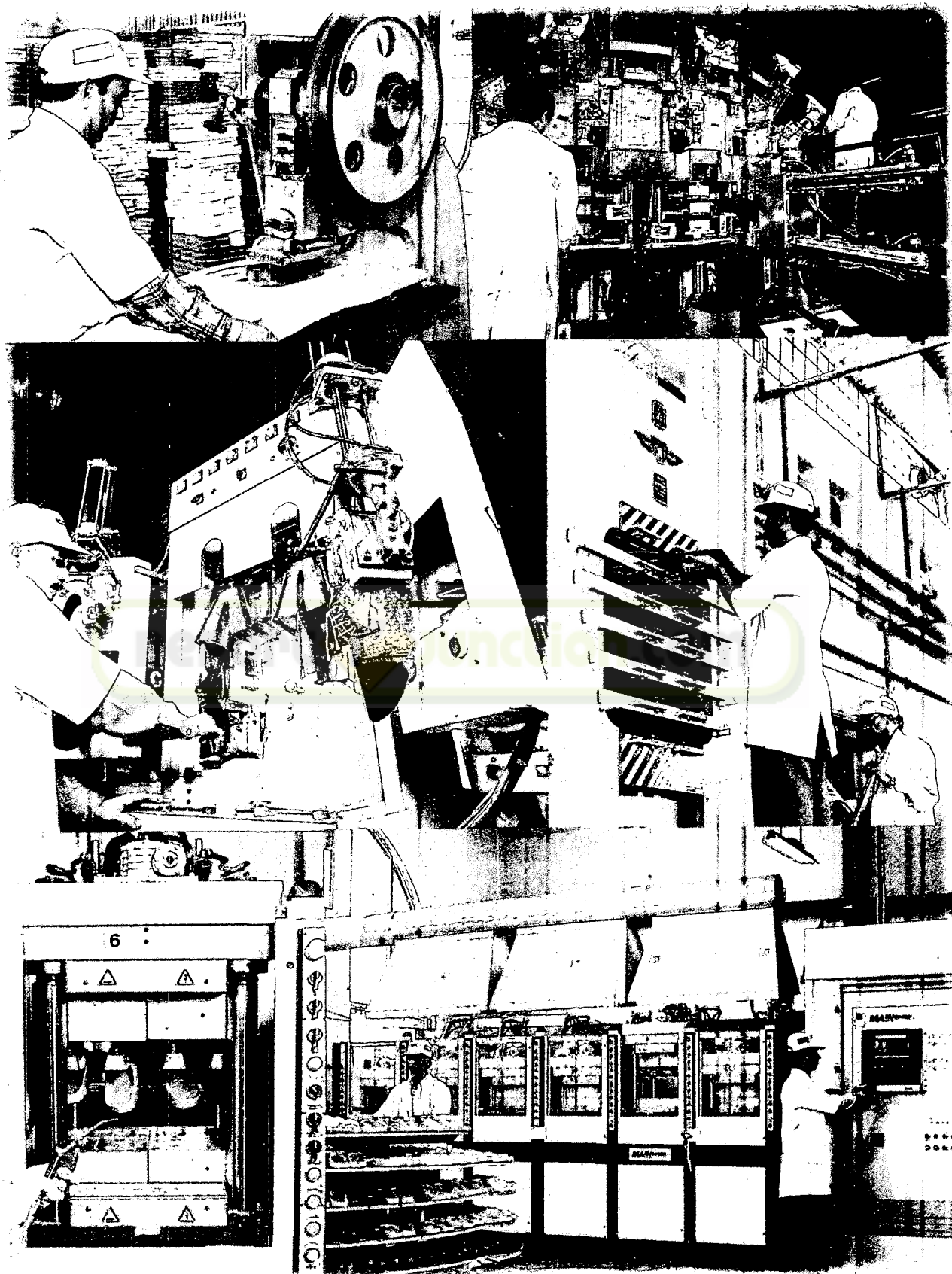




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## BOARD OF DIRECTORS

**P.D. GUPTA**  
**CHAIRMAN & MANAGING DIRECTOR**

**ADARSH GUPTA**  
**EXECUTIVE DIRECTOR**

**SHAMMI BANSAL**  
**EXECUTIVE DIRECTOR**

**H.K. GUPTA**  
**EXECUTIVE DIRECTOR**

**D.P. GUPTA**  
**DIRECTOR**

**R.K. BANSAL**  
**DIRECTOR**

**D.K. GUPTA**  
**DIRECTOR**

**SUNIL BANSAL**  
**DIRECTOR**

**ADESH GUPTA**  
**DIRECTOR**

**SATISH GUPTA**  
**DIRECTOR**

**RAMAN BANSAL**  
**DIRECTOR**

**ADEESH GUPTA**  
**DIRECTOR**

**COMPANY SECRETARY**  
**P.T. SOOD**

### REGISTERED OFFICE & WORKS

LIBERTYPURAM, 13TH MILESTONE,  
G.T.KARNAL ROAD, KUTAIL, P.O. BASTARA,  
DISTT. KARNAL-132 001(HARYANA)  
TEL: (91)-01748-57612, 57618  
FAX: (91)-01748-57653

LIBERTY COMPLEX, G.T. KARNAL ROAD,  
17TH MILESTONE, GHARAUNDA,  
TEL: (91)-01748-52297 TO 99  
FAX: (91)-01748-52296

### CORPORATE OFFICE

CENTRAL HOUSE, RAILWAY ROAD,  
KARNAL-132 001(HARYANA)  
TEL : (91)-0184-255633 TO 637  
FAX : (91)-0184-251161

### MARKETING OFFICE

4/42, PUNJABI BAGH  
NEW DELHI-110 026  
TEL: (91)-011-5194371, 5415993  
FAX: (91)-011-5455567  
E-MAIL: anupamb@giasdl01.vsnl.net.in

### AUDITORS

PARDEEP TAYAL & CO.  
CHARTERED ACCOUNTANTS  
INDIAN BANK BUILDING, G.T. ROAD,  
PANIPAT-132 103

### BANKERS

STATE BANK OF INDIA  
(SPECIALISED COMMERCIAL BRANCH)  
AMBEDKAR CHOWK, KARNAL-132 001

### SHARE TRANSFER AGENTS

IN-HOUSE SHARE REGISTRY  
3, COMMUNITY CENTRE,  
NARAINA INDUSTRIAL AREA,  
PHASE-I, NEAR PAYAL CINEMA,  
NEW DELHI-110 028  
TEL: (91)-011-5792013 TO 15  
FAX: (91)-011-5792011

### BRANCHES

AGRA, DELHI, GWALIOR, RAJPURA,  
SAHARANPUR



## NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of the Members of Liberty Shoes Limited will be held on Monday, the 21st day of September, 1998 at 10.00 AM at the Registered Office of the Company at Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Distt. Karnal(Haryana) to transact the following business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1998, Profit & Loss Account for the year ended on that date and the reports of the Board of Directors' & Auditors' thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. R.K. Bansal, who retires by rotation & being eligible, offers himself, for re-appointment.
4. To appoint a Director in place of Mr. Sunil Bansal, who retires by rotation & being eligible, offers himself, for re-appointment.
5. To appoint a Director in place of Mr. Adesh Gupta, who retires by rotation & being eligible, offers himself, for re-appointment.
6. To appoint a Director in place of Mr. Adeesh Gupta, who retires by rotation & being eligible, offers himself, for re-appointment.
7. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting & to fix their remuneration.

### SPECIAL BUSINESS:

8. To consider & if thought fit to pass, with or without modification(s), the following resolution as an ordinary resolution :-

Resolved that Mr. D.P. Gupta, who was appointed as Additional Director by the Board of Directors upto the date of forthcoming Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under the provision of section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be & is hereby appointed as Director liable to retire by rotation.

9. To consider & if thought fit to pass, with or without modification(s), the following resolution as a special resolution:-

Resolved that subject to all applicable provisions of the Companies Act, 1956 including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modification(s) as may be prescribed or imposed while granting such approvals, permissions & sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) that the consent of the Company be & is hereby accorded to buy-back equity shares of the face value of Rs. 10/- each within a period of 15 months or within the period as the Act may prescribe, from the date of the passing of the resolution & not



exceeding such percentage of the capital of the Company as & when permitted by the law, from such funds of the Company as and when permitted to be used for this purpose or out of the proceeds of any issue made by the Company, on such terms and subject to such conditions as may be prescribed by the law.

Resolved further that the Board be & is hereby authorised to decide the exact quantity of shares to be bought, the rate, mode & other terms and conditions relating thereto and further to do all such acts and to settle all questions & matters arising out of and incidental thereto.

**10. To consider & if thought fit to pass, with or without modification(s), the following resolution as a special resolution :-**

Resolved that pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company be altered as follows:-

Insert the following Heading and Article as Article 50A after Article 50.

**Buy-back of Shares**

Notwithstanding anything contained in these Articles, in the event it is permitted by law for a Company to purchase its own shares or securities, the Board of Directors' may, when & if thought fit, buy-back such number of the Company's own shares or securities whether fully paid up or partly paid up as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by law.

**11. To consider and if thought fit to pass, with or without modification(s), the following resolution as a special resolution:-**

Resolved that in terms of section 163 of the Companies Act, 1956, the Company hereby accords its approval to keep the Register of Members & other relevant records & documents in the office of M/s. In-house Share Registry, 3, Community Centre, Naraina Industrial Area, Phase-I, Near Payal Cinema, New Delhi-28, a SEBI registered Share Transfer Agents, appointed in accordance with Securities & Exchange Board of India (Registrars to an Issue & Share Transfer Agents) Rules, 1993.

**12. To consider and if thought fit to pass, with or without modification(s), the following resolution as a special resolution:-**

Resolved that the Board of Directors be & is hereby authorised to approach:

- i) The Stock Exchange, Ahmedabad
- ii) Bangalore Stock Exchange Limited, Bangalore
- iii) The Calcutta Stock Exchange Association Limited, Calcutta
- iv) Jaipur Stock Exchange Limited, Jaipur

for getting the scrip delisted in view of no trading in the last two years.

Resolved further that Mr. P.T. Sood, Company Secretary, be & is hereby authorised on behalf of the Company to do all the legal & procedural formalities in this regard.

**By order of the Board**

(P.T. Sood)  
Company Secretary

Place: Libertypuram(Karnal)  
Date : 18.06.98



### NOTES:

- A member entitled to attend and vote at the meeting is empowered to appoint a proxy to attend & vote instead of himself and a proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- An Explanatory Statement setting out the material facts concerning the special business of the notice as required under section 173(2) of the Companies Act, 1956 is annexed hereto.
- The Register of Members & Share Transfer books of the Company shall remain closed from Thursday, 20th August, 1998 to Monday, 24th August, 1998 (both days inclusive).
- The dividend as recommended by the Board and if approved at the meeting, shall be paid to those shareholders whose names appear in the Register of Members of the Company as on 24th August, 1998 and Account Payee dividend warrants will be mailed on or before 2nd Nov., 1998 at the addresses of the members or as per their mandates as registered with the Company.
- To avoid fraudulent encashment of dividend warrants, members are requested to intimate the Company their bank account number alongwith type of account, name of the bank and its branch for printing on the dividend warrants as may be issued in future. This information may be sent as per the proforma annexed.
- Members are requested to intimate the change of address, if any, to the Company. Further the members who are holding shares in identical order of names of more than one folio, are requested to intimate to the Shares Deptt. such folios together with share certificates to enable the Company to consolidate the total holding into particular folio. The share certificates will be returned in due course to the members after making the necessary endorsement.
- Members are requested to bring this copy of Annual Report & Attendance Slip with them while attending Annual General Meeting.
- Shareholders seeking information on accounts published herein are requested to send their queries addressed to the Secretary of the Company atleast seven days before the date of the meeting.
- Members are invited to participate in the discussions at the Annual General Meeting. In accordance with the provisions of the Companies Bill, 1997, there will be no distribution of gifts at the Annual General Meeting.



## ANNEXURE TO NOTICE

### **EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**

#### **RESOLUTION-8**

Mr. D.P. Gupta, one of the promoters of the Company, remained on the Board till 10.06.96 and thereafter due to his ill health, resigned from the Directorship of the Company.

Further to avail his enormous experience in the footwear manufacturing and administration, he was appointed as an Additional Director vide Board Meeting dated 11.08.97.

Further a notice in writing has been received from a Shareholder pursuant to section 257 of the Companies Act, 1956 proposing his candidature for the office of Director liable to retire by rotation.

The resolution is before you for your approval.

#### **Memorandum & statement of interest:**

All the Directors are interested in this resolution by virtue of their family relation with Mr. D.P. Gupta.

#### **RESOLUTION-9**

As the members are aware that the Companies Act, 1956 presently prohibits a company from purchasing its own shares & securities. However, the Companies Bill, 1997 provides for the buy-back of shares & securities.

Subject to the buy-back of shares & securities being legally permissible, it is proposed to enable the Company to buy-back its ordinary shares not exceeding such percentage of the capital of the Company as may be permitted by the law as set out in the resolution.

The resolution is recommended for your approval.

#### **Memorandum & statement of interest:**

None of the Directors is interested in this resolution.

#### **RESOLUTION-10**

Presently the Companies Act, 1956 prohibits the Company from purchasing its own shares & securities. The Articles of Association of the Company are proposed to be altered by including a new Article 50A as set out in the resolution at Item No. 10 to enable the Company to purchase its own ordinary shares and/or securities in the event it is permissible by law.

The resolution is recommended for your approval.

#### **Memorandum & statement of interest:**

None of the Directors is interested in this resolution.

#### **RESOLUTION - 11**

The Board of Directors has appointed M/s. In-house Share Registry, 3, Community



Centre, Naraina Industrial Area, Phase-I, Near Payal Cinema, New Delhi-28 as Share Transfer Agents w.e.f. 1st June'98 in place of M/s. SRG Infotec (India) Limited, 118A, Zamrudpur, Opp. LSR College, New Delhi-48 in its efforts to continue providing efficient services to the shareholders. In terms of section 163(1) of the Companies Act, 1956, the Company is required to keep its Register of Members and all the other relevant documents/registers at its Registered Office. However, the Companies Act, 1956, provides that the Company can, by passing a special resolution, keep these documents at any other place than its Registered Office.

For the purpose, the approval of the shareholders is required.

**Memorandum & statement of interest:**

None of the Directors is interested in this resolution.

**RESOLUTION-12**

The Company came out with the Public Issue in the year 1994 & got its scrip listed on following Stock Exchanges:-

- i) The Stock Exchange, Ahmedabad
- ii) Bangalore Stock Exchange Limited, Bangalore
- iii) The Calcutta Stock Exchange Association Limited, Calcutta
- iv) Jaipur Stock Exchange Limited, Jaipur
- v) The Stock Exchange, Mumbai
- vi) The Delhi Stock Exchange Association Limited, Delhi

Thereafter, the Company got its scrip listed on National Stock Exchange of India Limited, Mumbai on 22.09.95. The Company has paid annual listing fees to each of the above Stock Exchanges for the year 1998-99. It is observed that there was almost no trading of the scrip of the Company in the following Stock Exchanges:-

- i) The Stock Exchange, Ahmedabad
- ii) Bangalore Stock Exchange Limited, Bangalore
- iii) The Calcutta Stock Exchange Association Limited, Calcutta
- iv) Jaipur Stock Exchange Limited, Jaipur

As such, it was proposed to get the scrip delisted from the abovesaid four Stock Exchanges as National Stock Exchange of India Limited, Mumbai provides its services all over India.

The proposed resolution is for your approval.

**Memorandum & statement of interest:**

None of the Directors is interested in this resolution.

**By order of the Board**

(P.T. Sood)

Company Secretary

Place: Libertypuram(Karnal)  
Date : 18.06.98