

When we asked the world to
“Express Yourself”
the result was a renewed expression of confidence.





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 worldwide. To remain a true cosmopolitan to the spirit. To remain a great corporation to associate with, to work for. To know that “We are about people”.



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Company Information

Board of Directors

Adesh Kumar Gupta Chief Executive Officer
(DIN 00143192)

Adarsh Gupta Executive Director
(DIN 00161193)

Shammi Bansal Executive Director
(DIN 00138792)

Sunil Bansal Executive Director
(DIN 00142121)

Satish Kumar Goel Director (Law & Taxation)
(DIN 00143415)

Surendra Kumar Arya Independent Director
(DIN 00004626)

Raghubar Dayal Independent Director
(DIN 00481803)

Amitabh Taneja Independent Director
(DIN 00031257)

Prem Chand Garg Independent Director
(DIN 00335568)

Vivek Bansal Independent Director
(DIN 00939232)

Siddharth Sanghi Independent Director
(DIN 00033401)

Company Secretary & Compliance Officer

Munish Kakra Vice President & Company Secretary

Audit Committee

Raghubar Dayal
Prem Chand Garg
Vivek Bansal
Sunil Bansal

Remuneration / Selection Committee

Raghubar Dayal
Prem Chand Garg
Surendra Kumar Arya

Management Committee

Adesh Kumar Gupta
Adarsh Gupta
Prem Chand Garg
Raghubar Dayal

Share Transfer/Investors' Grievances Committee

Sunil Bansal
Adarsh Gupta
Prem Chand Garg

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area, Phase - II,
Near Batra Banquet Hall, New Delhi - 110028
Tel : (91) 11- 41410592~94
Fax : (91) 11- 41410591
E-mail : delhi@linktime.co.in

Registered Office

Libertypuram, 13th Milestone,
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Distt. Karnal - 132114, Haryana
Tel.: (91) 1748 - 251101 ~ 03
Fax : (91) 1748 - 251100
E-mail : lpm@libertyshoes.com
Website: www.libertyshoes.com

Corporate Office

2nd Floor, Tower - B, Building No. 8,
DLF Cyber Citi, Phase - II, Gurgaon - 122002,
Haryana
Tel.: (91) 124-4616200
Fax : (91) 124-4616222
Email : mail@libertyshoes.com

Bankers

Central Bank of India
Corporation Bank
IndusInd Bank Ltd.
HDFC Bank Ltd.
The Hong Kong & Shanghai Banking Corporation Ltd.
The Royal Bank of Scotland N. V.

Auditors

Pardeep Tayal & Co., Chartered Accountants
Indian Bank Building, G.T. Road,
Panipat - 132 103, Haryana

Communication Advisory

Montage Advertising Pvt. Ltd.
2nd Floor, Chandra House,
8, Shaheed Bhagat Singh Marg,
Gole Market, New Delhi - 110 001
Tel: (91) 11-23746553, 23744109, 23343738
E-mail: karunendra.m@montageadvertising.com

Liberty Retail Revolutions Ltd. Retail Subsidiary

Board of Directors

Anupam Bansal Managing Director
(DIN 00137419)

Adarsh Gupta Director
(DIN 00161193)

Adish Kumar Gupta Director
(DIN 00137612)

Sunil Bansal Director
(DIN 00142121)

Amitabh Taneja Independent Director
(DIN 00031257)

Ashish Soni Independent Director
(DIN 00281569)

Company Secretary

Swami Tarunjay Bharti GM-Finance &
Accounts & Company Secretary

Registered Office

4/42, Punjabi Bagh, New Delhi - 110026
Tel. : (91) 11- 45392000
Fax : (91) 11- 45392022
E-mail : mail@libertyrevolutions.com
Website: www.libertyrevolutions.com

Bankers

IndusInd Bank Ltd.

Prominent Retail Presence At

Delhi, Mumbai, Chennai, Bangalore,
Hyderabad, Gurgaon, Noida, Lucknow,
Ghaziabad, Pondicherry, Siliguri, Indore,
Gwalior, Patiala, Raipur, Panchkula, Ludhiana



From the CEO's Desk

Dear Shareholders,

Henri Bergson, one of the most famous and influential philosophers of the late 19th century-early 20th century, had once said: **"To exist is to change, to change is to mature, to mature is to go on creating oneself endlessly."**

We at Liberty Shoes have adopted this philosophy of change as an article of faith in our organization. And I would like to begin by expressing my gratitude to all of you for accepting the change we had proposed last year. The change, I am happy to add, has already started yielding positive results but more of that later.

Let's start with the macro picture

The year 2009-10 has been a watershed year for us. Notwithstanding the global recession, Indian economy has shown great resilience and continued to be in the growth mode.

Indian footwear industry emerged as the engine of growth for the entire Indian leather industry and today India is the second largest global producer of footwear after China accounting for nearly 13% of global footwear production of 16.00 billion pairs.

The domestic consumption of footwear within India, due to an expanding middle class, especially within urban areas, has been driving the growth of the footwear industry. Today, nearly 95% of the country's footwear production goes to meet its own domestic demand.

The entire leather sector is now 'de-licensed' and 'de-reserved', paving the way for expansion on modern lines with state-of-the-art machinery and equipment. The footwear sector too has matured from the level of manual footwear manufacturing methods to automated footwear manufacturing systems.

The Indian footwear retail market is slated to grow at a CAGR of over 20% for the period spanning from 2008 to 2011. Footwear is also expected to comprise about 60% of the total leather exports by 2011 from over 38% in 2006-07.

Presently, the Indian footwear market is dominated by Men's footwear market that accounts for nearly 58% of the total Indian footwear retail market. There's no organized retailing chain with a national presence in ladies' and kids' footwear segment. The casual footwear segment makes up for nearly two-third of the total footwear retail market.

The Indian footwear market scores over other footwear markets as it gives benefits like low cost of production, abundant raw material, and has huge consumption market.

In other words we have opportunities, opportunities and more opportunities.

And now shifting focus to the picture your Company presents

As I mentioned at the outset, 2009-10 was a year of visible change, a year in which we acted boldly, reorganized ourselves, and positioned the Company for higher growth in productions, sales and profits.

Our manufacturing units are showing enhanced productivity. And our brand is all set to attract a younger, more compelling target customer. We have also taken steps to adapt our brand to fit with today's more



casual workplace. And more importantly, with our operating expertise – from footwear design to the retail floor we are able to identify emerging footwear trends and deliver the hottest styles that consumers want right now.

We continue to be the no. 1 brand name, value-priced footwear for the entire family. It all starts with the power of our branded offering across all types of footwear, and the ability to anticipate shifting customer preferences. We're meeting those preferences with highly developed merchandising systems that move product, store-by-store, filling each location's demand for the "hottest" footwear.

Our retail operations are today strategically positioned for achieving significant results. Both our Company-owned showrooms as well as franchisee stores are poised to further increase their market share now. We are investing in dynamic merchandising and marketing programs.

Putting our extensive database and powerful systems technology to the best use we are executing targeted advertising and store display programs that pull customers into our stores.

One of the major components of our turn-around strategy is our fashion-right product and our bold image campaign. By placing fresh product and eye catching displays in our stores we plan on driving sales gains. We're also seeking to improve profitability through a better mix of retail locations. While closing our low performing stores we are at the same time opening new concept stores in the "right places," with the "right look" that exudes the new image. While the process is still in the early stages of transition we expect to see improved operating results and increased store sales during the coming year.

There is a new sense of urgency and a renewed passion in our operations and credit goes to our employees and business partners for embracing this enthusiasm.

There's a lot to look forward to

In light of the encouraging prospects, we are obviously confident that it will soon be reflected in our brand's worth. That said, we continue to focus on growing sales and earnings and on building a compelling business. We believe that the Market will come to recognize the progress we've made, and will eventually reward us with a proper multiple.

And so much to do for those around us

We are ever conscious of the fact that our reputation stems not just from quality products and technological innovations but also from the manner in which we discharge our responsibilities towards our employees, our customers, the society and the environment. Utmost importance is given to ensuring safe, healthy and non-discriminatory working conditions for all our employees and ethical standards and practices are rigorously adhered to. Ecological awareness also happens to be uppermost on our minds. A testament to this fact is the importance we have accorded to making all our Humantech Centers environment-friendly with extensive green covers.

Thank you for going that extra mile with us.

Adesh Kumar Gupta
Chief Executive Officer

Notice

Notice is hereby given that the 24th Annual General Meeting of the Members of **Liberty Shoes Ltd.** ("the Company") will be held on **Monday, the 27th September, 2010 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 - 132 114, Haryana** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2010 and Balance Sheet as at that date together with the Report of Directors & Auditors thereon.
2. To appoint a Director in place of Sh. Shammi Bansal, who retires by rotation and being eligible offers himself for re - appointment.
3. To appoint a Director in place of Sh. Siddharth Sanghi, who retires by rotation and being eligible offers himself for re - appointment.
4. To appoint a Director in place of Sh. Amitabh Taneja, who retires by rotation and being eligible offers himself for re - appointment.
5. To appoint M/s Pardeep Tayal & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

Re-appointment of Sh. Adesh Kumar Gupta as the "Chief Executive Officer" of the Company

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 302 & 269 read with the Schedule XIII of the Companies Act, 1956 (hereinafter referred to as "the Act" including any modification(s) or re enactment(s) thereof for the time being in force) and all the other applicable provisions of the Act, if any, and in accordance with Article 116 of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the re appointment of Sh. Adesh Kumar Gupta as the "Chief Executive Officer" of the Company for a further period of 5 years w.e.f. 1st April, 2010 on such terms and conditions including the remuneration payable as enumerated in the draft Service Agreement which is to be entered into between the Company and Sh. Adesh Kumar Gupta and initialed by the Chairman of the Meeting for the purpose of identification.

RESOLVED FURTHER THAT the draft of the Service Agreement, as required to be entered into between the Company and Sh. Adesh Kumar Gupta and laid before the Members of the Company be and is hereby approved and Sh. Shammi Bansal & Sh. Sunil Bansal, Executive Directors and Sh. Munish Kakra, Vice President & Company Secretary of the Company be and are hereby severally authorised on behalf of the Company to execute the aforesaid Service Agreement with Sh. Adesh Kumar Gupta.

RESOLVED FURTHER THAT the remuneration, proposed to be paid to Sh. Adesh Kumar Gupta as Chief Executive Officer of the Company, shall not exceed the limits as specified under the provisions of Section 198, 309 & 269 read with the Schedule XIII of the Act.



RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the aforesaid Service Agreement within the provisions of Schedule XIII of the Act to the extent the Board of Directors or Committee thereof may consider appropriate, as may be permitted or authorised in accordance with the provision(s) under the Act or Schedule appended thereto, and / or any Rules or Regulations thereunder.

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

7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

Re-appointment of Sh. Adarsh Gupta as the “Executive Director” of the Company

“**RESOLVED THAT** pursuant to the provisions of Section 198, 309, 302 & 269 read with the Schedule XIII of the Companies Act, 1956 (hereinafter referred to as “the Act” including any modification(s) or re-enactment(s) thereof for the time being in force) and all the other applicable provisions of the Act, if any, and in accordance with Article 116 of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Sh. Adarsh Gupta as the “Executive Director” of the Company for a further period of 5 years w.e.f. 1st April, 2010 on such terms and conditions including the remuneration payable as enumerated in the draft Service Agreement which is to be entered into between the Company and Sh. Adarsh Gupta and initialed by the Chairman of the Meeting for the purpose of identification.

RESOLVED FURTHER THAT the draft of the Service Agreement, as required to be entered into between the Company and Sh. Adarsh Gupta and laid before the Members of the Company be and is hereby approved and Sh. Shammi Bansal & Sh. Sunil Bansal, Executive Directors and Sh. Munish Kakra, Vice President & Company Secretary of the Company be and are hereby severally authorised on behalf of the Company to execute the aforesaid Service Agreement with Sh. Adarsh Gupta.

RESOLVED FURTHER THAT the remuneration, proposed to be paid to Sh. Adarsh Gupta as Executive Director of the Company, shall not exceed the limits as specified under the provisions of Section 198, 309 & 269 read with the Schedule XIII of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the aforesaid Service Agreement within the provisions of Schedule XIII of the Act to the extent the Board of Directors or Committee thereof may consider appropriate, as may be permitted or authorised in accordance with the provision(s) under the Act or Schedule appended thereto, and / or any Rules or Regulations thereunder.

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

8. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

Re-appointment of Sh. Shammi Bansal as the “Executive Director” of the Company

“**RESOLVED THAT** pursuant to the provisions of Section 198, 309, 302 & 269 read with the Schedule XIII of the Companies Act, 1956 (hereinafter referred to as “the Act” including any





modification(s) or re enactment(s) thereof for the time being in force) and all the other applicable provisions of the Act, if any, and in accordance with Article 116 of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the re appointment of Sh. Shammi Bansal as the "Executive Director" of the Company for a further period of 5 years w.e.f. 1st April, 2010 on such terms and conditions including the remuneration payable as enumerated in the draft Service Agreement which is to be entered into between the Company and Sh. Shammi Bansal and initialed by the Chairman of the Meeting for the purpose of identification.

RESOLVED FURTHER THAT the draft of the Service Agreement, as required to be entered into between the Company and Sh. Shammi Bansal and laid before the Members of the Company be and is hereby approved and Sh. Adesh Kumar Gupta & Sh. Adarsh Gupta, Executive Directors and Sh. Munish Kakra, Vice President & Company Secretary of the Company be and are hereby severally authorised on behalf of the Company to execute the aforesaid Service Agreement with Sh. Shammi Bansal.

RESOLVED FURTHER THAT the remuneration, proposed to be paid to Sh. Shammi Bansal as Executive Director of the Company, shall not exceed the limits as specified under the provisions of Section 198, 309 & 269 read with the Schedule XIII of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the aforesaid Service Agreement within the provisions of Schedule XIII of the Act to the extent the Board of Directors or Committee thereof may consider appropriate, as may be permitted or authorised in accordance with the provision(s) under the Act or Schedule appended thereto, and / or any Rules or Regulations thereunder.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof and the Company Secretary of the Company be and are hereby severally authorised 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.

Place: New Delhi
Date: Thursday, 12th August, 2010

Munish Kakra
Vice President & Company Secretary