

11th February, 2014

The Manager
Listing Departments
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra - Kurla Complex, Bandra (E),
MUMBAI - 400051

Tel. No. : 022-26598100 ~ 14

Fax No. : 022-26598237, 26598238

Sub: Notice & Form of Postal Ballot

Dear Sir,

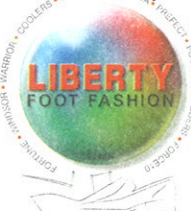
Please be informed that pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Board of Directors of the Company at their meeting held on 14th January, 2014 approved to conduct the Postal Ballot and E- voting for seeking the approval of:

- (a) Public Shareholders (i.e. Shareholders other than those forming part of Promoter and Promoter group) of the company to the Scheme of Amalgamation of Liberty Retail Revolutions Limited (Transferor Company) with Liberty Shoes Limited (Transferee Company) and their respective shareholders and creditors by passing an Ordinary Resolution in terms of Section 391- 394 of the Companies Act, 1956 read with the applicable guidelines issued by Securities and Exchange Board of India (SEBI) in this regard.
- (b) The Shareholders of the Company for alteration in Memorandum of Association of the Company by passing a Special Resolution in terms of Section 17 and other applicable provisions of the Companies Act, 1956.

The Board of Directors of the Company at their above meeting also appointed Mr. Sanjay Grover, Practicing Company Secretary of M/s. Sanjay Grover & Associates as scrutinizer for conducting the Postal Ballot in a fair and transparent manner. The Company has also engaged the service of Central Depository Services (India) Limited (CDSL) to provide electronic voting facility to the members of the Company.

The voting by physical or electronic mode will commence on 13th Day of February, 2014 (at 9:30 a.m.) and ends on 15th March, 2014 (3:30 p.m.). Any Postal Ballot Form(s)/ electronic vote received/ cast from/ by the member(s) after the 15th Day of March, 2014 (at 3:30 p.m.) will be strictly treated as if no reply from such member(s) has been received.

The Voting right of members shall be reckoned on the cutoff date which is the 31st day of January, 2014.



Liberty Shoes Ltd.

Corporate Office : Building No. 8, Tower-B, 2nd Floor, DLF Cyber Citi, Phase-II, Gurgaon-122 002, Haryana, India
Tel.: +91-124-4616200, 3856200 Fax: +91-124-4616222, E-mail: mail@libertyshoes.com www.liberty.in

Registered Office: Libertypuram, 13th Milestone, G.T.Karnal Road, P.O. Bastara, Distt. Karnal-132 114, Haryana (India)
Tel.: +91-1748-251101~3 Fax : +91-1748-251100, E-mail: lpm@libertyshoes.com



Please find enclosed herewith a copy of Postal Ballot Notice alongwith Postal Ballot Form and other documents for your records.

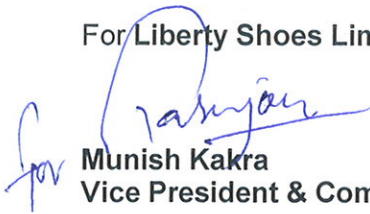
Further the Company will intimate the Stock Exchange(s) results of above Postal Ballot & E-voting in the prescribed format in terms of compliance of Clause 35B of Listing Agreement.

You are requested to take on record above information and documents and acknowledge the receipt of the same.

Thanking you

Sincerely yours

For Liberty Shoes Limited



Munish Kakra
Vice President & Company Secretary

Encl.: a/a



LIBERTY SHOES LIMITED

Regd. Office: Libertypuram, 13th Milestone, G. T. Karnal Road, Kutail,
P. O. Bastara, Distt. Karnal - 132114, Haryana Tel: (91)-1748251101-03
Website: www.libertyshoes.com

NOTICE OF POSTAL BALLOT (Notice pursuant to Section 192A of the Companies Act, 1956)

Dear Shareholder(s),

Notice is hereby given, pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that:

1. The approval of Public Shareholders (i.e. Shareholders other than those forming part of Promoter and Promoter Group) of the Company is sought to the Scheme of Amalgamation of Liberty Retail Revolutions Limited (Transferor Company) with Liberty Shoes Limited (Transferee Company) and their respective shareholders and creditors by passing an Ordinary Resolution by way of Postal Ballot.
2. The approval of the Shareholders of the Company is sought for alteration in the Memorandum of Association of the Company by passing a Special Resolution by way of Postal Ballot.

Explanatory Statement pertaining to these proposed resolutions setting out the material facts and the reasons thereof are annexed herewith. The Company has appointed Sh. Sanjay Grover of M/s Sanjay Grover & Associates, New Delhi, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the duly completed Form in the enclosed self addressed envelope (if posted in India) so as to reach the Scrutinizer **on or before the close of working hours on Saturday, 15th day of March, 2014**, the last date for receipt of the completed Postal Ballot Forms. Postal Ballot Forms received after this date will be considered invalid. The postage on the enclosed self-addressed postage envelopes shall be borne and paid by the Company.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman of the Company and the results of the Postal Ballot shall be announced by Chairman of the Company or in his absence any Executive Director of the Company **on Monday, 17th day of March, 2014** and displayed on the Notice Board at "Libertypuram, 13th Milestone, G. T. Karnal Road, Kutail, P. O. Bastara, Distt. Karnal - 132114, Haryana" at 5:00 p.m. The results of the Postal Ballot will also be posted & displayed on the Company's website, www.libertyshoes.com besides sending appropriate communications to the National Stock Exchange of India Limited and BSE Limited.

The date of declaration of the results of the Postal Ballot shall be the date on which the resolution would be deemed to have been passed by the Members, if approved by requisite majority.

E-voting option

The Company is pleased to offer E-voting facility also as an alternative for our Members which would enable you to



cast your votes electronically, instead of sending Physical Postal ballot Form. E-voting is optional. Please carefully read and follow the instructions for E-voting printed in this Notice.

Item No. 1

Approval to the Scheme of Amalgamation by Public Shareholders (other than those forming part of the Promoter and Promoter Group) of the Company:

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

"RESOLVED THAT the Scheme of Amalgamation of Liberty Retail Revolutions Ltd. (Transferor Company) with Liberty Shoes Limited (Transferee Company) and their respective Shareholders and Creditors ('the Scheme' or 'this Scheme') pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, be and is hereby approved subject to the approval of the Hon'ble High Court(s) of competent jurisdiction.

RESOLVED FURTHER THAT the Board of Directors (which includes any Committee thereof) of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as are considered requisite or necessary to implement the Scheme of Amalgamation and to accept such modification and /or conditions, if any, which may be required and/or imposed by the Hon'ble High Court(s) of competent jurisdiction and/ or any other authority, while sanctioning the Scheme of Amalgamation."

Item No. 2

Alteration to the "Main Objects" Clause of the Memorandum of Association of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), and subject to necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and conditions as may be imposed by them, Sub-Clause (A) of Clause III of Memorandum of Association of the Company i.e. the "Main Objects" Clause of the Memorandum of Association be and is hereby altered by substituting the following Sub-Clauses with the existing Sub-clause no. 1 and Sub-clause no. 3:

- 1) To carry on the business of manufacturers, retailers, on-line sales, wholesalers, exporters & importers of all types of footwear and footwear accessories and to establish, maintain, manage and acquire retail stores, chain stores, exclusive stores and to enter into tie ups and other arrangements for selling, marketing, distributing and retailing of all types of footwear and footwear accessories and other consumer products of similar nature and description.
- 3) To carry on the business of manufacturers, dealers, wholesalers, on-line sales, retailers, exporters and importers of all types of leather and other bags including luggage and travel goods, leather goods, leather furnishings & other home furnishing accessories including blankets, leather & other jackets, leather & other garments including sweaters, clothing accessories and all types of socks, fashion accessories and other consumer products of similar nature and description.



RESOLVED FURTHER THAT Sh. Adesh Kumar Gupta, CEO & Executive Director, Sh. Shammi Bansal, Executive Director, and Sh. Munish Kakra, Vice President & Company Secretary of the Company, be and are hereby severally authorised, on behalf of the Company to sign and submit any form and other documents along with the altered copy of Memorandum of Association of the Company with the Registrar of Companies, NCT of Delhi and Haryana and to do all such acts, deeds and things as may be necessary including to settle questions, difficulties or doubts that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company."

By Order of the Board of Directors
For **Liberty Shoes Ltd.**

Sd/-

Munish Kakra

Vice President & Company Secretary

Place: Gurgaon, Haryana

Date: Tuesday, 14th January, 2014

Notes:

1. Explanatory Statement for the proposed Resolutions mentioned above pursuant to Section 102 of the Companies Act, 2013 read with Section 192A of the Companies Act, 1956 setting out material facts is appended herein below and forms part of the Notice.
2. All the documents referred to in the Notice and Explanatory Statement 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. except on Sundays and other holidays prior to date of the close of voting i.e. **on or before the close of working hours on Saturday, 15th day of March, 2014.**
3. The Company has appointed Sh. Sanjay Grover of M/s Sanjay Grover & Associates, New Delhi, Practicing Company Secretary, as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.
4. The Notice will be dispatched to all the Members by post (and electronically by e-mail to those members who have registered their E-mail IDs with the Company), whose names appear in the Register of Members / Record of Depositories as on **Friday, the 31st day of January, 2014.**
5. Voting period will commence on and from **Thursday, the 13th day of February, 2014** and end on **Saturday, the 15th day of March, 2014.**
6. The Scrutinizer will submit his report to the Chairman of the Company or in his absence to any Executive Director of the Company after completion of the scrutiny. The result of the Postal Ballot shall be announced by the Chairman of the Company or in his absence by any other Executive Director of the Company on **Monday,**



the 17th day of March, 2014 at 5.00 p.m. at the Registered Office of the Company at Libertypuram, 13th Milestone, G.T. Karnal Road, P.O. Bastara, Distt. Karnal, Haryana -132114 and the resolutions will be taken as passed effectively on the date of announcement of the result. The result of the Postal Ballot shall also be announced through a newspaper advertisement and posted on the website of the Company at www.libertyshoes.com besides communicating to the Stock Exchange(s) where the Company's shares are listed.

7. Members are requested to notify change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their Client ID and in case of Physical shares to the Registrar and Transfer Agent of the Company quoting their Folio number.
8. In pursuance of circular No. 17/2011, dated April 21, 2011 and circular No. 18/2011, dated April 29, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Company has proposed to send documents like Notice of General Meeting, Annual Report etc. to the shareholders through electronic mode in pursuit of its continuing efforts like in the past. We request you to participate in Green Initiative undertaken by Ministry of Corporate Affairs by registering your email ID with your depository participant (where the shares are held in dematerialized form) or the Company's Registrar & Share Transfer Agent, M/s Link Intime India (P) Ltd. (where the shares are held in physical form).
9. Members are requested to carefully read the instructions printed behind the Postal Ballot Form before exercising their vote.

INSTRUCTIONS FOR VOTING

Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-Voting. If you opt for E-Voting, then please do not vote by Physical Ballot and vice versa. In case Member(s) do cast their vote via both modes i.e. Physical Ballot as well as E-Voting, then voting done through a valid Physical Ballot Form shall prevail and E-Voting of that member shall be treated as invalid.

PHYSICAL VOTING

- Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions mentioned herein and those mentioned in the Postal Ballot Form and return the same duly completed in the enclosed self addressed postage Business Reply Envelope to the Scrutinizer. Postage on self addressed Business Reply Envelope will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by Courier or by Registered Post at the expense of the registered Member will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the Registered Office of the Company. The envelopes containing the Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on **Saturday, the 15th day of March, 2014**. Postal Ballot Form(s) received after this date and time will be treated as if the reply from the Member has not been received.
- The Postal Ballot Form should be completed and signed by the Member. Any unsigned Postal Ballot Form will be rejected.
- In case of joint holding, the Postal Ballot Form should be completed and signed (as per the specimen signature registered with the Company / Depository/ RTA) by the first named Member and in the absence of such Member, by the next named joint-holder. A Member may sign the Postal Ballot Form through an Attorney; in

such case certified true copy of the Power of Attorney should be attached to the Postal Ballot Form. There will be only one Postal Ballot Form for every folio irrespective of the number of joint member(s).

- In case of shares held by Companies, Trusts, Societies etc., a duly completed Postal Ballot Form should be signed by its authorized signatory. In such cases the Postal Ballot Form shall be accepted only if the same is accompanied by a certified true copy of the Board Resolution / Authority letter together with the specimen signature(s) of the duly authorised signatory (ies).
- A Member neither needs to use all his / her votes nor needs to cast all his / her votes in the same way.
- Assent or dissent to the proposed resolutions may be recorded by placing a tick mark (✓) in the appropriate column. Postal ballot form bearing (✓) mark in both the column will render the form invalid.
- Any incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, over-written, wrongly signed Postal Ballot Form will be rejected. The Postal Ballot shall not be exercised by a proxy.
- Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on **Friday, the 31st day of January 2014.**
- A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified above.
- Members are requested not to send any other paper(s) along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope as all postal ballot(s) will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- The Scrutinizer's decision on the validity of Postal Ballot Form shall be final.
- The Resolutions, if assented by requisite majority, shall be considered as passed on **Monday, the 17th day of March 2014** (i.e. the date of declaration of the Postal Ballot Result).

E-VOTING

In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company is pleased to offer E-Voting facility as an alternate, for its Members, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The E-Votes should be casted not later than the close of the business hours on **Saturday, the 15th day of March 2014.** E-Voting is optional. The procedure and instructions for the same are as follows:

- Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- Now click on 'Shareholders' tab to cast your votes
- Now, select the 'Electronic Voting Sequence Number (EVSNS)' along with 'Liberty Shoes Limited' from the drop down menu and click on 'SUBMIT'



- Now, fill up the following details in the appropriate boxes:

	For members holding shares in Demat form	For members holding shares in physical form
User-ID	For NSDL – 8 characters DP ID followed by 8 digits Client ID For CDSL – 16 digits Beneficiary ID	Folio number registered with the Company
Password For members whose email addresses are registered with the Company/Depository Participant	Enter your existing password in case you have voted before on CDSL's e-voting system Enter the unique password mentioned in the email vide which the Postal Ballot Notice has been emailed to you in case you are using the CDSL's e-voting system for the first time	Enter the unique password mentioned in the email vide which the Postal Ballot Notice has been emailed to you
For Members whose email addresses are not registered with the Company / Depository Participant	Enter your existing password in case you have voted before on CDSL's e-voting system Enter the unique password printed on your postal ballot form in case you are using the CDSL's e-voting system for the first time	Enter the unique password printed on your Postal Ballot form
PAN Number*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department	

* Members who have not updated their PAN with the Company / Depository Participant are requested to use the default number: LRRLSL1234 in PAN field or use physical Postal Ballot Form for voting.

- After entering these details appropriately, click on 'SUBMIT'
- Members holding shares in Physical form will then reach directly to the voting screen. The password and default number can be used only for e-voting on both the resolutions contained in this Postal Ballot Notice
- Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field in case members are using CDSL's e-voting system for the first time. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is also to be used by the Demat holders for voting for resolution 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
- You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
- On the voting page, you will see Resolution Description and option for voting Yes/No against Resolution Description. The option 'YES' implies that you assent to the resolution & 'NO' implies that you dissent to the resolution
- Click on the Resolution file link if you wish to view the entire Postal Ballot Notice.
- Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding



- 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.
- Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- Institutional members (i.e. other than individuals, HUF, NRI etc) are required to send scanned copy (PFD/JPG format) of the relevant Board Resolution / Authority letters etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through the e-mail at sanjaygrover7@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com
- In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com
- The scrutinizer's decision on the validity of the Postal Ballot shall be final and binding.

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

Approval to the Scheme of Amalgamation by Public Shareholders (other than those forming part of the Promoter and Promoter Group) of the Company:

In case of Transferee Company the Hon'ble High Court of Punjab & Haryana judicature at Chandigarh vide their Order passed on 22nd November, 2013, in the Company Petition No. 153 of 2013, have dispensed with the respective Meetings of the Equity Shareholders and Creditors of the Company and also approved the proposed Scheme of Amalgamation of Liberty Retail Revolutions Limited (Transferor Company) with the Company. In case of Transferor Company the Hon'ble Delhi High Court Vide their Order passed on 25th October, 2013, in the Company Application No. 144 of 2013, have dispensed with the respective Meetings of the Equity Shareholders and Creditors of the Company.

Additionally, in terms of Clause 5.16 of Securities and Exchange Board of India (SEBI) Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 as revised by Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, the said Scheme of Amalgamation shall also be subject to the approval of the public shareholders (i.e. shareholders other than those forming part of Promoter and Promoter Group) by passing an Ordinary resolution through Postal Ballot and e-voting. This resolution shall be deemed to be passed or acted upon only if the votes cast by the Public Shareholders in favour of the resolution are more than the numbers of votes cast by the Public Shareholders against the resolution.

In compliance with the said SEBI circular(s) mentioned above, the approval of Public Shareholders is sought to the said Scheme of Amalgamation by this Postal Ballot. Copy of the Scheme of Amalgamation, complaints report submitted by the Company to the Stock Exchanges, NOCs/Observation letters issued by the Stock Exchange(s) and Postal Ballot Form are enclosed herewith.

The aforesaid statement may be treated as Explanatory Statement under Section 102 of the Companies Act, 2013 to this item no. 1 of the Notice of Postal Ballot.

Your Board recommends the resolution for the approval of Public Shareholders by passing an Ordinary Resolution pursuant to SEBI Circular(s) mentioned hereinabove.



All the Directors of the Company are concerned or interested in the said resolution to the extent of their shareholding in the Company.

Item No. 2

Alteration to the "Main Objects" Clause of the Memorandum of Association of the Company:

The existing "Main Objects" clause of Memorandum of Association of the Company was adopted at the time of its incorporation which contained the powers to carry on the business of manufacturers, repairers, wholesalers of all types of footwear & accessories of footwear and other related business. In order to bring the objects in line with the fast changing business and economic requirements, your Board of Directors proposed to reorganize the existing sub-clause no. 1 and sub-clause no. 3 of clause III (A) of the Memorandum of Association of the Company to commensurate with the Company's requirements.

Further, your Board of Directors is of the opinion that the proposed alteration in the "Main Objects" clause of the Memorandum of Association would be beneficial for the Company and its shareholders. Your Board of Directors is also of the opinion that the proposed alteration in the Main Objects clause of the Memorandum of Association of the Company would conveniently be germane with the existing business of the Company.

Therefore, the Board of Directors recommends to alter the "Main Objects" clause of the Memorandum of Association of the Company by substituting the new Sub-clauses with the existing sub-clause no. 1 and sub-clause no. 3 of Clause III (A) to allow the Company for carrying on the above activities in the manner set out in the Special Resolution for the approval of the Members of the Company for which approval of the Members of the Company is sought by way of Special Resolution under the provisions of Section 17 of the Companies Act, 1956. The approval of Members is sought by this Postal Ballot under the provisions of section 192A of the Companies Act, 1956.

All the Directors of the Company are concerned or interested in the said resolution to the extent of their shareholding in the Company.

The aforesaid statement may be treated as Explanatory Statement under Section 102 of the Companies Act, 2013 to this item no. 2 of the Notice of Postal Ballot.

By Order of the Board of Directors
For Liberty Shoes Ltd.

Sd/-

Munish Kakra

Vice President & Company Secretary

Place: Gurgaon, Haryana

Date: Tuesday, 14th January, 2014

Encl:

1. Postal Ballot Form
2. Self-Addressed Postage Envelope
3. Copy of Scheme of Amalgamation of Liberty Retail Revolutions Limited (the Transferor Company) with the Company.
4. Copies of NOC/Observation letters received from National Stock Exchange of India Ltd. and BSE Ltd.
5. Complaints reports submitted by the Company with National Stock Exchange of India Ltd. and BSE Ltd.



LIBERTY SHOES LIMITED

Regd. Office: Libertypuram, 13th Milestone, G. T. Karnal Road, Kutail,
P. O. Bastara, Distt. Karnal - 132114, Haryana Tel: (91)-1748251101-03
Website: www.libertyshoes.com

POSTAL BALLOT FORM

Serial No.:

(Kindly refer to the instructions specified overleaf before filling the form)

1. Name and registered address of the sole/ first named shareholder :
2. Name(s) of Joint shareholder(s) :
3. Registered Folio No./DP Id No./Client Id No.* :
(*applicable to investors holding Shares in dematerialized form)
4. Number of shares held :
5. I/ We hereby exercise my/ our vote in respect of the Resolution(s) to be passed through Postal Ballot on the business stated in the Notice of the Company dated 14th January, 2014 by sending my/ our assent or dissent to the said resolution(s) by placing a tick (✓) mark in the appropriate box below.

Sr. No.	Brief Particulars of the items	Number of Votes exercised corresponding to the total number of Voting Rights	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1	ORDINARY RESOLUTION seeking approval of Public Shareholders (i.e. Shareholders other than those forming part of Promoter & Promoter Group) to the Scheme of Amalgamation of Liberty Retail Revolutions Limited with Liberty Shoes Limited and their respective shareholders and creditors pursuant to Section 391 to 394 and other applicable provisions of Companies Act, 1956			
2	SPECIAL RESOLUTION under Section 17 and other applicable provisions of the Companies Act, 1956 (including re-enactment thereof) seeking approval of the Shareholders to alter the "Main Object" Clause of the Memorandum of Association of the Company.			

Date:

(Signature of the Shareholder)

Place:

(must be as per specimen signature registered with the Company)

ELECTRONIC VOTING PARTICULARS

Type of Equity Shares	EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN



INSTRUCTIONS

1. Pursuant to provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, assent or dissent of the Members in respect of the Resolutions contained in the Postal Ballot Notice is being sought through Postal Ballot Process.
2. Shareholder desiring to exercise vote by postal ballot may complete this postal ballot form and send it to the company in the attached self-addressed envelope. Postage will be borne by the company. However envelopes containing postal ballot, if sent by any other mode at the expense of the registered shareholder will also be accepted. The Postal Ballot(s) may also be deposited personally.
3. Voting Rights: Shareholders holding equity shares shall have one vote per share as shown against their holding and the shareholders can vote for their entire voting rights as per their discretion.
4. The self addressed envelope contains the address of the scrutinizer appointed by the Board of Directors
5. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the company) by the first named shareholder and in his absence, by the next named shareholder.
6. Unsigned postal ballot or incomplete postal ballot forms will be rejected.
7. Duly signed Postal Ballot Form should reach the Company not later than the close of working hours on **Saturday, the 15th day of March, 2014**. All Postal Ballot forms received after this date will be strictly treated as if reply from such shareholder has not been received.
8. A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate Postal Ballot form should reach the Scrutinizer not later than the date specified at item 7 above.
9. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholder on the cut-off date i.e. **Friday, 31st day of January, 2014**.
10. In case of shares held by companies, trusts, societies etc. the duly filled in postal ballot form should be accompanied by a certified true copy of the appropriate Resolution
11. In case of the postal ballot is signed by the holder of power of attorney reference to the power of attorney registration with the Company should be mentioned in the postal ballot form. In case a postal ballot form has been signed by an authorized representative of a body corporate, a certified copy of the relevant authorization to vote on the postal ballot should accompany the postal ballot form. Where the postal ballot form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the postal ballot form.
12. Shareholders are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed postage envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
13. In compliance with the provisions of Section 192A of the Companies Act, 1956 read with (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company also offers e-voting option to all the members. For this purpose, the Company has signed an agreement with CDSL for facilitating e-voting and is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. Members have option to vote either through e-voting or through Physical Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote by Postal Ballot Form also and vice-a-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through physical ballot shall prevail and voting done by e-voting shall be treated as invalid.

The instructions for Members for e-voting:

- (a) In case of Members' receiving e-mail from CDSL:
 - (i) Open e-mail and open PDF file viz; "LSL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.
 - (ii) Please refer to the Postal Ballot Notice and Notes thereto, for detailed instruction for e-voting.
 - (b) In case of Members receiving Postal Ballot Form by Post:
 - (i) Initial password is provided at the bottom of the Postal Ballot Form.
 - (ii) Please refer to the Postal Ballot Notice and Notes thereto, for detailed instruction for e-voting.
 - (c) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of www.evotingindia.com or contact CDSL at the following Telephone Nos: 022-22723333, 022-22723224
 - (d) If you are already registered with CDSL for e-voting, then you can use your existing user ID and password for casting your vote.
 - (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
14. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of MCA have been sent Postal Ballot Notice by e-mail and who wish to vote through Ballot Form can obtain the Ballot Form from Registrar and Share Transfer Agent (R & T Agent), M/s. Link Intime India Private Limited, 44, Community Centre, Naraina Industrial Area Phase-I, New Delhi-110028 or from the Company at its Registered Office and fill in the details and send the same to the Scrutinizer by Post at the address at Mr. Sanjay Grover, Scrutinizer, Liberty Shoes Limited, 4/42, Liberty House, West Punjabi Bagh, New Delhi -110026.
 15. The Resolutions, if assented by requisite majority, shall be considered as passed on **Monday, the 17th day of March, 2014** (i.e. the date of declaration of the Postal Ballot Results).

**SCHEME OF AMALGAMATION
OF
LIBERTY RETAIL REVOLUTIONS LIMITED
(The Transferor Company)
WITH
LIBERTY SHOES LIMITED
(The Transferee Company)
AND
THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS
UNDER**



SECTIONS 391 & 394 OF THE COMPANIES ACT, 1956

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF COMPANIES

1. **LIBERTY RETAIL REVOLUTIONS LIMITED** is a Company incorporated under the provisions of the Companies Act, 1956 in the year 2004 and having its registered office at 4/42, West Punjabi Bagh, New Delhi-110026. The Transferor Company is a Wholly Owned Subsidiary of the Transferee Company and carrying on the business of retailing of footwear and other fashion accessories under the name and style of "REVOLUTIONS". The Transferor Company has been selling the footwear and accessories sourced from the Transferee Company to the customers directly by its own retail stores reducing the dependence on the franchisee and distributors. The Transferor Company has also been running the manufacturing facility of 'upper' part of shoes at Tarouri, Karnal.
2. **LIBERTY SHOES LIMITED** is a Company incorporated under the provisions of the Companies Act, 1956 in the year 1986 and having its registered office at Libertypuram, 13th Milestone, G.T. Karnal Road, Kutail, P.O. Bastara, Karnal, Haryana -132114. The Transferee Company is engaged in the business of manufacturing and trading of all types of footwear and other fashion accessories under the brand name "Liberty". The Transferee Company has a wide retail network across India in the form of franchisees, dealers and distributors and also does Export of the footwear outside India. The Transferee Company is a listed Company with National Stock Exchange of India Limited and BSE Limited.

(B) RATIONALE FOR THE SCHEME OF AMALGAMATION

This Scheme of Amalgamation is presented under Section 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 for merger of the above mentioned companies to avoid un-necessary duplication of costs and get the following benefits-



1. The Transferor Company was incorporated with an idea of reaching to the customers directly by its own retail stores so that it can carefully watch the changing market trend to bring in necessary changes in its Product Mix, Merchandising and Customer Service & Feedback. As of now, the Transferor Company is having around 80 Retail Stores across India and making sales of around Rs. 60 Crores in a year. The Transferee Company shall get the full fledged operative Retail Design developed by the Transferor Company as per the scenario best suitable to the Retail Industry.
2. The Transferor Company has developed the retail stores all over the Country at the most viable locations to reach out to maximum customers. The Transferee Company will take the benefit of having more than 80 retail stores already operational on most favorable terms on account of its Occupancy Cost (Rent and Common Area Maintenance Expenses) which is very difficult to establish in the present scenario.
3. The sequence of events in the Retail Industry has proved that no Retail company can survive without substantial systems, processes and infrastructure. These systems, processes and infrastructure can be developed by people who have hands on experience in the industry and have gone through the grilling process over the years to put in place an integrated structure comprising of:-
 - Retail Site Selection & Development of Ideal Retail Model
 - Procurement & Merchandising
 - Inventory Management
 - Information Management
 - Information Technology for Inventory Management, CRM & MIS Reports
 - Visual Merchandising and Display
 - Operations and Sales Staff
 - Customer Service & Shopping Experience
 - Finance, Accounts and Audit
 - Market Trend & Business Forecast

The Transferee Company has established system of understanding trends, developing products, controlling assets, training people at front and back end.

4. The Transferee Company, being a listed Company, has easier and greater access to the sources of funds and having fair Credit Rating, enjoys better interest rates from its bankers and cost of funds (Term Loan/Working Capital Loan) shall be cheaper as compared to the Transferor Company. Further, the Transferee Company can also enhance its credit facilities in case of need for pursuing expansion program of its retail chain. It may also raise fund from public or other alternate source by leveraging its Balance Sheet. Therefore, the Transferee Company has greater access to the sources of funds.
5. The Transferee Company will be able to get fast expansion because of readily available good Infrastructure of Retail Company with trained Human Resource (HR) Team. The Transferee Company will be able to expand end number of stores with existing team which will provide increased top line and bottom line as well. Further, financing cost for expansion will also be cheaper.
6. The manufacturing facilities of the Transferor Company will be benefitted due to the manufacturing strength & core competence of the Transferee Company.

7. The Merger will help reducing costs in areas such as Inventory, Procurement, Administrative Cost, HR Cost, Travelling, Advertising & Sales promotion by avoiding duplication of operations.
8. The Transferee Company will be able to get the leverage of Common Administrative Expenses like Travelling, HR, Business Promotion, Advertising and other Administrative Expenses.
9. It will provide greater efficiency in cash management of the amalgamated entity and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value.
10. It will help to achieve greater integration, financial strength, cost savings in terms of economies of scale, more focused operational efforts, rationalisation, standardisation, simplification of business processes and productivity improvements.
11. The Synergies that exist between the two entities can be put to the best advantage of all stakeholders.
12. Above all, it will make the Company, Brand and Business strong and more powerful resulting in growth of business and profitability and will increase shareholders wealth on continual basis.

(C) PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

1. **PART I** – This part deals with the Definitions and Share Capital;
2. **PART II** – This part provides for merger of **LIBERTY RETAIL REVOLUTIONS LIMITED** with **LIBERTY SHOES LIMITED**.
3. **PART III** – This part deals with General Terms and Conditions applicable to this Scheme.

- (D)** The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with the Scheme, shall be operational with effect from the Appointed Date and shall be in accordance with Section 2 (1B) of the Income Tax Act, 1961.

PART I

DEFINITIONS

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a) **“The Act”** means the Companies Act, 1956, or any statutory amendment and/or re-enactment thereof for the time being in force.
- b) **“The Appointed Date”** means the 1st Day of April, 2013 or such other date as may be directed by the respective Hon'ble High Court(s).



- c) **“Board of Directors”** in relation to the Transferor Company and Transferee Company, as the case may be, shall unless it is repugnant to the context or otherwise, include the committee of directors or any person authorized by the Board of Directors or such committee of directors.
- d) **“The Effective Date”** means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.
- e) **“This Scheme” or “the Scheme”** means the present Scheme of Amalgamation framed under the provisions of Section 391 and Section 394 of the Act and other applicable provisions, if any, as approved by the respective Board of Directors of the Transferor Company and the Transferee Company where under the Transferor Company is proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/ or by any competent authority and/or by the respective Hon'ble High Court(s).
- f) **“The Transferor Company”** means **LIBERTY RETAIL REVOLUTIONS LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 4/42 West Punjabi Bagh, New Delhi-110026.
- g) **“The Transferee Company”** means **LIBERTY SHOES LIMITED**, a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at Liberty Puram, 13th Milestone, G.T.Karnal Road, Kutail, P.O. Bastara, Karnal, Haryana-132114.
- h) **“High Court” or “the Court”** means in respect of the Transferor Company, the High Court of Delhi at New Delhi and in respect of the Transferee Company, the High Court of Punjab & Haryana at Chandigarh and shall include the National Company Law Tribunal, if applicable.
- i) **“Undertaking”** in relation to the Transferor Company, shall mean the entire business of the Transferor Company on a going concern basis.

1.2 SHARE CAPITAL

a. LIBERTY RETAIL REVOLUTIONS LIMITED:-TRANSFEROR COMPANY

The authorized, issued and paid-up share capital of Liberty Retail Revolutions Limited or Transferor Company, as on March 31, 2012 as per the last audited financial statements, is as under:-

Particulars	Rupees
Authorized Share Capital	
1,25,00,000 Equity Shares of the face value of Rs 10 each	12,50,00,000
Total	12,50,00,000
Issued, Subscribed and Paid-up Share Capital	
1,06,50,000 Equity Shares of Rs 10 each fully paid-up	10,65,00,000
	10,65,00,000

Subsequent to March 31, 2012 and till the date of approval by the Board of Directors to the said Scheme, there have been no additions/changes in Share Capital of the Transferor Company.

b. LIBERTY SHOES LIMITED:- TRANSFEREE COMPANY

The authorized, issued and paid-up share capital of Liberty Shoes Limited or Transferee Company, as on March 31, 2012 as per the last audited financial statements, is as under: -

Particulars	Rupees
Authorized Share Capital	
5,10,00,000 Equity Shares of the face value Rs 10 each	51,00,00,000
Total	51,00,00,000
Issued, Subscribed and Paid-up Share Capital	
1,70,40,000 Equity Shares of Rs 10 each fully paid-up	17,04,00,000
Total	17,04,00,000

Subsequent to March 31, 2012 and till the date of approval by the Board of Directors to the said Scheme, there have been no additions/changes in Share Capital of the Transferee Company.

PART II

2. TRANSFER OF UNDERTAKING

- a. With effect from the commencement of business on the Appointed Date i.e. 1st April, 2013 or such other date as may be approved by the respective Hon'ble High Court(s) and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, all the undertaking and entire business and all immovable properties where so ever situated and incapable of passing by physical delivery and also all other assets, capital work-in-progress, current assets, movable assets, investments in India or out of India, bookings and advances against bookings for/in residential and commercial plots and buildings, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, all licenses, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights, patents, quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, environmental clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.
- b. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the



respective Court(s) or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.

- c. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- d. The assets of the Transferor Company, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall also without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.
- e. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, including all the leases, of the Transferor Company shall, pursuant to Section 394(2) of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.
- f. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Government Authority as may be necessary in this behalf.
- g. To the extent there are inter-corporate loans, debts and claims, (including, amounts receivable, if any, by the Transferor Company from the Transferee Company or vice versa), the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including, receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such inter-corporate loans or debts (including receivables) balances between the Transferee Company on the one hand and the Transferor Company on the other hand.
- h. With effect from the Appointed Date, and subject to the provisions of this Scheme, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, so as to become as and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company without any consent of any third party or other person who is a

party to the contract or arrangements by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

- i. With effect from the Appointed Date, all guarantees, indemnities and contingent liabilities, if any, of the Transferor Company shall also, under the provisions of Sections 391 to 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date, the guarantees, indemnities and contingent liabilities of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such guarantees, indemnities and contingent liabilities have arisen or given, in order to give effect to the provisions of this Clause.
- j. The transfer and vesting of the Undertaking shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided that all the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to Liabilities of the Transferor Company, the same shall, after the amalgamation effective date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the amalgamation effective date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company.

Provided further that all the securities, mortgages, charges, encumbrances or liens, if any over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the amalgamation effective date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme..

- k. All the loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.
- l. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant labour laws, Income tax, sales tax including value added tax, service tax and other tax laws, and to claim refunds and/or credits for dues and/or taxes paid-.
- m. All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company



pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case maybe.

- n. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- o. Any tax liabilities under the Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including advance tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.
- p. Any refund under the Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- q. All taxes (including, income tax, minimum alternate tax, service tax, sales tax) paid or payable by the Transferor Company on or before the Appointed Date shall be on account of the Transferor Company, and in so far as it relates to the payment of taxes after the Appointed Date, such taxes shall be deemed to be the corresponding tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- r. All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales tax, Service tax etc. or any tax deduction / collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the respective High Court(s) upon relevant proof and documents being provided to the said authorities

3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party thereto.
- b. The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any

contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Company on or after the Appointed Date.

- c. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and, to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company to be carried out or performed.
- d. Any inter se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the appointed date and until the effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

4. LEGAL PROCEEDINGS

All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

5. OPERATIVE/EFFECTIVE DATE OF THE SCHEME

This Scheme, though operative from the Appointed Date, shall be effective from the last of the dates on which certified copies of order(s) under Section 391 and Section 394 of the Act of the respective High Court(s) are filed with the office of the Registrar of Companies, NCT of Delhi & Haryana.

6. DISSOLUTION OF TRANSFEROR COMPANY

On this Scheme, becoming effective as provided in Clause 5 above, the Transferor Company shall stand dissolved without winding up.

7. EMPLOYEES OF TRANSFEROR COMPANY

- a. All the employees of the Transferor Company in service, if any, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Company on the said date.
- b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming finally



effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR & TRANSFEE COMPANY

8.1 From the Appointed Date until the Effective Date, the Transferor Company-

- a. Shall stand possessed of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.
- b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

8.2 Till such times, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.

8.3 Notwithstanding anything contained in sub-clause '8.1' and '8.2' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses and to take all steps in this regard including raising of funds either through fresh share capital or loan during the pendency of the amalgamation process.

9. ISSUE OF SHARES BY TRANSFEE COMPANY

9.1 There will be no issue and allotment of shares by the Transferee Company in consideration of amalgamation of the Transferor Company with the Transferee Company as the entire issued, subscribed and paid up share capital of the Transferor Company, is held by the Transferee Company or its nominees and shall stand cancelled upon the scheme becoming effective.

9.2 The Fully Convertible 5,00,000 Zero % Debentures of Rs. 100/- each aggregating to Rs. 500 Lacs issued by the Transferor Company to the Transferee Company, upon the scheme coming into effect, shall stand cancelled.

10. UPON THIS SCHEME BECOMING EFFECTIVE

- a. Entire issued share capital and share certificates of the Transferor Company shall automatically stand cancelled.
- b. Cross holding of shares between the Transferor and the Transferee Company on the record date, if any, shall

stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor Company and the Transferee Company, as the case may be, and sanction by the respective High Court(s) under Section 391 and Section 394 of the Act, shall be sufficient compliance with the provisions of sections 100 to 104 of the Act read with Rule 85 of the Companies (Court) Rules, 1959 and other applicable provisions, if any, relating to the reduction of share capital of the Transferee Company to that extent.

- c. The Authorized Share Capital of the Transferor Company will get merged to form new Authorized Share Capital of the Transferee Company. Accordingly, the Authorised Share Capital of the Transferee Company shall stand increased to that extent without payment of any fees or charges to the Registrar of Companies and/or to any other government authority and the Memorandum of Association of the Transferee Company shall without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act. Clause V of the Memorandum of Association of the Transferee Company shall read as under:

"The Authorised Share Capital of the Company is Rs. 63,50,00,000/- (Rupees Sixty Three Crores Fifty Lacs Only) divided into 6,35,00,000 (Six Crores Thirty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each".

- d. On implementation of the Scheme, from the Appointed Date all the retail outlets of Transferor Company will become the retail outlets of the Transferee Company. The registrations of the same with the respective Departments/Authorities including The Shops and Establishment Act, VAT/CST, Legal Metrology Act, Labour Acts like P.F./E.S.I. etc or any other statute or under any relevant Act or enactment will be considered to be in the name of the Transferee Company and for all purposes the said retail outlets will separately be considered as place of removal of Transferee Company in terms of subsection 3(c) of section 4 of the Central Excise Act, 1944.

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company will be accounted in the following manner:

- a. The Transferee Company shall account for the amalgamation of Transferor Company as per AS-14 and the method of Amalgamation shall be an 'Amalgamation in the nature of Merger' as defined in the Accounting Standard (AS) 14 as notified under the Companies Accounting Standard Rules, 2006.
- b. Accordingly, all the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values in the books of the Transferor Company respectively, as on the Appointed Date.
- c. Inter-company balances, if any, will stand cancelled.
- d. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. The debit balance of the Profit & Loss Account of the Transferor/Transferee Companies, if any, will be adjusted/ offset against the credit balance of the Profit & Loss Account/General Reserve of the Transferor/Transferee Company.



- e. Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the amalgamation.
- f. If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the appointed date will be quantified and same should be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

PART-III

12. DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of coordinating with the Securities and Exchange Board of India (SEBI) shall be "National Stock Exchange of India Limited".

13. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- a. The scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of Transferee Company and Transferor Company as may directed by the High Court.
- b. The sanction of the High Court under Section 391 to 394 of the said Act in favour of Transferee Company and Transferor Company under the said provisions and to the necessary Order under Section 394 of the said Act being obtained.
- c. Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, of NCT of Delhi & Haryana at New Delhi by Transferee Company and Transferor Company as may be applicable.

14. APPLICATION TO HIGH COURT(S)

- a. The Transferor Company hereto shall, make application under Section 391 and Section 394 of the said Act to the Hon'ble High Court of Delhi, at New Delhi for sanctioning this Scheme and for dissolution of the Transferor Company without winding up and other connected matters.
- b. The Transferee Company hereto shall, make application under Section 391 and Section 394 of the said Act to the Hon'ble High Court of Punjab & Haryana, at Chandigarh for seeking sanction of the Scheme and other connected matters.

15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- a. The Transferor Company and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the respective Court(s) and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this

Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.

- b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.
- c. In the event that any conditions are imposed by any competent authority or the respective Court(s) which the Transferor Company or the Transferee Company find un-acceptable for any reason whatsoever, then the Transferor Company and/or the Transferee Company shall be entitled to withdraw the Scheme.

16. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and may be paid by the Transferee Company from its free reserves. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates and other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne proportionately by the Applicant Companies.

17. DIRECTORS OF THE TRANSFEROR COMPANY

That the Directors of Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date and consequently the Board of Directors of Transferor Company shall stand dissolved.

18. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is and shall be conditional upon and subject to:

- 18.1 The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferee Company and Transferor Company as may be directed by the High Court(s)
- 18.2 The sanction of the Scheme by the respective Hon'ble High Court(s) under Section 391 of the said Act and the appropriate orders being made by the High Court(s) pursuant to Section 394 of the said Act for amalgamation under the Scheme and filing of the Certified Copies of such Orders with the Registrar of Companies, NCT of Delhi and Haryana.





NATIONAL STOCK EXCHANGE
OF INDIA LIMITED

NIFTY 50
Stock of the nation

Ref: NSE/LIST/210826-7

July 19, 2013

Liberty Shoes Limited
General Manager
2nd floor, Tower-B,
Building No. 8,
DLF Cyber Citi, Phase - II,
Gurgaon - 122002

Kind Attn.: Mr. Munish Kakra

Dear Sir,

Sub.: Observation letter for Scheme of Amalgamation of Liberty Retail Revolutions Limited with Liberty Shoes Limited and their respective creditors and shareholders under sections 391 & 394 of the Companies Act, 1956

We are in receipt of the draft Scheme of Amalgamation of Liberty Retail Revolutions Limited with Liberty Shoes Limited and their respective creditors and shareholders under sections 391 & 394 of the Companies Act, 1956

We have perused the draft Scheme of Amalgamation and the related documents/details submitted by Liberty Shoes Limited including the confirmation of the Company Secretary that the Scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, the Exchange had forwarded the said draft scheme to SEBI for their comments. SEBI has vide letter dated July 17, 2013 has commented as follows:
"The company shall duly comply with various provisions of the Circulars"

Accordingly, we do hereby convey our 'No-Objection' with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with the Hon'ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

Yours faithfully,
For National Stock Exchange of India Limited

Samir Rajdev
Manager

Ref: DCS/AMAL/RD/24(f)/157/2013-14

July 22, 2013

The Company Secretary
Liberty Shoes Limited
2nd Floor, Tower B, Bldg. No.8
DLF Cyber City, Phase II
Gurgaon – 122 002..

Dear Sir

Sub: Observation letter regarding the Scheme of Arrangement between Liberty Shoes Limited and Liberty Retail Revolutions Limited

We refer to your draft Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 between Liberty Shoes Limited (LSL) (Transferee Company) and Liberty Retail Revolutions Limited (LRRL) (Transferor Company) and their respective shareholders and creditors inter alia involving the merger of LRRL into LSL.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013, SEBI has vide its letter dated July 17, 2013 given the following comments on the draft scheme of arrangement:

"The company shall duly comply with various provisions of the Circular."

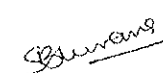
Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of arrangement.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Yours faithfully,


Jayesh Ashtekar
Manager


Bhuvana Sriram
Dy. Manager

Complaints Report from 20th June, 2013 up to 10th July, 2013

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock exchanges	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved/pending)
-	-	-	-
-	-	-	-
-	-	-	-

For Liberty Shoes Limited

Sd/-
Munish Kakra
Vice President & Company Secretary

LIBERTY SHOES LIMITED

Regd. Office: Libertypuram, 13th Milestone, G. T. Karnal Road, Kutail,
P. O. Bastara, Distt. Karnal - 132114, Haryana Tel: (91)-1748251101-03
Website: www.libertyshoes.com