

To,
BSE LIMITED
25th Floor, P J Towers,
Dalal Street,
Mumbai-400001, MH

Date: 04th September, 2023

Scrip Code: 532829

Sub: Notice of 29th AGM of the Company along with Annual Report for the year ended 31st March, 2023

Dear Sir/ Madam,

In terms of the provisions of Regulation 30 and Regulation 34 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report along with Notice of 29th AGM of the Company scheduled to be held on **Wednesday, September 27, 2023 at 10:30 am IST** at registered office of the Company in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and SEBI.

The copy of the 29th Annual Report along with the Notice of the 29th AGM being sent to the shareholders of the Company by email whose email addresses are registered with the Company/ Depository participant(s) and the same is available on the website of the Company at www.leharfootwear.com. We request you to take the above on record as compliance with relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and disseminate to the stakeholders.

Further, Record Date for the purpose of determining entitlement of members for the final dividend for the Financial Year 2022-2023 is **20th September, 2023**. The payment of dividend shall be made subject to the approval of the members' approval at the 29th AGM.

Kindly take the same on your record.

Thanking You,

for **Lehar Footwears Limited**

RITIKA PODDAR
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI MEMBERSHIP NO. A65615

LEHAR FOOTWEARS LIMITED

A-243(A), Road No.6, V.K.I. Area, Jaipur (INDIA)

Phone : +91-141-4157777

W.- www.leharfootwear.com, E.-info@leharfootwear.com •

CIN No. : L19201RJ1994PLC008196

ISO 9001 (QMS)
ISO 14001 (EMS)
ISO 18001 (OHSAS)
REGISTERED FIRM





Lehar[®]
FOOTWEAR

चलती चले लहर



2022-23

ANNUAL
REPORT

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Know more about Lehar Footwears
www.leharfootwear.com



RIGHT FOOT FORWARD...

WITH EVERY STEP

At Lehar Footwear, we take great pride in maintaining our position as North India's leading mass footwear manufacturer and branded distribution company. We recognise that in an ever-evolving footwear industry, our customers prioritise style, comfort, and affordability. Our strategies at Lehar are intended to create a brand that is committed to product innovation, improving quality and design, driving effective branding and marketing, and ensuring operational efficiency in order to successfully serve our clients.

We understand that achieving success in this dynamic industry is a challenging journey, but with the "Right foot forward...with every step," we aim to become the brand of choice for every Indian customer, delivering consistent value and meeting their footwear needs.

LEHAR FOOTWEAR

INDIA'S LEADING MASS FOOTWEAR MANUFACTURER

Incorporated in 1994, Lehar Footwear is North India's leading mass-footwear manufacturer. We specialise in producing non-leather footwear, EVA/PVC/PU injected footwear products with a strong distribution network in the states of Gujarat, Rajasthan, Maharashtra, Madhya Pradesh, Uttar Pradesh, Haryana, Bihar, West Bengal, Tamil Nadu, Andhra Pradesh, Assam, Delhi and Jharkhand. Our extensive range of footwear includes slippers, school shoes and sandals, canvas, and sports shoes, with a special focus on the open-footwear segment.



Our integrated manufacturing facility meets worldwide standards and is outfitted with cutting-edge gear and technology. We have been able to expand our manufacturing capacity by investing in infrastructure on a regular basis.

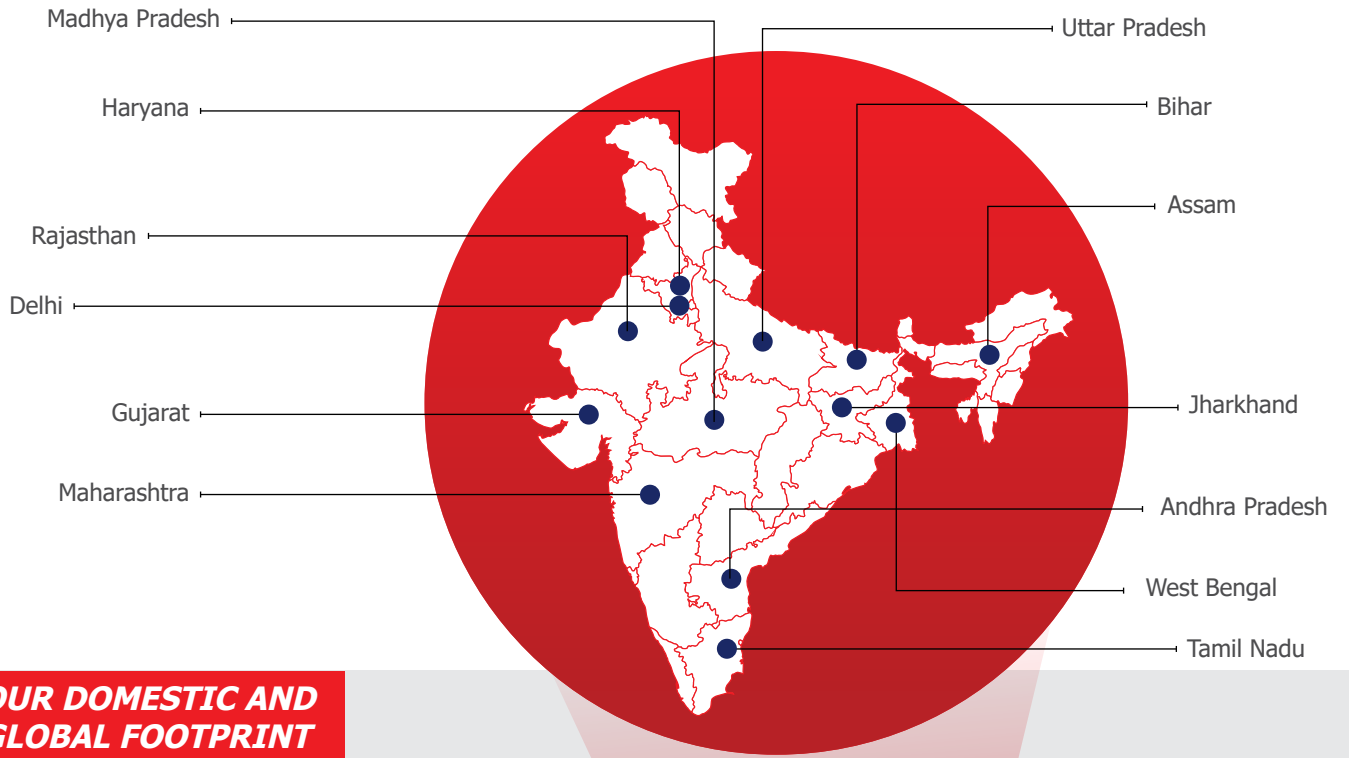
To cater to our growing customer base, we have established a strong distribution network across India. Our products are available through various channels, including distributors, retail outlets, and large format stores like

DMart and FirstCry. We have also embraced the digital era by partnering with e-commerce websites such as Reliance Retail and Bijnis, making our products easily accessible to customers nationwide.

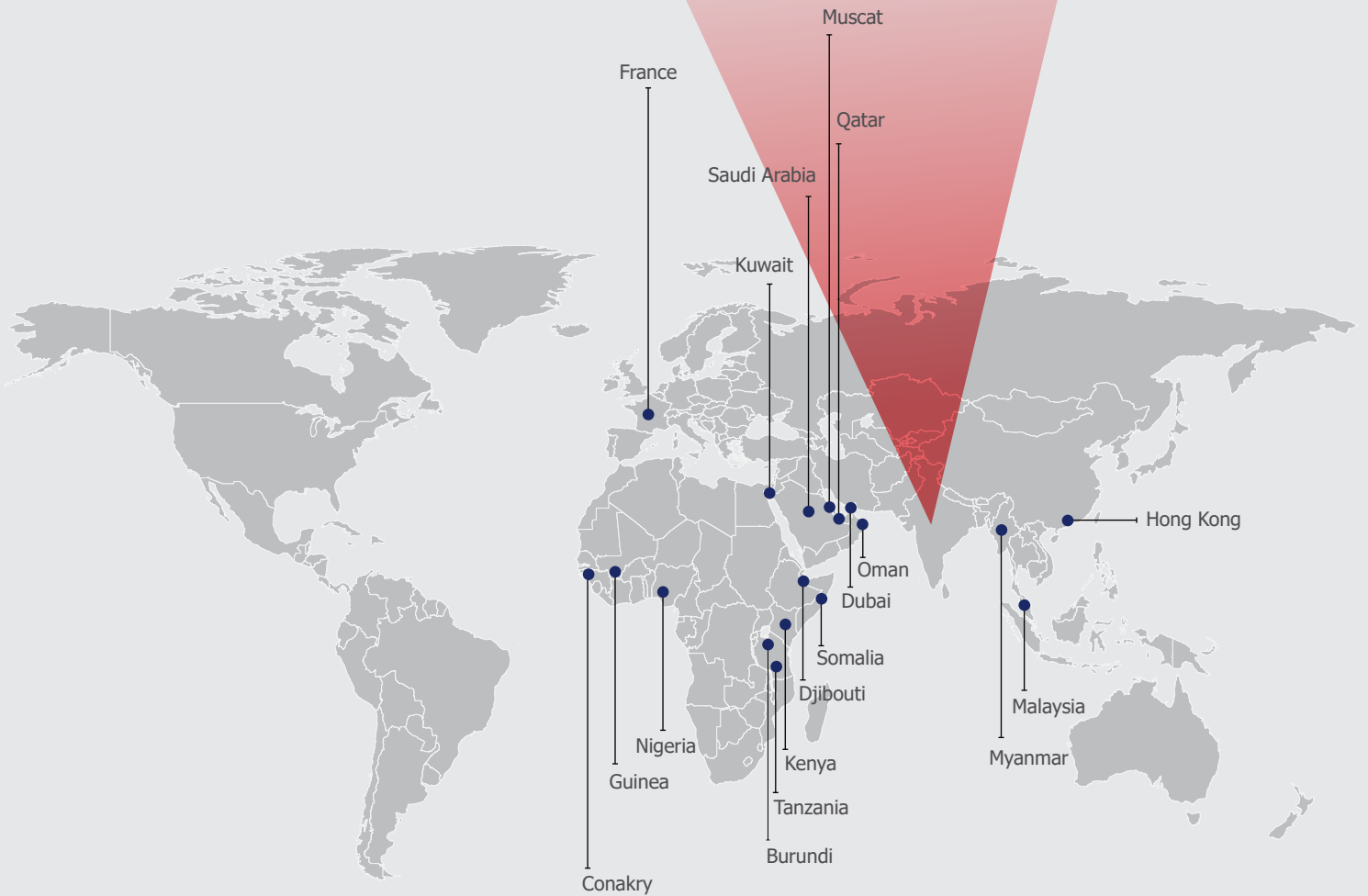
One of our key strengths lies in the trendy and eye-catching designs of our products. We prioritise staying updated with the latest fashion trends to ensure that our customers have access to stylish footwear options. Additionally, we place great emphasis on the quality of our products, ensuring durability and comfort for the wearer.

At Lehar Footwear, we understand the diverse needs and preferences of our customers. That is why our product line encompasses a wide range of footwear suitable for all members of the family. Whether it's casual wear, daily wear, formal shoes, or sportswear, our comprehensive collection has something for everyone.





OUR DOMESTIC AND GLOBAL FOOTPRINT



AWARDS AND CERTIFICATIONS



Received National Award
for Small Scale
Entrepreneurs - 2000



Received National Award
for Small Scale
Entrepreneurs - 2003



Received National Award
for Quality products in SSI
Sector - 2003



CERTIFICATIONS



NUMBERS THAT DEFINE US

4
NUMBER OF
MANUFACTURING
UNITS

6.94 CRORES
PAIRS PER ANNUM
PRODUCTION
CAPACITY

279
TOTAL NUMBER OF
EMPLOYEES

₹ 202 CRORES
ANNUAL TURNOVER

2.02 CRORES
NO. OF PAIRS
SOLD

459
NO. OF
DISTRIBUTORS

7
NO. OF MODERN
TRADE CUSTOMERS

OUR GLORIOUS LEGACY

From humble beginnings, Lehar Footwear has grown to become one of India's leading mass footwear manufacturers. Founded in 1994 by Mohan Lal Agarwal and Ramesh Chand Agarwal, our founders have played a significant role in guiding the company's growth and success. Our journey has been marked by our ability to adapt to changing times while maintaining a strong foundation.



MARCH 1994

Company was founded in the Year 1994 in the name of Lawreshwar Polymers Private Limited
Started business of manufacturing of Footwears under the brand name of "Lehar" Footwear

MAY 1996

Converted from Private Limited company to Public Limited company and name changed from "Lawreshwar Polymers Private Limited" to as "Lawreshwar Polymers Limited"

MARCH 2003

Our Company brought Italian technology and EVA Machine first time in Rajasthan

MARCH 2007

Became the first footwear manufacturing company of Rajasthan whose securities was listed on the Bombay Stock Exchange on the main board on March 19, 2007

SEPTEMBER 2007

Installed PU Pouring Machine and fully automatic computerised EVA Injection Moulding Machine and commenced production with the Annual Capacity of 6.00 lakh pairs per annum

JUNE 2018

Awarded a Rate contract for the supply of schools shoes from Government of Uttar Pradesh and since then regularly supplying Schools for various state governments such as: Government of U.P., West Bengal, Andhra Pradesh and Tamil Nadu

MAY 2015

Inaugurated a new plant at SP-41D, RIICO Ind. Area Kaladera, Tehsil - Chomu, Distt - Jaipur (Raj.) for further expansion

NOVEMBER 2013

Acquired a Factory Land & Building measuring about 14,770 sq. mtrs. situated at Kaladera, Jaipur for expansion of manufacture of footwears of latest technology

APRIL 2008

Awarded a Rate Contract from Government of India for supply of Shoe Canvas Rubber Sole for Defence

NOVEMBER 2007

Signed Letter of Intent with the Government of Rajasthan for setting up of EVA Footwear, PU Footwear, Sports Footwear, Leather Footwear, Sports Goods and Apparels at Jaipur

OCTOBER 2019

As the company was known in the market as Lehar, so company has changed its name from Lawreshwar Polymers Limited to Lehar Footwears Limited from October 10, 2019

NOVEMBER 2022

Raised growth capital of ₹ 20.8 crores by way of preferential allotment (issued 40 lakh warrants convertible into equity shares) at ₹ 52 per share to investors and promoter group

MAY 2023

Received financial assistance from the Government of India of ₹ 9 crores for a period of 3 years, as per the guidelines under the 'Brand Promotion of Indian Brands in Footwear and Leather Sector' a sub-scheme of Indian Footwear and Leather Development Programme (IFLDP)

Signed agreement with Bollywood artist Govind Arun Ahuja popularly known as "Govinda" as a brand ambassador to promote Company's products through electronic, print and digital media

JULY 2023

Appointed Bollywood Known Stars 'Mahima Choudhary' along with 'Charu Asopa' for creation of print and audio-video content to be used in branding and promotional activities.

Manufacturing capacity expansion to 6.94 crore pairs per annum

OUR PRODUCT PORTFOLIO

For the last 28 years, we have maintained high standards in footwear manufacturing by using the latest technology and machinery. We understand the importance of delivering footwear that not only meets but exceeds customers' expectations. Our focus on quality ensures that our products provide the utmost comfort, style, and overall

performance, fulfilling the desires of our customers. Our Research and Development (R&D) team works diligently to drive innovation in design and continuously improve our products to meet global standards.

At Lehar Footwear, we take great pride in maintaining our commitment to excellence. By utilising the latest

technology, adhering to stringent quality control processes, and fostering a culture of innovation, we continue to deliver footwear that meets the highest standards of quality, craftsmanship, and durability. Our dedication to these principles has solidified our position as a trusted brand in the footwear industry.

LIGHT WEIGHT HAWAII FLIP-FLOPS



SLIPPERS & SANDALS (FORMAL & CASUAL)



KIDS SHOES (CASUAL, SCHOOL & CANVAS)



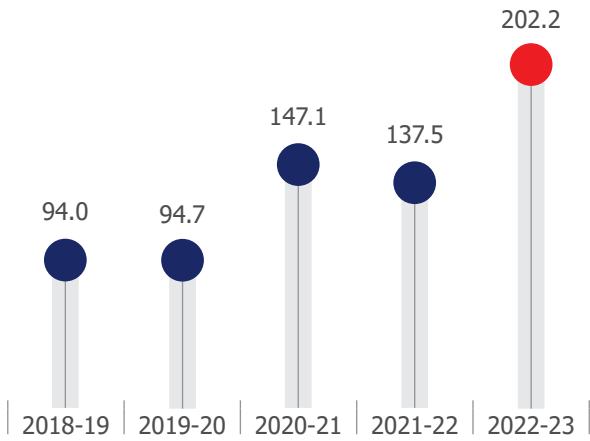
FORMAL AND PVC SHOES (CASUAL & SPORTS)



OUR TRACK RECORD

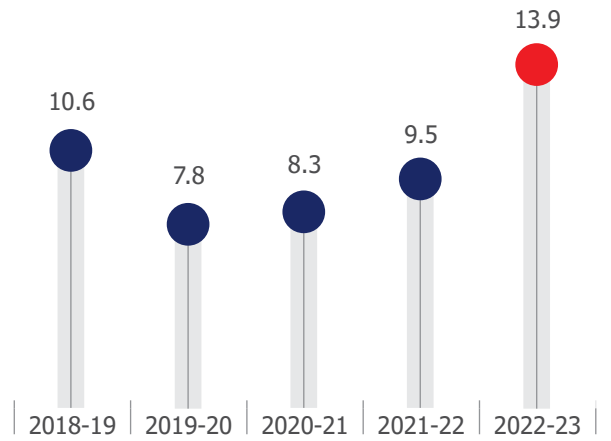
REVENUE

(₹ Crores)



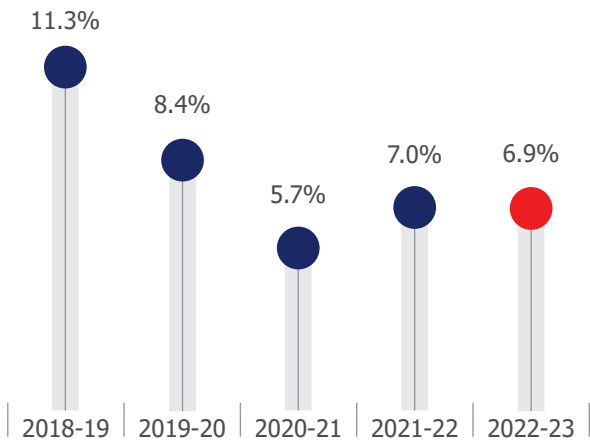
EBITDA

(₹ Crores)



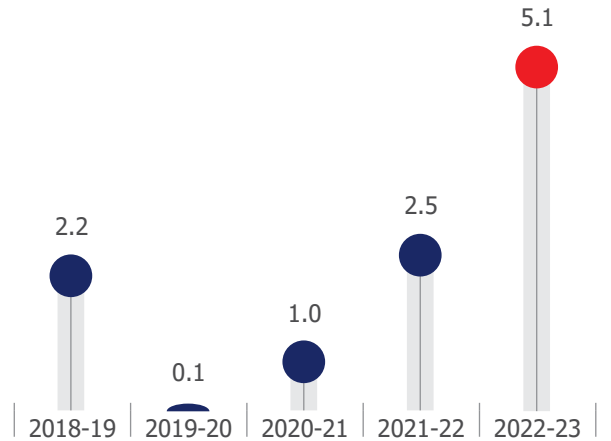
OPERATING PROFIT MARGIN

(%)



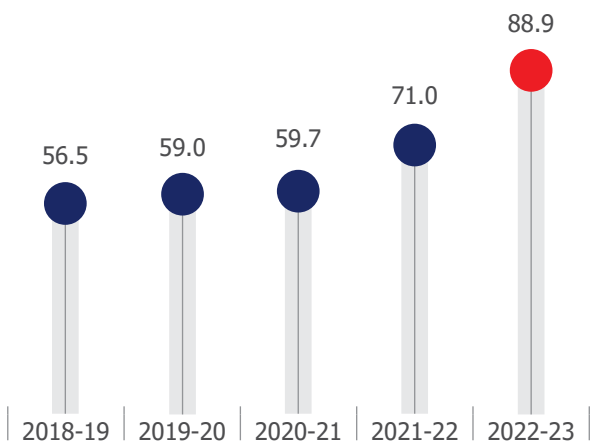
PAT

(₹ Crores)



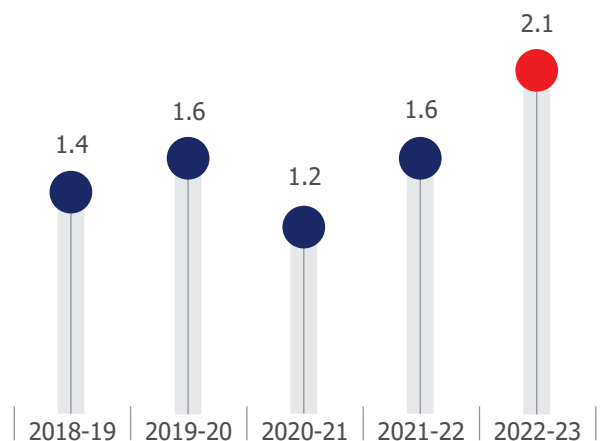
NETWORTH

(₹ Crores)



INTEREST COVERAGE

(times)



STEPPING UP. SCALING GROWTH.

As we enter a new financial year, Lehar is committed to exploring new growth opportunities and implementing clear business strategies.



DRIVING PREMIUMISATION

Recognising the growing consumer trend towards premiumisation, we are slowly altering our product portfolio to cater to this consumer segment. We intend to introduce our premium series of footwear through strategic branding and promotional activities.

ENHANCING MARKET PENETRATION THROUGH THE D2C CHANNEL

We will be launching EBOs along with our existing two factory outlets. These EBOs will offer experiential touchpoints to our customers, thus creating an engaging shopping experience. Additionally, we hope to enhance our geographic reach and make our products more accessible by partnering with large format stores like DMart and FirstCry.

INCREASING SHARE OF GOVERNMENT BUSINESS

We plan to actively pursue government tender business to boost sales of school-focussed footwear and accessories across India. By leveraging our expertise in this segment, we aim to secure more contracts and increase our market share in the government procurement sector.

DRIVING GROWTH THROUGH EXPORTS

We export footwear to countries in Asia, Africa, and the Middle East. We will continue to explore new opportunities, target newer markets, and increase market penetration in the existing export markets. This strategic approach will help us expand our global and domestic footprint and drive growth.

EXPANDING MANUFACTURING

We plan to expand our manufacturing footprint and meet the growing demand for our footwear products. This expansion will enable us to increase our manufacturing capacity to 6.94 crore pairs, ensuring that we can meet customer demands and seize market opportunities.

OPERATING EFFICIENCIES

We are committed to achieving operational efficiency by rationalising working capital and leveraging operational synergies. By streamlining our processes and optimising resources, we will enhance productivity and improve overall profitability.



STEPPING UP WITH OUR BRANDING ACTIVITIES

Lehar, a home-grown brand, takes pride in providing affordable and fashionable footwear for individuals of all genders, ages and occasions. As part of our commitment to drive brand premiumisation and to widen our footprint across the country, especially, in Tier II and Tier III cities and beyond, we have developed various brand and promotional campaigns.



To support our brand promotion activities, Lehar has budgeted a brand promotion campaign of ₹ 18 crores to be spent over the next 3 years. We are delighted to share that we have received financial assistance of ₹ 9 Crores from the Government of India to support these campaigns. This support will significantly boost our efforts to enhance brand awareness and reach a wider audience.

In another significant development, we have tied up with leading Bollywood actor Govinda, Mahima Chaudhary and Charu Asopa to promote our brand considering their immense popularity in the Hindi-speaking belt of India. This association will not only amplify our brand visibility but also help us introduce new product lines, meeting the diverse footwear needs of our customers.

By leveraging our brand promotion campaigns, financial assistance from the government, and our collaboration with actors, Lehar Footwear is poised to accelerate our growth trajectory. We aim to strengthen our market presence, expand our customer base, and continue providing affordable, fashionable, and high-quality footwear to people across India.



GOVERNANCE

LEADERSHIP TEAM

BOARD OF DIRECTORS



RAJ KUMAR AGARWAL

Managing Director

He holds a Bachelor of Commerce degree and is responsible for overseeing the financial, accounting, and marketing streams of the Company.



PRAMOD KUMAR AGARWAL

Executive Director

He has undergone graduation in Commerce and has been instrumental in leading the Company across the domains of finance, accounts, and marketing.



NARESH KUMAR AGARWAL

Whole-time Director

He is a Commerce graduate who handles production, research & development, and purchase functions.



PREETI GOYAL

Non-Executive Independent Director

She is a Finance graduate with deep expertise in finance and accounts streams.



SANDEEP KUMAR JAIN

Non-Executive Independent Director

He is a Fellow member of ICSI (Institute of Company Secretaries of India) with vast experience in dealing with various regulatory authorities.



SARAL SUDHIR SARAF

Non-Executive Independent Director

His expertise encompasses various industries that includes Steel Manufacturing and Processing, and Exports among others.

KEY MANAGEMENT PERSONNEL**NAVEEN KUMAR AGARWAL**

Executive VP-Manufacturing

He is a graduate having more than 20 years of experience in the manufacturing sector.

**SANJAY KUMAR AGARWAL**

CEO

He is a Commerce graduate possessing expert skills in the areas of marketing and overall operations management.

**PANKAJ AGARWAL**

Executive VP-Finance

He is an MBA holder with over 12 years of experience in the field of finance.

**PRATEEK AGARWAL**Assistant Executive
VP-Manufacturing

He holds an MBA degree with over 7 years of experience across the manufacturing domain.

**RAKESH KUMAR SONI**

CFO

He holds a Bachelor of Commerce degree and is also a Member of ICAI (The Institute of Chartered Accountants of India) having strong proficiency in finance and accounts.

**VINOD KUMAR MISHRA**

VP - Sales Marketing

Graduate having over 30 years of experience in Sales Marketing.

**RITIKA PODDAR**Company Secretary,
Compliance Officer

She is a professional with an M.Com degree and is an Associate member of ICSI. She is responsible for looking after overall compliance and legal matters.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Raj Kumar Agarwal

Managing Director

Mr. Pramod Kumar Agarwal

Executive Director

Mr. Naresh Kumar Agarwal

Whole-time Director

Mrs. Preeti Goyal

Independent Director

Mr. Sandeep Kumar Jain

Independent Director

Mr. Saral Sudhir Saraf

Independent Director

CHIEF FINANCIAL OFFICER

Mr. Rakesh Kumar Soni

CHIEF EXECUTIVE OFFICER

Mr. Sanjay Kumar Agarwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Ritika Poddar

STATUTORY AUDITOR

M/s A Bafna & Co.

Chartered Accountants

INTERNAL AUDITOR

M/s Garg Vipin & Co.

Chartered Accountants

SECRETARIAL AUDITOR

Gaurav Goyal

Company Secretary

BANKERS

HDFC Bank Limited

REGISTERED OFFICE

A-243 (A), Road No. 6, V. K. I. Area, Jaipur – 302013

FACTORY & WORKS

UNIT 1. A-243 (A), Road No. 6, V. K. I. Area, Jaipur – 302013

UNIT 2. G-685, Road No. 9F2, V. K. I. Area, Jaipur – 302013

UNIT 3. F-263, Road No. 13, V. K. I. Area, Jaipur – 302013

UNIT 4. SD-41, Kaladera Industrial Area, Tehsil Chomu,
District – Jaipur

UNIT 5. A 85 A, Road No. 9, V.K.I. Area, Jaipur – 302013,
Rajasthan

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Service Pvt. Ltd.

Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093, Maharashtra

Email: info@bigshareonline.com

Website: www.bigshareonline.com

OTHER DETAILS

CIN : L19201RJ1994PLC008196

E-Mail ID : info@leharfootwear.com

: csco@leharfootwear.com

Website : www.leharfootwear.com

Contact : 0141-4157777 (30 Lines)

Fax : 0141-4157766

Notice

Notice is hereby given that the Twenty Ninth Annual General Meeting (AGM) of the members of Lehar Footwears Limited ("the Company") will be held on **Wednesday, September 27, 2023 at 10.30 A.M.** at Registered Office at A-243 (A) Road No. 6, V.K.I. Area, Jaipur- 302013 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend of ₹ 0.25 per equity share of face value of ₹ 10 each for the financial year ended 31st March 2023.
3. To appoint a director in place of Mr. Pramod Kumar Agarwal (DIN: 00108167), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

4. **To re-appoint Mr. Naresh Kumar Agarwal (DIN: 00106649) as Whole Time Director of the Company.**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on recommendation of the Nomination and Remuneration Committee and on approval of the Board of Directors of the Company, Consent of the Members of the Company be and is hereby accorded to approve the re-appointment of Mr. Naresh Kumar Agarwal (DIN: 00106649) as Whole Time Director of the Company for the term of 5 (Five) years with effect from September 27, 2023 to September 26, 2028 at a remuneration of ₹ 3,00,000/- per month with the authority to board to increase or decrease the remuneration from time to time (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) and on such terms and conditions as set out in the explanatory statement annexed hereto with liberty to the Board of Directors

to vary, amend or revise the remuneration within the maximum ceiling and the terms and conditions of the said appointment in accordance with the provisions of the Companies Act, 2013 and as may be agreed to between the Board of Directors and Mr. Naresh Kumar Agarwal."

RESOLVED FURTHER THAT Mr. Naresh Kumar Agarwal shall be Key Managerial Person of the Company as defined under Section 203 of Companies Act, 2013 read with Rules made thereunder.

RESOLVED FURTHER THAT the Board of Directors or Committee thereof or Company Secretary be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

5. Revision of Remuneration Payable to Executive Directors

To Consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 197, 198 read with schedule V of the Companies Act, 2013 and other applicable provisions and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, if any, of the Companies Act, 2013, the rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company, and pursuant to the recommendation of Nomination & Remuneration Committee, and approval of the Board, the consent of the Members of the Company, be and is hereby accorded for revision in the maximum remuneration payable to Raj Kumar Agarwal, Pramod Kumar Agarwal and Naresh Kumar Agarwal, shall be ₹ 3,00,000/- (Rupees Three Lakh) per month to each executive director with effect from 01st April, 2023 (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of their appointment) with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said remuneration, in such manner as may be agreed and in accordance with the Act or such other applicable provisions or any amendment thereto and, if necessary, permission, sanction(s) as may be required from time to time.

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary or such other person as authorized by the Board, be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To appointment of Mr. Dileep Kumar Jain (DIN: 00380311) as an Independent Director

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 149, 150 and 152 read with schedule IV and read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions and rules made under the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Dileep Kumar Jain (DIN: 00380311), a Non-Executive Independent Director of the Company, who has given his consent and has submitted a declaration that he meets the criteria for being appointed as

Independent Director under section 149(4) of the Act and as recommended by Nomination and Remuneration Committee and appointed by the Board of Directors as an Independent Director of the Company and in respect of whom company has received a notice in writing from a member under section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for his first term of 5 years w.e.f. September 27, 2023, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.”

BY THE ORDER OF THE BOARD
for Lehar Footwears Limited

RITIKA PODDAR
COMPANY SECRETARY AND COMPLIANCE OFFICER
ICSI MEMBERSHIP NO. A65615

Dated: 01.09.2023

Place: Jaipur

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote instead of himself/herself and such proxy/ proxies need not be a member of the company. The instrument appointing the proxy/ proxies should be deposited at the registered office of the company, duly completed and signed, not less than forty-eight (48) hours before commencement of the AGM i.e., by 10:30 A.M. on Tuesday, September 25, 2023.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent (10%), of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for another person or shareholder.

Proxies submitted on behalf of Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution / authority, as applicable.

2. Information or details pertaining to the Directors proposed to be appointed or re-appointed pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by The Institute of Company Secretaries of India are provided in Annexure A of this Notice.
3. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 21, 2023 to Wednesday, September 27, 2023 (both days inclusive) for the purpose of the Annual General Meeting.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare Services Private Limited.

Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend (if declared). The Company or its Registrar and Transfer Agent, Bigshare Services Private Limited ("Bigshare") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate any change in their address or bank mandates immediately to the company or Bigshare.
6. Members are requested to produce the enclosed attendance slip/e-voting form, duly signed as per the specimen signature recorded with the Company, for admission to the meeting hall. Members holding shares in dematerialised form are requested to bring their DP-ID and Client-ID numbers for easier identification for attendance at the meeting.
7. All documents referred to in the Notice and Explanatory Statement are available for inspection at the registered office of the Company during the business hours between 10:30 A.M to 6:00 P.M on all working days of the Company upto the date of the Annual General Meeting of the Company
8. Members desirous of getting any information on the accounts or operations of the Company are requested to forward their queries to the Company at least Ten (10) working days prior to the meeting, so that the required information can be made available at the meeting.
9. Members are requested to immediately notify any change in their address either to the Company or its Registrar & Share Transfer Agent. In case the shares are held in dematerialised form, this information should be sent by the Members to their respective depository participants. Members are requested to quote their folio numbers / DP-ID and Client-ID numbers in their correspondence with the Company.
10. In case of change in residential status of Non-Resident Indian Shareholders, the same should be immediately informed to the Registrar & Share Transfer Agent of the Company along with particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank.
11. Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.
12. Members may note that the Board, has recommended a final dividend of ₹ 0.25/-. The record date for the purpose of final dividend for the fiscal year 2023 is September 20, 2023. The final dividend, once approved

by the members in the ensuing AGM, will be paid within a period of 30 days from the date of declaration electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/ demand drafts/ cheques will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories to receive dividend directly into their bank account on the payout date.

13. Regulation 12 and Schedule I of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (Listing Regulation) requires all companies to use the facilities of electronic clearing services for payment of dividend. In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.
14. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to tds@bigshareonline.com by 11:59 P.M. IST on September 18, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to tds@bigshareonline.com.
15. As a matter of economy, copies of the Annual Report will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their copy of the Annual Report to the meeting.
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing

their representatives to attend and vote at the Annual General Meeting.

18. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
19. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the Meeting.
20. Members may also note that the notice of 29th Annual General Meeting and Annual Report for the year 2022-23 is also available on the website of the company www.leharfootwear.com for their download.
21. The route map to the venue of the Meeting is <https://maps.app.goo.gl/4uFvUrG83bbs1ac98> for easy location.
22. **E- VOTING:**

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on September 24, 2023 09:00 AM and ends on September 26, 2023 05:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20,2023 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been

decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

- a) Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3) ` If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

b) Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
 - o Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID as user id.**
 - o Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.**
 - o Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘Reset’.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system page will appear.**
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.

- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **"IN FAVOUR"**, **"NOT IN FAVOUR"** or **"ABSTAIN"** and click on **"SUBMIT VOTE"**. A confirmation box will be displayed. Click **"OK"** to confirm, else **"CANCEL"** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on investor portal.

c) **Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **"REGISTER"** under **"CUSTODIAN LOGIN"**, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".
NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on **'LOGIN'** under **'CUSTODIAN LOGIN'** tab and further Click on 'Forgot your password?'
- Enter **"User ID"** and **"Registered email ID"** Click on I AM NOT A ROBOT (CAPTCHA) option and click on **'RESET'**.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, Bigshare E-voting system page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under **"DOCUMENTS"** option on custodian portal.
 - o Click on **"DOCUMENT TYPE"** dropdown option and select document type power of attorney (POA).
 - o Click on upload document **"CHOOSE FILE"** and upload power of attorney (POA) or board resolution for respective investor and click on **"UPLOAD"**.
Note: The power of attorney (POA) or board resolution has to be named as the "InvestorID.pdf" (Mention Demat account number as Investor ID.)
 - o Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select **"VOTE FILE UPLOAD"** option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on **"UPLOAD"**. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

ITEM NO.:4

The tenure of appointment of Mr. Naresh Kumar Agarwal (DIN: 00106649), will expire on 29th September, 2023 and on the basis of recommendation of Nomination and Remuneration Committee of the Board and the Board of Directors it has been proposed to re-appoint him as Whole Time Director of the Company effective from September 27, 2023 for the term of 5 (Five) years at a remuneration of ₹ 3,00,000/- per month with the authority to board to increase or decrease the remuneration from time to time (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment)

In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Details are provided in the "Annexure-A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends the Special Resolution as set out at item no. 4 in the Notice for approval by the members.

None of the Director except Mr. Raj Kumar Agarwal, Mr. Pramod Kumar Agarwal and Mr. Sanjay Kumar Agarwal being the Directors and Key Managerial Personnel, respectively and Mr. Naresh Kumar Agarwal being an appointee of the Company and their relatives are concerned or interested, financially or otherwise in the resolution as set out at item no. 4 of the Notice.

ITEM.: 5

In view of valuable contribution made by executive directors of the Company towards the growth of the Company and taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Raj Kumar Agarwal, Mr. Pramod Kumar Agarwal and Mr. Naresh Kumar Agarwal, the Board of Directors of the Company and in order to fulfill the same the Company is adopting Schedule V of the Act which provides for payment of remuneration to the directors in case of inadequacy of profits at its meeting held on September 01, 2023, upon recommendation of the Nomination and Remuneration Committee, has approved revision in the remuneration of executive directors, w.e.f. April 1, 2023, as follows:

- a. A salary up to ₹ 3,00,000 per month which may be reviewed by the Board.
- b. The Executive Directors shall be entitled to participate in provident fund, gratuity fund or such other Schemes for the employees, which the company may establish from time to time.
- c. Reimbursement of medical and hospitalization expenses of the Executive Directors and their family in accordance with the Company policy.
- d. Bonus for the financial year, at the discretion of the board.
- e. Reimbursement of any other expenses properly incurred by them in accordance with the rules and policies of the Company.
- f. The Managing Director shall be entitled to such increment from time to time as the Board may by its discretion determine.

The Board recommends the Special Resolution as set out at item no. 5 in the Notice for approval by the members.

None of the Director except Mr. Pramod Kumar Agarwal, Mr. Raj Kumar Agarwal, Mr. Naresh Kumar Agarwal and Mr. Sanjay Kumar Agarwal being the Directors and Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise in the resolution as set out at item no. 5 of the Notice.

Statement of Particulars for the members pursuant to Schedule V of Companies Act, 2013

General Information

1. Nature of Industry: Footwear Manufacturing.
2. Date of Commencement of Commercial production: Production of the Company was started in 21st April, 1995.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. Not applicable.
4. Financial performance based on given indicators: Please refer audited accounts for the financial year ended March 31,2023.
5. Foreign Investment or collaborations, if any: No such investment or collaboration yet.

Other Information

1. Reasons of loss or inadequate profits: NA

2. Steps taken or proposed to be taken for improvement: NA
3. Expected increase in productivity and profit in measurable terms: The industry in which the Company operates is highly competitive in nature and hence it is not possible to quantify the increase in productivity and Company's profitability.

Disclosures:

The details required to be given under this head are disclosed in Corporate Governance Report of the Company which forms part of Annual Report 2022-23.

ITEM NO.:6

Mr. Dileep Kumar Jain is proposed to be appointed as an Independent Director for first term of 5 (five) consecutive years with effect from September 27, pursuant to Section 149, 150, 152 (including other applicable provisions if any) of the Companies Act, 2013 and Rules thereof including amendments thereunder, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including amendments thereunder and based on the recommendation of Nomination and Remuneration Committee. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 and Rules thereof including amendments thereunder, proposing the candidature of Mr. Dileep Kumar Jain for the office of Director of the Company.

Mr. Dileep Kumar Jain is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013 and Rules thereof including amendments thereunder and has given his consent to act as director. The Company has also received declaration from Mr. Jain that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules thereof including amendments thereunder and Regulation 16 (1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereunder.

Pursuant to amendment to Schedule II, Part D Para A(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st January 2022, for every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.

The Board is of the opinion that Mr. Dileep Kumar Jain the conditions specified in the said Act and the Rules made thereunder and also possess appropriate balance of skills, requisite expertise and experience (including the proficiency) and knowledge and he is a person of high integrity and repute so as to enable the Board to discharge its functions and duties effectively. In the opinion of the Board of Directors, Mr. Dileep Kumar Jain is independent of the management of the Company and fulfils the conditions specified in the Act, and the rules made thereunder for appointment as an Independent Director.

Additional Details and Brief Profile of the Director, Mr. Dileep Kumar Jain whose appointment as Independent Director is proposed at Item No.6, is provided in the "Annexure" to the Notice pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Except Mr. Dileep Kumar Jain, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in this resolution.

BY THE ORDER OF THE BOARD
for Lehar Footwears Limited

RITIKA PODDAR
COMPANY SECRETARY AND COMPLIANCE OFFICER
ICSI MEMBERSHIP NO. A65615

Dated: 01.09.2023
Place: Jaipur

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India]

• RE-APPOINTMENT OF MR. NARESH KUMAR AGARWAL AS A WHOLE TIME DIRECTOR OF THE COMPANY.

Name	Mr. Naresh Kumar Agarwal
Designation	Whole Time Director
DIN	00106649
Age & DOB	52 Years & January 01, 1972
Qualifications	B. Com
Brief profile	Mr. Naresh Kumar Agarwal has a vast experience of 30 years in Footwear Industry. His expertise in the field of Finance, Accounts & Marketing has always been of immense value for the growth of the Company. He is well aware of each and every aspect of business and controlling them all well.
Date of original Appointment	March 31, 1994
Terms and Conditions of appointment/re appointment	As detailed in Item No. 4 of the Notice along with explanatory statement dated 01 st September 2023
In case of independent director, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	NA
Remuneration last drawn (including sitting fees, if any)	As mentioned in the Corporate Governance Report forming part of the Annual Report for FY 2023
Remuneration proposed to be paid	As per existing terms and conditions
Nature of expertise in specific functional area	He played an instrumental role in establishing production of the Company.
Disclosure of relationship between other directors & KMP's	Nephew of Mr. Raj Kumar Agarwal & Mr. Pramod Kumar Agarwal and Brother of Mr. Sanjay Kumar Agarwal.
Number of meetings of the Board attended during the year 2022-23.	23
Directorship held in Other public company as on date of notice.	M/s JMR Mobilink Limited
Chairmanship/ Membership of committees of other Public Companies as on date of notice.	Nil
Shareholding in the company as on date of notice	Equity Shares 1268566
Name of other Directors Interested in the Resolution	Mr. Raj Kumar Agarwal and Mr. Pramod Kumar Agarwal

• **APPOINTMENT OF MR. DILEEP KUMAR JAIN AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

Name	Mr. Dileep Kumar Jain
Designation	Non-Executive Independent Director
DIN	00380311
Age & DOB	66 Years & June 01, 1957
Qualifications	CAIIB - Certified Associate of Indian Institute of Bankers, MA (Economics) LLB (Professional), PG Diploma in Banking & Finance, Certificate in Computer Science B. Com (Hons.)
Brief profile	Mr. Dileep Kumar Jain holds a Bachelor's degree in Commerce (Honours), a Bachelor's degree in Law and a Master's degree in Arts (Economics) from the University of Rajasthan, Jaipur. He is an associate of the Indian Institute of Banking and Finance. He was associated with IFCI Ltd. as the executive director. Apart from this, he is a Director on the Board of Rajasthan Consultancy Organization Limited and Supriya Lifescience Limited, Mumbai.
Date of original Appointment	NA
Terms and Conditions of appointment/re appointment	As detailed in Item No. 6 of the Notice along with explanatory statement dated 01 st September 2023
In case of independent director, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	He has experience in banking and finance sector.
Remuneration last drawn (including sitting fees, if any)	NA
Remuneration proposed to be paid	As per existing terms and conditions
Nature of expertise in specific functional area	He has 22 years' experience in development banking and 18 years' experience in commercial banking.
Disclosure of relationship between other directors & KMP's	NA
Number of meetings of the Board attended during the year 2022-23.	NA
Directorship held in Other public company as on date of notice.	M/s Rajasthan Consultancy Organisation Limited M/s Supriya Lifescience Limited
Chairmanship/ Membership of committees of other Public Companies as on date of notice.	Chairman in Stakeholders Relationship Committee of Supriya Lifescience Limited
Shareholding in the company as on date of notice	Nil
Name of other Directors Interested in the Resolution	NA

• **RE-APPOINTMENT OF MR. PRAMOD KUMAR AGARWAL EXECUTIVE DIRECTOR OF THE COMPANY**

Name	Mr. Pramod Kumar Agarwal
Designation	Executive Director
DIN	00108167
Age & DOB	54 Years & January 01, 1969
Qualifications	B. Com
Brief profile	Pramod Kumar Agarwal has experience of 32 years in the field of Finance, Accounts & Marketing has always been of immense value for the growth of the Company.
Date of original Appointment	September 29, 2022
Terms and Conditions of appointment/re appointment	As per existing terms and conditions.
In case of independent director, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	NA
Remuneration last drawn (including sitting fees, if any)	As mentioned in the Corporate Governance Report forming part of the Annual Report for FY 2023
Remuneration proposed to be paid	As per existing terms and conditions.
Nature of expertise in specific functional area	He played an instrumental role in establishing Marketing of the Company.
Disclosure of relationship between other directors & KMP's	Brother of Mr. Raj Kumar Agarwal & Uncle of Mr. Naresh Kumar Agarwal and Mr. Sanjay Kumar Agarwal.
Number of meetings of the Board attended during the year 2022-23.	15
Directorship held in Other public company as on date of notice.	NA
Chairmanship/ Membership of committees of other Public Companies as on date of notice.	Nil
Shareholding in the Company as on date of notice	Equity Shares 1413632
Name of other Directors Interested in the Resolution	Mr. Raj Kumar Agarwal and Mr. Naresh Kumar Agarwal

ATTENDANCE SLIP
LEHAR FOOTWEARS LIMITED

(Formerly known as Lawreshwar Polymers Limited)
A-243(A) ROAD NO. 06, V K I AREA, JAIPUR -302013 (RAJ.)
(Please fill this attendance slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the 29th Annual General Meeting of the company to be held at A-243(A) Road No. 06, V K I Area, Jaipur- 302013(RAJ.) on Wednesday, September 27, 2023 at 10:30 A.M.

Folio No. # _____ DP ID* _____

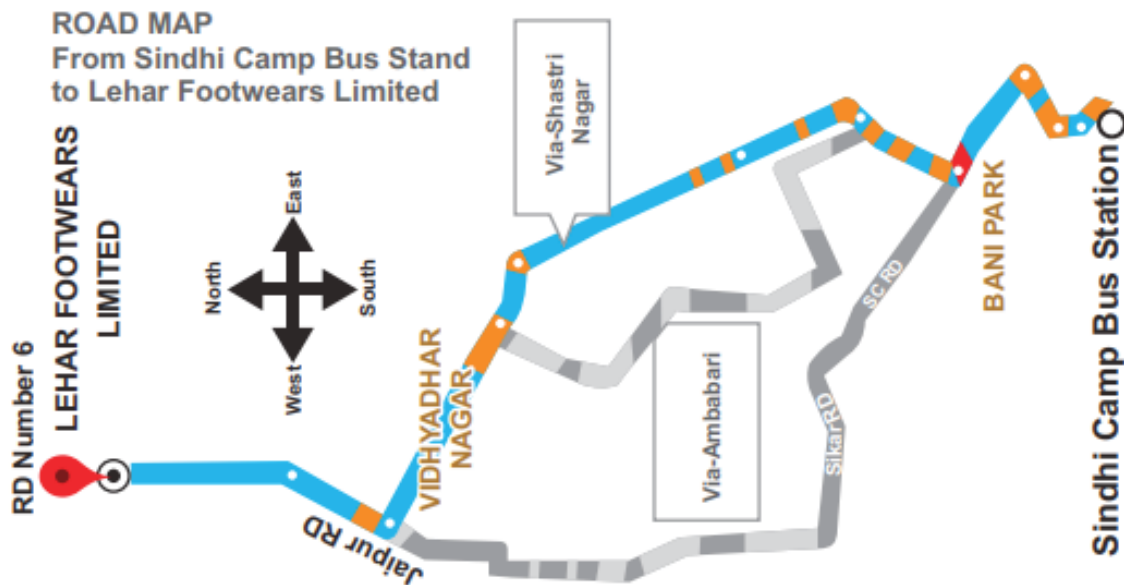
No. of Shares held _____ CLIENT ID* _____

Member's / Proxy's name (in Block Letter)

Applicable for shares held in Physical Form
* Applicable for shares held in Dematerialized Form

PLEASE BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING

VENUE: A-243 (A) ROAD NO.6, V.K.I. AREA JAIPUR-302013 RJ
ROUTE MAP



FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the company: LEHAR FOOTWEARS LIMITED
(formerly known as Lawreshwar Polymers Limited)
CIN: L19201RJ1994PLC008196

Registered office: Registered Office: A-243(A) ROAD NO. 06, V K I AREA, JAIPUR-302013 RJ

Name of the member (s): _____

Registered address: _____

E-mail Id: _____

Folio No/ Client Id: _____

DP ID: _____

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature _____ or failing him

2. Name: _____

Address: _____

E-mail Id: _____

Signature _____ or failing him

3. Name: _____

Address: _____

E-mail Id: _____

Signature _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Wednesday, September 27, 2023 at 10:30 A.M at A-243(A), Road No. 06, V.K.I. Area, Jaipur 302013 Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend of ₹ 0.25 per equity share of face value of ₹ 10 each for the financial year ended 31st March 2023.
3. To appoint a director in place of Mr. Pramod Kumar Agarwal (DIN: 00108167), who retires by rotation and being eligible, offers himself for reappointment.

Special Business

4. To re-appoint Mr. Naresh Kumar Agarwal (DIN: 00106649) as Whole Time Director of the Company.
5. To Revision of Remuneration Payable to Executive Directors
6. To Appointment of Mr. Dileep Kumar Jain (DIN :00380311) as an Independent Directors of the Company.

Signed this..... day of..... 2023

Signature of shareholder

Signature of Proxy holder(s)

AFFIX
RS. ONE
REVENUE
STAMP

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Annual ESG Report

At Lehar Footwears, our moto is to grow responsibly and sustainably.

We truly believe that in the long run, the companies which integrate sustainability with their business strategy will thrive and succeed. During FY 2022-23, Lehar Footwears continued to focus on the aspects of ESG that would work towards building an inclusive society. The Company utilizes chemical as well has natural resource to manufacture end products and hence, the Company focuses on consuming less but manufacturing more.

ENVIRONMENTAL

Under sustainable initiatives, we implemented the 4R initiative program - Reduce, Reuse, Restore and Renewables

- **Reduction of energy usage**

To enhance energy efficiency of all its manufacturing facilities, the Company utilizes alternate sources of energy, like, usage of LED lights & motion sensors to reduce redundant electricity consumption. The Company engaged in periodic energy audits and assessments to identify opportunities to improve energy efficiency. The Company is continuously installing solar panels at manufacturing units, thereby minimizing consumption of electricity from grid and contributing to green energy use. While, the Company has already a solar plant operational at SP-41D, RIICO Industrial Area, Kaladera, Tehsil Chomu, District Jaipur-303801 and has further issued purchase order for the installation of 200 KW On-Grid rooftop solar PV system for its unit situated at A-243(A), Road No.6, V.K.I. Area, Jaipur-302013. The Company also continuously encourages its employees to save the natural resources wherever possible.

- **Resources Management**

Lehar Footwears understands the importance of efficient management of environmental resources in our business operations. We aim to maximize the use of input energy by optimizing various processing steps. Our goal is to incorporate responsible business practices throughout our management and governance systems at Lehar Footwears. This will help us minimize our environmental footprint and establish ourselves as leaders in environmental stewardship. We actively monitor and track our use of resources, including water, energy, and raw materials, to ensure responsible and sustainable operations. Additionally, we promote resource conservation among our employees through awareness campaigns and the use of recycled water for cooling tower applications.

- **Renewables**

Lehar Footwears' shift towards sustainable energy sources not only tackles the urgent issue of climate

change, but also brings about long-term cost savings for the organization. By adopting renewable energy, Lehar Footwears is able to decrease energy expenses while actively participating in the global effort to address pressing environmental challenges. The company integrates a range of alternative energy sources to enhance the use of renewable energy in its operations. The company invested in a green plantation belt inside and outside its plant premises.

- **Reusable Products**

Our advanced selection of sustainable energy offerings plays a vital role in securing the future viability of our Company. This shift allows us to establish ourselves as a provider of renewable energy solutions that prioritize the needs of our customers, while seamlessly aligning with our dedication to environmental awareness and eco-friendly endeavors. We have been manufacturing footwears that effectively meet the rising call for sustainable products, exemplifying the current global market trends and the growing ecological consciousness of consumers.

SOCIAL

- **Customer Engagement**

The satisfaction and delight of end consumers are crucial to our success. Therefore, we regularly organize business meetings and customer satisfaction surveys to ensure the provision of quality products and build trust with our customers.

- **Quality Control**

We follow a policy of continuous improvement in products, processes, and the development of new value-added products that fosters growth and diversification. By ensuring on-time delivery of quality products and providing reliable service, customer satisfaction is enhanced.

- **Employee well-being**

The Company prioritizes the well-being, reducing inequalities and safety of our employees and workers. We organize training programs to ensure a safe working culture and establish a secure and healthy working environment that focuses both on physical as well as mental health for our employees.

- **Staff Turnover Rate**

18 % of staff has remained with the Company for 5+ years.

Employees -	Age up to 30 years	: 26%
	Age up to 31-50 years	: 57%
	Age 51+ years	: 17%

GOVERNANCE

The Company's governance practices are self-driven, reflecting the culture of the trusteeship that is deeply ingrained in its value system and reflected in its strategic growth process. The Company's governance philosophy rests on few tenets, viz., Board accountability to the Company and stakeholders, Prudent management, Capital budgeting and allocation, Equitable treatment to all shareholders, Strategic guidance and effective monitoring by the Board, Protection of minority interests and rights and, Transparency and timely disclosure.

- **Corporate Governance Policies**

The Company prioritizes fair and transparent business practices with a strong sense of accountability for performance. Ensuring compliance with relevant laws and regulations is of utmost importance to the Company. Timely and transparent disclosure of financial and management information is always a top priority for the Company.

- **Compliance Management**

Responsible entrepreneurship commences with adherence to compliance. Our objective is to guarantee that all our undertakings align with applicable legislation, regulations, and ethical norms worldwide. This practice additionally safeguards our standing as an employer and business collaborator.

- **Board Composition**

The composition of the Board as on 31st March 2023

3 (Three) Executive Director

3 (Three) Non-Executive – Independent Director

- **Executive pay**

The compensation for Directors and Key Managerial Personnel, encompasses fixed remuneration. Our Company has devised a pay framework that aims to allure, retain, and incentivize competent executives who will drive the company's long-term prosperity and create value for its stakeholders.

- **Shareholder Rights and Relations Policy**

The Stakeholders Relationship Committee of the Board of Directors is responsible for addressing concerns from shareholders and investors. This includes resolving issues related to share transfers, non-receipt of balance sheets, and non-receipt of declared dividends.

- **Transparency and accountability**

Transparency, mutual accountability and inclusive participation is key to build trust between partners involved in development co-operation, to support an enabling environment and promoting trust and honesty among stakeholders. When stakeholders have access to accurate and up-to-date information, they can better understand, assess and influence decision-making. We at Lehar, are responsible towards ensuring a transparent and accountable organization, more likely to be trusted by its stakeholders, resulting in higher levels of engagement and collaboration.

Boards' Report

Dear Members,

Your directors are pleased to present 29th Annual Report of the Company on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March, 2023.

FINANCIAL SUMMARY

Particulars	(₹ in Lakh)	
	2022-23	2021-22
Revenue from Operations	20,216.41	13,747.14
Other Income	114.46	134.89
Total Income	20,330.87	13,882.03
Total Expenses	19,678.43	13,516.10
Net Profit before Exceptional Items and Tax	652.44	365.93
Exceptional Items	-	-
Profit Before Tax	652.44	365.93
Tax Expenses	139.45	115.38
Profit After Tax	512.99	250.55
Other comprehensive income (Net of Tax)	4.31	918.18
Total Comprehensive Income for the year	517.30	1,168.72
Earnings Per Equity Share (in ₹)	3.72	1.83

The audited standalone financial statements of the Company as on March 31, 2023, prepared in accordance with the relevant applicable Ind AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

RESULT OF OPERATIONS AND STATE OF COMPANIES AFFAIRS

The key highlights of the Company's financial performance during the FY2023 are given below:

- Revenue from operations is ₹ 20,216.41 Lakh as compared to ₹ 13,747.14 Lakh during the previous year.
- Profit After Tax for the period of ₹ 512.99 Lakh as compared to the profit of ₹ 250.55 Lakh in the previous year.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there is no change in the nature of the business of the Company.

SHARE CAPITAL

There were changes in the Company's share capital during the year mentioned as below:

AUTHORISED SHARE CAPITAL

The Company has increased its Authorised Share Capital from ₹ 15,00,00,000/- (Rupees Fifteen Crore) comprising

of 1,50,00,000 (One Crore Fifty Lakh Equity Shares) to ₹ 20,00,00,000/- (Rupees Twenty Crore) comprising of 2,00,00,000 (Two Crore) Equity Shares of ₹ 10/- (Rupees Ten) in the Annual General Meeting held on 29th September, 2022.

At end of the FY2023, Authorised Share Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crore), 2,00,00,000 (Two Crore) Equity Shares of 10/- (Rupees Ten).

PAID UP CAPITAL

During the Financial Year, the Company has allotted 19,86,000 equity shares of ₹ 10 each on 23rd February 2023, 10th March, 2023 and 29th March, 2023 towards conversion of warrants issued on preferential basis.

As a result of the above allotment the paid-up capital of the Company as at the end of the FY2023 increased from ₹ 13,67,87,990/- (1,36,78,799 equity shares of face value of ₹ 10/- each fully paid up) to ₹ 15,66,47,990/- (1,56,64,799 equity shares of face value of ₹ 10/- each fully paid up).

PREFERENTIAL ISSUE

Pursuant to the approval of the Board at its meeting held on 16th September, 2022 and approval of the members of the Company at their Extra-Ordinary General Meeting ('EGM') held on 12th October, 2022, upon receipt of 25% of the issue price per warrant (i.e., ₹ 13 per warrant) as upfront payment ("Warrant Subscription Price"), the Company, on 11th November, 2022 has allotted 40,00,000 (Forty Lakh) warrants,

on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, at a price of ₹ 52 each payable in cash ("Warrant Issue Price"). Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of ₹ 10 (Rupees Ten only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹ 39 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

Subsequently the Company on 23rd February 2023, 10th March, 2023 and 29th March, 2023 upon receipt of balance 75% of the issue price (i.e., ₹ 39 per warrant) for 19,86,000 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

At the end of the FY2023, For the remaining 20,14,000 warrants, the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

The details of utilization of funds are given hereunder:

Particulars	Amount in Lakhs
Funds raised through allotment of 40,00,000 warrants on 11 th November, 2022 (A)	520.00
Funds raised through allotment of 5,30,000 fully paid-up equity shares against conversion of equal number of warrants on 23 rd February, 2023 (B)	206.70
Funds raised through allotment of 7,45,000 fully paid-up equity shares against conversion of equal number of warrants on 10 th March, 2023 (C)	290.55
Funds raised through allotment of 7,11,000 fully paid-up equity shares against conversion of equal number of warrants on 29 th March, 2023 (D)	277.29
Total Funds raised till 31st March 2023 (A+B+C+D)	1294.54
Funds utilized during the year ended 31st March 2023	1294.54

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the EGM dated 12th October, 2022.

DIVIDEND

The Board at its meeting held on May 23, 2023 has recommended a final dividend of ₹ 0.25/- per fully paid-up

equity share i.e., 2.50% which is subject to the approval of members at the ensuing Annual General Meeting. The dividend, if declared, by the Members at the forthcoming Annual General Meeting (AGM) shall be paid to the eligible Members.

The Register of Members and Share Transfer Books of the Company will remain closed for the purpose of payment of dividend for the financial year ended 31st March 2023 and Book closure date has been indicated in the Notice convening 29th AGM.

Pursuant to the provisions of Income-tax Act, 1961, the dividend paid or distributed by a company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, your Company shall make the payment of the dividend after necessary deduction of tax at source at the prescribed rates, wherever applicable. For the prescribed rates for various categories, the shareholders are requested to refer to the Income tax Act, 1961 and amendments thereof.

RESERVES AND SURPLUS

During the current financial year, the Company has not transferred any amount to the General Reserve.

MATERIAL CHANGES EFFECTING FINANCIAL POSITIONS OF THE COMPANY

The Company on 12th June, 2023 upon receipt of balance 75% of the issue price (i.e., ₹ 39 per warrant) for 6,66,500 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

As a result of the above allotment the paid-up capital of the Company as at the time of signing the Board Report increased from ₹ 15,66,47,990/- (1,56,64,799 equity shares of face value of ₹ 10/- each fully paid up) to ₹ 16,33,12,990/- (1,63,31,299 equity shares of face value of ₹ 10/- each fully paid up).

Apart from the above, in pursuance to section 134(3) (L) of the Act, no material changes and commitments have occurred after the closure of the financial year to which the financial statements relate till the date of this report, affecting the financial position of the Company.

INVESTOR EDUCATION AND PROTECTION FUND

There is no such amount lying with the company and remained unclaimed which is required to be transferred to the Investor Education and Protection Fund of the Central Government.

RISK MANAGEMENT

Risk management is integral to your Company's strategy and to the achievement of long-term goals. Our success

as an organization depends on our ability to identify and exploit the opportunities generated by our business and the markets, we operate in. In doing this we take an embedded approach to risk management which puts risk and opportunity assessment at the core of the Board's agenda.

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Risk Management Policy approved by the Board acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the Organization. The Board monitors and reviews the implementation of various aspects of the Risk Management policy and Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall Business Risk Management Framework. The Company follows well established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company's Business Risk Management Framework helps in identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

At present the company has not identified any element of risk which may threaten the existence of the company.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") is not applicable to our company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Our Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides bench marking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements to strengthen the same. The Company has a robust Management Information System which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors and the Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retire by rotation

Mr. Pramod Kumar Agrawal (DIN-00108167), Director retires by rotation and being eligible, offers himself for re-appointment, in accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company. A Resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

Re-appointment

Following directors also seek re-appointment at the ensuing AGM and their re-appointments are recommended by the Board:

- **Mr. Naresh Kumar Agarwal as the Whole Time Director**

Independent Directors

The Company has received the necessary declarations from each of the Independent Directors of the Company under Section 149(7) of the Act and Regulation 25 of the Listing Regulations, confirming that they meet with the criteria of independence as laid down in Section 149(6) of the Act, along with Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

None of the Directors disqualifies for appointment/reappointment under Section 164 of the Companies Act, 2013.

Changes in Board Composition & Key Managerial Personnel

- During the period Ms. Madhuri Sain has appointed as Company Secretary of the Company w.e.f. 01.04.2022 and also resigned from the post of the Company Secretary of the Company w.e.f. 30.06.2022 and in the place of her, Ms. Ritika Poddar has appointed as Company Secretary of the Company w.e.f. 01.07.2022.
- Demised of Mr. Ramesh Chand Agrawal (DIN: 00108287) Chairman of the Company on 15.09.2022.
- Mr. Pramod Kumar Agarwal (DIN: 00108167) appointed as an executive director of the Company and Mr. Sandeep Kumar Jain (DIN: 01116047), Mr. Saral Sudhir Saraf (DIN: 08216764) appointed as a non-executive independent director of the Company w.e.f. 29.09.2022.
- Mr. Radhey Shyam Gemini (DIN: 00108706) and Mr. Sunil Agarwal (DIN: 02587959) resigned from the directorship of the Company w.e.f. 30.09.2022.

During the financial year 2022-23, the constitution of the Board complies with the requirements of the Act, and the SEBI Listing Regulations.

There were no changes in Key Managerial Personnel of your Company during the financial year 2022-23 other than disclosed above.

PRESENT BOARD STRUCTURE OF THE COMPANY AT THE TIME OF SIGNING BOARD REPORT

Raj Kumar Agarwal	Managing Director
Pramod Kumar Agarwal	Executive Director
Naresh Kumar Agarwal	Whole Time Director
Saral Sudhir Saraf	Non-Executive Independent Director
Preeti Goyal	Non-Executive Independent Director
Sandeep Kumar Jain	Non-Executive Independent Director
Rakesh Kumar Soni	Chief Financial Officer (CFO)
Sanjay Kumar Agarwal	Chief Executive Officer (CEO)
Ritika Poddar	Company Secretary & Compliance officer

BOARD MEETINGS

The Board met Twenty Three times during Financial Year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two consecutive meetings was within the period prescribed by the Companies Act, 2013, SEBI (LODR) 2015 and Secretarial Standard-1 (SS-1).

BOARD EVALUATION / PERFORMANCE EVALUATION

The, Board of Directors has carried out an annual evaluation of its own performance board committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc. The performance evaluation of the Executive Directors and Non-Executive Directors was carried out by the Independent Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, role and accountability, management oversight, risk management, culture and communication, frequency and effectiveness of meetings.

The Board of Directors expressed their satisfaction with the evaluation process.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The criteria for Directors' appointment have been set up by the Nomination and Remuneration Committee, which includes criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Sub section (3) of Section 178 of Companies Act, 2013 ("the Act"). The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report and the Policy is available on the Company's website at www.leharfootwear.com. It is affirmed that the remuneration paid to the directors is as per the terms set out in the Nomination & Remuneration Policy of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour and to deal with instances of fraud and mismanagement, if any. The same has also been displayed on the website at www.leharfootwear.com of the Company.

HUMAN RESOURCE MANAGEMENT, HEALTH AND SAFETY

During the year, the Company had cordial relations with workers, staff and officers. The shop floor management is done through personal touch, using various motivational tools and meeting their training needs requirements. The company has taken initiative for safety of employees and implemented regular safety audit, imparted machine safety training, wearing protective equipment, etc. The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has also constituted an internal committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints pertaining to sexual harassment were received and/ or disposed of during FY 2022-23.

PARTICULARS OF EMPLOYEES

The information and disclosure required under Section 197(12) of the Act read with Rule 5(1), 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in respect of Directors and Employees of your Company is set out in **Annexure - I** to this report.

COMMITMENT TO QUALITY AND ENVIRONMENT

Your Company recognizes quality and productivity as a pre-requisite for its operations and has implemented ISO 9001, ISO 45001 and ISO 14001. Continuous efforts to preserve the environment are pursued.

CORPORATE SOCIAL RESPONSIBILITIES (CSR)

As per Provisions of Section 135 of the Company Act 2013, and rules made there under, the CSR is not applicable on your company for the FY2023.

COMMITTEES OF THE BOARD

As on March 31, 2023, the Board had following committees:

- Audit committee,
- Nomination and Remuneration Committee, and
- Stakeholders Relationship Committee.

All committees were mixture of executive and non-executive directors and Chairperson of every committee was a non-executive independent director. During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided in the corporate governance report.

AUDITORS AND AUDIT REPORT

Statutory Auditor

M/s A. Bafna & Co. Chartered Accountants (Firm Registration No. 003660C), Jaipur, appointed as the statutory auditors of the Company, in the Annual General Meeting held on 29.09.2022 for a term of five consecutive years, from the conclusion of the twenty-eight Annual General Meeting held in the year 2022 till the conclusion of the thirty-three Annual General Meeting to be held in the year 2027.

There are no qualifications, adverse remarks reservations or disclaimer made by M/s A. Bafna & Co. Statutory Auditors, in their report for the financial year ended March 31, 2023. The notes to the Accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further explanation and comments.

Secretarial Auditor

During the Financial Year M/s Naredi Vinod & Associates, Practicing Company Secretaries resigned from the post of Secretarial Auditor and in his place Mr. Gaurav Goyal, Practicing Company Secretary appointed as a Secretarial Auditor for the period of FY2023.

Pursuant to Section 204(1) of the Act, the Secretarial Audit Report for the financial year ended March 31, 2023 issued by Mr. Gaurav Goyal is attached as **Annexure-II** to this Board's Report. The Secretarial Audit Report does not contain any qualification or reservation or adverse remark or disclaimer.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2022-23 pursuant to Regulation 24A (2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31st March 2023 has been submitted to the Stock Exchanges and the said report may be accessed on the Company's website at www.leharfootwear.com.

Internal Auditor

The Board has appointed M/s Garg Vipin & Company, Chartered accountants, to conduct the Internal Audit for the financial year 2022-23. The Internal Audit Report for the financial year ended March 31, 2023 has submitted by auditor to Board of the Company. The Internal Audit Report does not contain any qualification or reservation or adverse remark or disclaimer.

The Audit Committee of the Board of Directors, Statutory Auditors and the Key Managerial Personnel are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Cost Records and Cost Audit

Provisions of Section 148 of the Companies Act, 2013 regarding maintenance of cost records and audit thereof is not applicable to your Company.

Company is engaged in manufacture of products under category of product code 64 i.e., Footwear which is not falling under table of regulated sectors or non-regulated sectors as per the notification issued by the Ministry of Corporate Affairs dated 14.07.2016, therefore it is exempt from maintaining any cost records and exempt from requirement of audit of cost records.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, none of the auditors have reported any instances of fraud committed against the Company as required to be reported under Section 143 (12) of the Act.

LOANS AND INVESTMENTS BY THE COMPANY

The Company has not given any loans, guarantees or securities during the year that would attract the provisions of Section 185 of the Act. The particulars of loans, guarantees and investments of the company as per Section 186 of the Act by the Company, have been disclosed in the financial statements of the company.

DEPOSITS

During the financial year under review, your Company has neither invited nor accepted or renewed any fixed deposit from public, shareholders or employees and no amount of principal or interest on deposits from public is outstanding as at the Balance Sheet date in terms of provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company as on March 31, 2023.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2023, all transactions with the Related Parties as defined under the Act read with Rules framed thereunder, were in the ordinary course of business and at arm's length basis. Your Company does not have a 'Material Subsidiary' as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations").

During the year under review, your Company did not enter into any Related Party Transaction which requires prior approval of the Members of your Company. All Related Party Transactions entered into by your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations. Subsequently, the Audit Committee and the Board have also reviewed the Related Party Transactions. During the year under review, there have been no materially significant Related Party Transactions having potential conflict with the interest of your Company. Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore, details required to be provided in the prescribed Form AOC - 2 are not applicable to your Company. Necessary disclosures required under the Ind AS 24 have been made in Notes of

the Financial Statements for the financial year ended March 31, 2023.

CONSERVATION OF ENERGY, TECHNOLOGY, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption, foreign exchange earnings and outgo, are given in **Annexure-III** and forms an integral part of this Report.

ANNUAL RETURN

As required under Section 92(3) read with section 134(3) (a) of the Companies Act 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014 including amendments thereunder, the Annual Return filed with the Ministry of Corporate Affairs (MCA) for the FY2022 is available on the www.leharfootwear.com and the Annual Return for FY2023 will be made available on the website of the Company once it is filed with the MCA.

LISTING

The Company's 1,56,64,799 equity share of ₹ 10 each as on 31st March, 2023 are listed with the BSE Limited. The Company has paid the annual listing fees to stock exchange.

DEMATERIALIZATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on March 31, 2023 99.99% of the share capital stands dematerialized.

The Company's equity shares are compulsorily required to be traded in dematerialised form; therefore, Members are advised to speed up converting the physical shareholding into dematerialised form through their DP(s).

CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on the Corporate Governance along with a certificate from Practicing Company Secretary is annexed herewith and marked as **Annexure IV** forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In Compliance with Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a separate

section on Management Discussion and Analysis as approved by the Board of Directors, forms part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

As the Company is not among top 500 or 1000 Companies by turnover on Stock Exchanges, the disclosure of Report under of Regulation 34(2) of the Listing Regulations is not applicable to the Company for the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanation obtained by them, in terms of section 134(3) (c) your directors confirm that:

- a) in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company as at March 31, 2023;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Annual Accounts have been prepared on a going concern basis;
- e) internal financial controls have been laid down to be followed by the company and such internal financial controls are adequate and were operating effectively;
- f) proper system has been devised to ensure compliance with the provision of all applicable law and that such system was adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

The Company has adequate system of internal control/ Internal Finance Control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The report on Internal Financial Control forms part of Independent Audit report.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period

when the Trading Window is closed. The Board is responsible for implementation of the Code. The said Code is available on the website of the Company at www.leharfootwear.com.

All Directors on the Board and the designated employees have confirmed compliance with the Code.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR OR COURT

There are no significant and material order passed by the Regulators/ court that would impact the going concern status of the company and its future operations.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC, 2016) DURING THE YEAR ALONG WITH STATUS AT THE END OF THE FINANCIAL YEAR

The Company has not made any application nor any proceeding is pending against the company under IBC, 2016.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS ALONG WITH REASONS THEREOF

Since the Company has not entered into any One Time Settlement with Banks or Financial Institutions, furnishing details in this regard, is not applicable.

STATUTORY COMPLIANCE

The Company has complied with all the statutory requirements. The Company ensures compliance of the Companies Act, 2013; SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and various statutory authorities on quarterly basis in the Board Meeting.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standard 1(SS-1) relating to the meetings of the Board of Directors and Secretarial Standard 2 (SS-2) relating to the General meetings issued by the Institute of Company Secretarial of India and approved by the Central Government.

CAUTIONARY STATEMENT

Statements in this report, describing the Company's objectives, expectations and/or anticipations may be forward looking within the meaning of applicable Securities Law and Regulations. Actual results may differ materially from those stated in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations,

tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

GREEN INITIATIVES & ACKNOWLEDGEMENT

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Members at their e-mail address registered with the Depository Participants ("DPs") and RTAs. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ("RTAs")/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. Pursuant to the MCA Circular No. 10/2022 dated 28th December 2022 and SEBI Circular dated 05th January 2023, the Annual Report of the Company for the

financial year ended 31st March 2023 including therein the Audited Financial Statements for the financial year 2022-23, are being sent only by email to the Members.

Your directors wish to place on record their sincere appreciation for the continued support and cooperation extended to the Company by its bankers, customers, vendors, suppliers, dealers, investors, business associates, all the stakeholders, shareholders, debenture holders and various departments of the State and the Central Government.

Your directors appreciate and value the contribution made by every member of the Lehar family.

By the order of the Board
For **Lehar Footwears Limited**

Raj Kumar Agarwal
Managing Director
Din: 00127215

Naresh Kumar Agarwal
Whole Time Director
Din: 00106649

Date: 01.09.2023
Place: Jaipur

A. DETAILS PURSUANT TO RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2022-23:

Name	Designation	Ratio	% Increase in remuneration
Mr. Raj Kumar Agarwal	Managing Director	16:1	-
Mr. Pramod Kumar Agarwal*	Executive Director	NA	NA
Mr. Naresh Kumar Agarwal	Whole Time Director	16:1	-
Mr. Sanjay Kumar Agarwal	Chief Executive Officer	11:1	-
Mr. Rakesh Kumar Soni	Chief Financial Officer	16:1	15.00%
Ms. Ritika Poddar**	Company Secretary & Compliance Officer	NA	NA
Independent Director (Sitting Fee)			
Mr. Sandeep Kumar Jain*	Independent Director	NA	NA
Mr. Saral Sudhir Saraf*	Independent Director	NA	NA
Mr. Preeti Goyal	Independent Director	NA	NA

#Median Remuneration is ₹1,70,100

*Appointed w.e.f. 29th September, 2022

**Appointed w.e.f. 01st July, 2022

(The appointments, at the current designations as stated above, were made during the FY2023 and hence, ratio and percentage increase are Not Applicable.)

Note:

Ms. Madhuri Sain Company Secretary of the Company resigned w.e.f. 30th June, 2022, hence their remuneration was not considered for the above.

Mr. Radhey Shyam Gemini and Mr. Sunil Agarwal, the directors have resigned w.e.f. 30th September, 2023, hence their remuneration were not considered for the above.

The Independent Directors of the Company are entitled to sitting fee and commission on Net Profits / remuneration as per statutory provisions of the Companies Act, 2013 (as amended) and as per terms approved by the Members of the Company. The criteria of making payments to the Independent Directors and details of remuneration paid to them have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the Independent Directors’ Remuneration is, therefore, not considered for the purpose above.

2. The number of permanent employees on the rolls of the Company: There were 279 employees on the rolls of the Company as on 31st March, 2023.

3. Average percentile increase already made in the salaried of the employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in Managerial Remuneration:

Average % increase in the salary of employees other than managerial Personnel:

2023: 7.5.00%

2022: 7.5.00%

Average % increase in the salary Managerial Personnel:

2023:15.00%

2022:15.00%

4. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to Directors, Key Managerial Person and other employees are as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel, and other employees.

By the order of the Board
For **Lehar Footwears Limited**

Raj Kumar Agarwal
Managing Director
Din: 00127215

Naresh Kumar Agarwal
Whole Time Director
Din: 00106649

Date: 01.09.2023
Place: Jaipur

FORM MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

To
Members

Lehar Footwears Limited

A-243 (A) Road No.6 , V.K.I. Area Jaipur Rajasthan 302013

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Lehar Footwears Limited (CIN L19201RJ1994PLC008196) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing my opinion thereon.

Based on my verification of the Lehar Footwears Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Lehar Footwears Limited (“The Company”) for the financial year ended on 31st March, 2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under by the Depositories with regard to dematerialization/rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings. [The Company has not raised any External Commercial Borrowings during the Audit period];
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”)-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. he Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable as the Company has not granted any Options to its employees during the financial year under review.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021; Not Applicable as the Company has not issued any debt securities during the financial year under review
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable as the Company has not get delisted its equity shares from any stock exchange during the financial year under review.
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable as the Company has not bought back any of its securities during the financial year under review
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- j. The Environment (Protection) Act, 1986
- k. The EPF & Misc. Provisions Act, 1952;

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

This report is to be read with my letter of even date which is annexed as 'Annexure -B' and form an integral part of this report.

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. During the period under review Ms. Madhuri Sain has been appointed as Company Secretary of the Company w.e.f. 01.04.2022 further she has resigned from the

post of the Company Secretary of the Company w.e.f. 30.06.2022 and in the place of her, Ms. Ritika Poddar has appointed as Company Secretary of the Company w.e.f. 01.07.2022.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except for some meetings which were called on shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs.

Sd/-

CS Gaurav Goyal

Practicing Company Secretary
ACS 54582 C.P. No.22052
Peer Review No. 2799/2022
UDIN: A054582E000521576

Date: 29.06.2023

Place: Jaipur

Information Under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors’ Report for the year ended March 31, 2023.

A. CONSERVATION OF ENERGY

The steps taken or impact on conservation of energy	<ul style="list-style-type: none"> • Optimization of different processing steps for maximum utilization of input energy. • Installation of LED lights & motion sensors to reduce redundant electricity consumption. • The Company also continuously encourages its employees to save the natural resources wherever possible through campaigning. • Use of recycled water for cooling tower application.
The steps taken by the company for utilising alternate sources of energy	<p>During the financial year company has issued the purchase order for the installation of 200KW On-Grid rooftop solar PV system for its unit situated at A-243(A), Road No.6, V.K.I. Area, Jaipur-302013 and solar plant is in the process of installation.</p> <p>During the year from the solar plant installed at SP-41D, RIICO Industrial Area, Kaladera, Tehsil Chomu, District Jaipur, Rajasthan-303801, the company has generated total power of 6,98,307/- units of electricity which was supplied by the company on grid.</p>
The capital investment on energy conservation equipments	The installation of 200 KW solar plant will cost around ₹ 1.18 crore to the company out of which company has already paid ₹50 lakh to the supplier during the year.

B. TECHNOLOGY ABSORPTION

Efforts in brief, made towards Technology absorption, adaptation and innovation:

The Technology used for manufacturing of products of the Company is fully absorbed and new innovations in process control, product development, cost reduction and quality improvements are being made on continuous basis.

Benefits derived as a result of the above Efforts:

Improvement in overall productivity, quality of the products and reduced process scrap and cost.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

Technology Imported	-	The Company has not used any imported technology during last three financial years. Hence, the prescribed details are not applicable.
Year of Import	-	Not Applicable
Whether technology been fully absorbed	-	Not Applicable
If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	-	Not Applicable

Company has incurred expenditure on Research and Development which are mentioned below:

Particulars	(₹ in Lakhs)	
	2022-23	2021-22
Investment in Plant and Machinery & Equipment for R & D	5.37	0.60
Recurring R & D Expenditure	16.38	18.08

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:
- b) Total foreign exchange used and earned:
- | | |
|----------|-------------------------------------|
| Used: | US\$ 24,17,925.10/- |
| Earned : | US\$ 18,63,616.11/- € 3,00,216.94/- |

By the order of the Board
For **Lehar Footwears Limited**

Raj Kumar Agarwal

Managing Director
Din: 00127215

Naresh Kumar Agarwal

Whole Time Director
Din: 00106649

Date: 01.09.2023

Place: Jaipur

Management Discussion & Analysis

ECONOMIC OVERVIEW

Global Economy

After experiencing high market volatility from multiple headwinds in 2022, the global economy is showing signs of resilience in 2023. The slowdown is expected to be less pronounced in 2023 than previously anticipated. However, higher inflation, tighter monetary conditions, and the Russia-Ukraine war continue to impact the global economy. Inflation is projected to decline from 8.7% in 2022 to 7% in 2023 and 4.9% in 2024. Further, key factors such as the rebounding of China's economy, improved supply-chain functioning, and the recent decline in energy and food prices indicate the improvement in economic activity in 2023.

According to the International Monetary Fund (IMF), global GDP growth is projected to decline from 3.4% in 2022 to 2.8% in 2023 and rise to 3% in 2024. Growth across Advanced Economies (AEs) is expected to decline from 2.7% in 2022 to 1.3% in 2023 before rising to 1.4% in 2024. Emerging and Developing Economies (EMDEs) fared better and grew at 4% in 2022 and are expected to grow at 3.9% in 2023 and 4.2% in 2024. Asia-Pacific will be the most dynamic of the world's major regions in 2023, with China and India leading the growth.

(Source: IMF World Economic Outlook, April 2023)

Indian Economy

The Indian economy is relatively insulated from global spillovers and continues to be among the fastest growing economies in the world. India's real GDP grew by 7.2% in FY2023 as against 9.1% in FY2022 and reflects robust domestic consumption and lesser dependence on global demand. Despite the weak external demand, the merchandise exports registered healthy growth. Further, increasing disposable income will stimulate consumption and boost the demand for goods and services across industries.

According to the IMF, the Indian economy is expected to advance steadily at 5.9% in FY2024 before rising to 6.3% in FY2025. The economic growth is primarily driven by robust domestic consumption, abating of inflation, technology-enabled development, export growth, and revival in credit growth among others. Additionally, increased capital expenditure on infrastructure and the growth-enhancing policies such as the PLI schemes, 'Make in India' and 'Atmanirbhar Bharat' will strengthen the infrastructural and manufacturing base, lead to higher productivity and build a strong foundation for sustained economic growth.

(Source: Ministry of Statistics & Programme Implementation; IMF World Economic Outlook, April 2023)

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian footwear market witnessed a rapid transformation in the last few years. The footwear business, a major retail

sub-sector, has become one of the most dynamic sectors in recent years due to changing customer sentiments. According to Retailers Association of India, sales of the footwear segment grew by 34% in the retail sector in FY2023 compared to the last year. The organised footwear segment has been growing at a faster rate due to rising urbanisation and contemporary retail formats. The market share of the organised footwear segment is estimated to grow from 30% in FY2020 to 36%-40% by FY2025. The major growth drivers are the shift in perception of footwear from a utilitarian commodity to a fashion statement, changing lifestyles, growing economies, heightened focus on health, and digital penetration. The expansion of exclusive brand outlets in Tier II and small towns and increased share of e-retail are also aiding the growth of the organised footwear sector. Further, the government has allowed 100% FDI through the automatic route for this sector. The government's campaigns 'Make in India' and 'Self-reliant India' will boost domestic manufacturing and increase the competitiveness of Indian manufacturers in the global market. These initiatives will benefit the Indian footwear industry and promote the export of footwear.

(Source: Retailers Association of India; 5paisa; Invest India, Non-Leather Footwear Industry in India)

OPPORTUNITIES

The Indian footwear market is well-positioned to achieve healthy growth in the coming years, aided by a growing young and working population, increasing aspirations and affordability, the meteoric rise of e-commerce, and exposure of global fashion trends among others. The Indian footwear market is expected to grow at a CAGR of 15% to 17% from ₹ 920 - ₹ 950 billion in FY2022 to ₹ 1,380 - ₹ 1,450 billion by FY2025. The organised footwear industry is estimated to reach ₹ 530 - ₹ 550 billion by FY2025. (Source: ICICI direct; CRISIL Report - Assessment of organised retail and footwear industries in India, August 2021)

- De-reservation of the footwear sector
- Growing domestic and international markets
- Rising disposable income and economic growth
- Growth of the retail sector and e-commerce
- Use of modern technology
- Mandatory footwear quality standards will be applicable from 1st July, 2023 which will curb sub-standard imports

(Source: The Economic Times)

THREATS

- Unorganised players intensify competition by leveraging low price points
- Entry of multinationals in the domestic market

- Compliance issues with the environmental norms and regulations
- Shortage of skilled workforce and high wages
- Fast-changing fashion trends
- Imports from China

COMPANY OVERVIEW

Incorporated in 1994, Lehar Footwears Limited (LFL) is North India's leading mass-footwear manufacturer and branded distribution company. Your Company is predominantly engaged in the manufacturing of high-quality non-leather footwear including lightweight open-footwears (slippers/sandals), Hawaii slippers, school shoes, canvas shoes, sports shoes, PVC shoes and EVA/PVC/PU injected footwear. Your Company has established its reputation as one of India's most trusted brands in the local market. It has also established a strong foothold globally and exports its products to South Africa, South Arabia, Somalia, Kenya and Qatar. It has 4 manufacturing facilities located in Rajasthan and 2 retail stores (factory outlets) in Jaipur, Rajasthan.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company is engaged in the business of manufacturing footwear, so the Management considers "Footwear" as the only business segment of LFL. Your Company sold 2.02 crore pairs of footwear in FY2023 as against 1.55 crore pairs in FY2022.

FINANCIAL PERFORMANCE VIS-À-VIS OPERATIONAL PERFORMANCE

Your Company delivered a strong performance in FY2023 owing to improving market sentiments and focus on profitability, business growth and premiumisation of the brand. It recorded a robust net profit of ₹ 512.99 Lakhs as against ₹ 250.55 Lakhs in FY2022. Its turnover for the fiscal year stood at ₹ 20,216.41 Lakhs as against ₹ 13,747.14 Lakhs the previous year.

OUTLOOK

Your Company envisages robust growth in the coming years with its well-diversified product portfolio, unparalleled reach, and financial strength on the back of strong demand for its products in the market. New product development, branding and promotion and exports will fuel your Company's growth engine. It is focussed on deploying consistent efforts towards the introduction of newer product designs and extension of core products to cater to the increased demand of EVA and PU products in the market. Your Company aims to keep its products relevant, competitive and value for money for customers which will further enable your Company to penetrate deeper in the target market and expand its top line and bottom line.

RISKS AND CONCERNS

Your Company has a structured risk management framework for the timely and effective identification, assessment, and

mitigation of key business and operational risks. It formulates robust mitigation strategies to monitor and mitigate identified risks and concerns in the industry to minimise their impact on your Company's operational and financial performance and business environment. It also adopts preventive measures as considered expedient and necessary.

The increasing competition from both local and international players is something that your Company recognises. It continuously assesses the risks and concerns in the Footwear Industry that may impact its current operations, future performance, and business environment. To address these risks and concerns, it takes proactive measures as deemed necessary. Your Company understands the need to make continuous changes in its product portfolio mix to stay relevant to the millennials and the growing youth population in India. Along with rising competition, changes in customer behaviour and the impact of online marketing initiatives also affect your Company's performance, given its extensive distributor network across India. While employment opportunities are on the rise, retaining talent is considered a challenge. Your Company also acknowledges the importance of modernising its IT systems and protecting data from the risk of loss or theft, which is a global concern. It regularly monitors its major risks and concerns, and takes appropriate steps in consultation with relevant committees of the Board to identify and mitigate these risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate and structured internal control system commensurate with the size, nature and complexity of its business. It comprises authorisation levels, supervision, checks and balances and procedures through documented policy guidelines and manuals and ensures that all transactions are authorised, recorded and reported correctly and adherence to the applicable policies and regulations. The operational managers exercise their control over business processes through operational systems, procedural manual and financial limits of authority manual, which are regularly reviewed and updated to improve the systems and efficiency of operations. Your Company places prime importance on an effective internal audit system. The internal control system is supplemented by internal audits, regular reviews by the management and well-documented policies. Your Company's independent internal audit system monitors the entire operations and services and its observations and recommendations are reviewed by the management and Audit Committee of the Board, which takes appropriate corrective measures as deemed fit.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

Your Company considers its employees as the most important asset and integral to its growth and competitive position. It promotes a safe and conducive work environment, inclusive growth, equal opportunities and competitiveness and aligns employees' goals with the organisation's growth

vision. It regularly conducts training programmes for the enhancement of skills, capabilities, working speed, and time management skills of the employees. It continues to nurture a culture that values meritocracy and motivates employees by offering performance-based rewards and growth opportunities. Inspired by your Company's values of meritocracy, entrepreneurship, and innovation along with core tenets of open communication, transparency, and agility, its talented employees are always on a quest to take your Company to greater heights. As on 31st March, 2023, your Company's total employee strength stood at 279 including contractors. Further, industry relations remained peaceful and harmonious during the year.

CAUTIONARY STATEMENT

The Management Discussion and Analysis may contain certain statements describing your Company's objectives, plans, goals, projections, and expectations which may be 'forward-looking statements' within the meaning of applicable laws and regulations and are based on informed judgements and estimates. Actual results may differ materially from those expressed or implied. These forward-looking statements are subject to certain risks and uncertainties, including but limited to, changes in government regulations and policies, economic development, raw material availability and prices, competitive pressures, risks inherent in your Company's growth strategy and other factors that could cause the actual results to differ materially from those either expressed or implied in the forward-looking statements.

Annexure –IV to the Board's Report

Corporate Governance Report

In accordance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

The Corporate Governance standards established (and updated from time to time) by the Board of the Company provide a structure within which directors and the Management can effectively pursue the Company's objectives for the benefit of its stakeholders.

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is an integral part of Company's philosophy. Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing shareholders and stakeholders' value. The Company's philosophy on the 'Code of Governance' is based on compliance of applicable provisions and requires exchange of relevant information and appropriate disclosures to each group of stakeholders, connected with the area of common interest/stake between the Company and the Stakeholder. Apart from complying with the statutory requirements, effective systems and practices towards improving transparency and internal controls have been institutionalized. The Company firmly believes that

corporate governance standards should go beyond the law and must satisfy the spirit of law and not just the letter of the law. This is a way of life at Lehar Footwears Limited and is driven relentlessly across the organization.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The details of 'Lehar Footwear' board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

COMPOSITION OF BOARD OF DIRECTORS

As on March 31, 2023, the Company has Six Directors. Out of the Six Directors, three (i.e., 50 percent) are Non-Executive Directors Independent Directors including woman director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act.

The Board is at the core of our Corporate Governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well - informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

a) Composition of the Board:

As on March 31, 2023, the Composition of Board of Directors is as follows:

COMPOSITION OF BOARD AND DIRECTORSHIP/ COMMITTEE MEMBERSHIPS THERE OF AS ON MARCH 31, 2023

S. No.	Name of Directors	DIN	Category	No. of Directorship(s) held in other Public Limited Companies (including this)*	No. of Committee(s) position held in other Companies (including this)*		Directorship in other listed entity (Category of Directorship)*
					Chairman	Member	
01.	Raj Kumar Agarwal	00127215	Managing Director	1	0	0	0
02.	Pramod Kumar Agarwal	00108167	Executive Director	1	0	0	0
03.	Naresh Kumar Agarwal	00106649	Whole Time Director	2	0	1	0
04.	Sandeep Kumar Jain	01116047	Non-Executive Director	2	3	1	1 (Non-Executive Director)
05.	Preeti Goyal	07109775	Non-Executive Director	1	0	3	0
06.	Saral Sudhir Saraf	08216764	Non-Executive Director	1	0	2	0

* Excludes directorships in (1) Private Limited Companies (2) Section 8 Companies (3) Companies incorporated outside India and (4) Alternate Directorships.

b) Disclosure of Relationships between Directors inter-se:

Sl No.	Name of the Director	Category	Relationship between Directors inter-se*
1.	Raj Kumar Agarwal	Managing Director	Brother of Mr. Pramod Kumar Agarwal and Relative of Mr. Naresh Kumar Agarwal
2.	Pramod Kumar Agarwal ¹	Executive Director	Brother of Mr. Pramod Kumar Agarwal and Relative of Mr. Naresh Kumar Agarwal
3.	Naresh Kumar Agarwal	Whole Time Director	Relative of Mr. Raj Kumar Agarwal and Mr. Pramod Kumar Agarwal
4.	Sandeep Kumar Jain ¹	Non-Executive Director	NA
5.	Preeti Goyal	Non-Executive Director	NA
6.	Saral Sudhir Saraf ¹	Non-Executive Director	NA

* Relative as per Section 2(77) of the Act.

¹ Mr. Pramod Kumar Agarwal (DIN: 00108167) has been appointed as an Executive Director of the Company w.e.f. 29th September, 2022 and Mr. Sandeep Kumar Jain (DIN: 01116047) and Mr. Saral Sudhir Saraf (DIN: 08216764) have been appointed as a non-executive independent director for the term of five years w.e.f. 29th September, 2022.

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

NUMBER OF BOARD MEETING AND ATTENDANCE OF DIRECTORS

During the year under review, Twenty Three Board Meetings were held on April 01, 2022; April 06,2022; May30,2022; July01,2022; August10,2022; August 29,2022; September 07,2022; September 16,2022; October 01,2022; October 12,2022; October 21,2022; November 11,2022; November 12,2022; November 25,2022; December 29,2022; January 09,2023; January 16,2023; January 31,2023; February 23,2023; February 28,2023; March 10,2023; March 22,2023; and March 29,2023 and the time gap between two meetings did not exceed 120 days. All statutory and other important items / information were placed before the Board for approval / review.

DIRECTORS' ATTENDANCE RECORD FOR THE YEAR ENDED MARCH 31, 2023

S. No.	Name of Directors	DIN	Designation of Director	No. of Board Meetings held during the year	No. of Board Meetings entitled to attend	No. of Board Meetings attended	Attended the last AGM held on 29.09.2022
1	Mr. Ramesh Chand Agarwal ¹	00108287	Chairman	23	7	7	NA
2	Mr. Raj Kumar Agarwal	00127215	Managing Director	23	23	23	Yes
3	Mr. Naresh Kumar Agarwal	00106649	Wholetime Director	23	23	23	Yes
4	Mr. Pramod Kumar Agarwal ²	00108167	Executive Director	23	15	15	NA
5	Mr. Radhey Shyam Gemini ³	00108706	Independent Director	23	8	1	No
6	Mrs. Preeti Goyal	07109775	Independent Director	23	23	23	Yes
7	Mr. Sunil Agarwal ³	02587959	Independent Director	23	8	0	No
8	Mr. Sandeep Kumar Jain ²	01116047	Independent Director	23	15	15	NA
9	Mr. Saral Sudhir Saraf ²	08216764	Independent Director	23	15	6	NA

¹Demised w.e.f. 15.09.2022.

²Appointed we.f. 29.09.2022.

³Resigned due to preoccupation w.e.f. 30.09.2022.

The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within the limits as prescribed under the Act and the SEBI Listing Regulations.

The Board is primarily responsible for the overall direction of the Company's activities. All the Directors have a good understanding of important business aspects.

INFORMATION SUPPLIED TO THE BOARD AMONG OTHERS

The day to day business is conducted by the officers and the managers of the Company under the control & supervision of Managing Director / Executive Director of the Company. The Board generally meets every quarter to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. The Board performs the following specific functions in addition to its other functions:

- Review, monitor and approve major financial and business strategies and corporate actions.
- Assess critical risks facing the Company, review options for their mitigation.

- Provide counsel on the selection, evaluation, development and compensation of senior management.

The Board has complete access to all the relevant information of the Company. The quantum and quality of information supplied by the management to the Board goes well beyond the minimum requirement stipulated under Companies Act, 2013, Secretarial Standard on the meetings of the Board issued by Institute of Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Directors may seek necessary clarification from the management on any information provided to them and also have the right to seek external legal advice as may be required for the performance of their duties.

SKILLS/EXPERTISE COMPETENCE OF BOARD OF DIRECTORS

S. No.	Skills / Expertise / Competencies identified by the board of directors as required in the context of the business and sector(s) to function effectively	Status of availability with the Board
1	Understanding of Business/Industry Experience and knowledge of Manufacturing and Recycling associated businesses	P
2	Strategy and strategic planning Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.	P
3	Critical and innovative thoughts The ability to critically analyse the information and develop innovative approaches and solutions to the problems.	P
4	Financial Understanding Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	P
5	Market Understanding Understanding of market scenario related to the business segment in which company is working.	P
6	Risk and compliance oversight Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks.	P

Name of Director	Areas of Expertise					
	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial Understanding	Market Understanding	Risk and compliance oversight
Raj Kumar Agarwal	✓	✓	✓	✓	✓	✓
Pramod Kumar Agarwal	✓	✓	✓	✓	✓	✓
Naresh Kumar Agarwal	✓	✓	✓	✓	✓	✓
Sandeep Kumar Jain	✓	✓	✓	✓	✓	✓
Preeti Goyal	✓	✓	✓	✓	✓	✓
Saral Sudhir Saraf	✓	✓	✓	✓	✓	✓

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code for Independent Directors under Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a separate meeting of the Independent Directors of the Company was held on 10.03.2023 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory. All independent directors were present in the meeting.

FORMAL LETTER OF APPOINTMENT TO THE INDEPENDENT DIRECTORS

Two Independent Directors were appointed during the financial year 2022-23. The Company has issued appointment letters as per provisions of Schedule IV of the Act to the Independent Directors on their appointment containing the detailed terms and conditions of their appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The letter of appointment issued to the Independent Directors has been posted on the Company's website at www.leharfootwear.com.

INDUCTION & TRAINING OF BOARD MEMBERS (FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS)

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2022-23, the Company imparted Familiarization Programme to Independent Directors to familiarize them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, review of investments of the Company, business model of the Company, Prohibition of Insider Trading Regulations, SEBI Listing Regulations, etc. The details of the familiarisation programme are available on the website of the Company.

Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman, Managing Director, CEO & Executive Director on the Company's manufacturing, marketing, finance and other important aspects and information is available at www.leharfootwear.com.

BRIEF NOTE ON THE DIRECTOR SEEKING RE-APPOINTMENT AT THE AGM

As required under Regulation 36(3) of SEBI Listing Regulations, the Company has furnished information relating to the Director retiring by rotation and seeking re-appointment in the Notice convening the 29th AGM.

Shareholders may kindly refer to the same. The names of the companies in which the Director hold directorships and the details of membership of committees of the Board are given separately in the Notice convening the 29th AGM.

EVALUATION OF THE BOARD'S PERFORMANCE

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

COMMITTEE OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and needs a closer review. The Board Committees are formed with approval of the Board and function under their respective defined roles. These Board Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the minutes of the Committee meetings are placed before the Board for its review.

The Board has constituted the following Committees:

A) AUDIT COMMITTEE

Your Company has a duly constituted Audit Committee and its composition meets the requirement of Section 177 of Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The audit Committee of the Company comprised Two Non-Executive Director and One Executive Director and out of them Two are Independent Director and Chairperson of the Committee is Independent Director. All members of the Committee are financially literate and have accounting or related financial management expertise as mandated by Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TERMS OF REFERENCE

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure correct, sufficient and credible financial information.
2. Recommending to the Board appointment, remuneration and terms of appointment of auditors of the listed entity.
3. Approving payment to statutory auditors for any other services rendered by them.

4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgement by the management;
 - iv) Significant adjustments made in financial statements arising out of audit findings;
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions; and
 - vii) Qualifications in draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Monitoring and reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary
11. Evaluation of internal financial controls and risk management systems
12. Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems
13. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
15. Discussion with internal auditors of any significant findings and follow-up thereon
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
18. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
19. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism and Approval of appointment of the CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries
22. Reviewing the following information:
 - i) The Management Discussion and Analysis of financial condition and results of operations;
 - ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - iv) Internal audit reports relating to internal control weaknesses; and
 - v) Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor/internal auditor(s)

The Audit Committee has the following powers:

- I. To investigate any activity within its terms of reference.
- II. To seek information from any employee.
- III. To obtain outside legal or other professional advice.
- IV. To secure attendance of outsiders with relevant expertise, if it considers necessary.

At the invitation of the committee, the Statutory Auditor attended the Audit Committee Meetings to answer and clarify the queries raised at the committee meetings.

COMPOSITION, MEETINGS & ATTENDANCE

As on March 31, 2023, the Audit Committee comprised of 1(One) Executive Director and 2 (two) Non-Executive Independent Directors. The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee attended the last 28th AGM held on September 29, 2022.

The details of the composition, meetings and attendance of the members of the Audit Committee are as follows:

Sl. No.	Name of the Directors	Position	No. of meetings attended	Date of meetings
1	Mr. Sandeep Kumar Jain ¹	Chairperson	3 out of 3	01 st April, 2022
2	Mr. Naresh Kumar Agarwal	Member	6 out of 6	30 th May, 2022
3	Mrs. Preeti Goyal ²	Member/Chairperson	6 out of 6	10 th August, 2022
4	Mr. Sunil Agarwal ³	Member	3 out of 3	12 th November, 2022
				25 th November, 2022
				31 st January, 2023

¹Appointed as Chairperson w.e.f. 01st October, 2022.

²Ceased to be a chairperson w.e.f. 01st October, 2022 and appointed as Member w.e.f. 01st October, 2022.

³Ceased to be a member w.e.f. 30th September, 2022.

B) NOMINATION AND REMUNERATION COMMITTEE

The Company has a duly constituted Nomination & Remuneration Committee, which amongst others is responsible for identifying and recommending persons who are qualified to become directors or appointed as part of senior management of the Company and laying down remuneration policy.

TERMS OF REFERENCE

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

COMPOSITION & MEETING

As on March 31, 2023, the Nomination and Remuneration Committee comprised of 3 (Three) Non-Executive Directors, 3 (three) of whom are Independent Directors. The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Nomination and Remuneration Committee attended the last 28th AGM held on September 29, 2022.

The details of the composition, meetings and attendance of the members of the Nomination and Remuneration Committee are as follows:

Sl. No.	Name of the Directors	Position	No. of meetings attended	Date of meetings
1	Mr. Sandeep Kumar Jain ¹	Chairperson	0 out of 0	01 st April, 2022
2	Mr. Saral Sudhir Saraf ²	Member	0 out of 0	01 st July, 2022
3	Mrs. Preeti Goyal ³	Member/Chairperson	3 out of 3	10th August, 2022
4	Mr. Sunil Agarwal ⁴	Member	3 out of 3	
5	Mr. Radhey Shyam Gemini ⁴	Member	3 out of 3	

¹Appointed as Chairperson w.e.f. 01st October, 2022.

²Appointed as Member w.e.f. 01st October, 2022.

³Ceased to be a chairperson w.e.f. 01st October, 2022 and appointed as Member w.e.f. 01st October, 2022.

⁴Ceased to be a member w.e.f. 30th September, 2022.

PERFORMANCE EVALUATION CRITERIA

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Directors which are as under-

AREAS OF EVALUATION

- Fulfilment of responsibilities as a director as per the Companies Act, 2013, SEBI Listing Regulations, 2015 and applicable Company policies and practices.
- In case of the concerned Director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or Member of the Committees with reference to such status and role.
- Board and/or Committee meetings attended.
- General Meetings attended.

REMUNERATION TO DIRECTORS

- (A) There was no pecuniary relationship or transaction between the Non-Executive Directors and the company during the financial year 2022-23.
- (B) The Non-executive Directors does not have any other material pecuniary relationship or transactions with the Company during the year. Company does not pay any Remuneration to the Non-Executive Directors

- (i) The Non-executive Directors did not have any other material pecuniary relationship or transactions with the Company during the year.
- (ii) No Remunerations was paid to the Non-Executive Directors during the FY2023.
- (iii) Sitting fees were paid to the Non-Executive Directors for attending Board Meetings or Committee Meetings during the FY2023: -
Mr. Sandeep Kumar Jain- ₹ 60,000
- (iv) No commission has been paid to any Director.
- (v) Severance Fees: NIL
- (vi) Number of Equity Shares held by Non-Executive Directors: NIL
- (vii) An Independent Director shall not be entitled to any stock option of the Company.
- (viii) The appointment is subject to termination by giving one month notice in writing on either side.

- (C) Details of the remuneration paid to Directors for the year ended on March, 31 2023

The details of the remuneration paid during the year 2022-23 to the Managing/Executive Director(s) are as follows:

DIRECTORS' REMUNERATION FOR THE YEAR ENDED MARCH 31, 2023

Name of Director	Relationship with directors	Business Relationship with the company	Remuneration paid during 2022-23 (Amount In lakh)			
			All element of remuneration package i.e. salary, benefit, bonuses, pensions etc.	Fixed components and performance linked incentives along with performance criteria	Service contract, Notice Period, severance fee	Stock options details, if any
Mr. Ramesh Chand Agarwal ¹	Relative of Raj Kumar Agarwal & Naresh Kumar Agarwal	Chairman	13.76	-	-	-
Mr. Raj Kumar Agarwal	Relative of Ramesh Chand Agarwal & Naresh Kumar Agarwal	Managing Director	27.97	-	-	-
Mr. Pramod Kumar Agarwal ²	Relative of Raj Kumar Agarwal & Naresh Kumar Agarwal	Executive Director	24.28	-	-	-
Mr. Naresh Kumar Agarwal	Relative of Ramesh Chand Agarwal & Raj Kumar Agarwal	Whole Time/ Executive Director	27.97	-	-	-

¹Demise on 15.09.2022.

²Appointed w.e.f. 29.09.2022.

- The appointment is subject to termination by giving one month notice in writing on either side.
- The Company does not have at present any scheme for grant of Stock Options to its Directors or Employees.

C) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is responsible amongst others to resolve the grievances of the security holders of the Company. In addition, the Committee approves matters pertaining to allotment/ rematerialisation / transfer of shares etc. as and when required.

COMPOSITION & MEETING.

As on March 31, 2023, the Stakeholders' Relationship Committee comprised of 3 (Three) Non-Executive Directors, 3 (three) of whom are Independent Directors. The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Stakeholders' Relationship Committee attended the last 28th AGM held on September 29, 2022.

The details of the composition, meetings and attendance of the members of the Stakeholders' Relationship Committee are as follows:

Sl. No.	Name of the Directors	Position	No. of meetings attended	Date of meetings
1	Mr. Sandeep Kumar Jain ¹	Chairperson	1 out of 1	10 th March, 2023
2	Mr. Saral Sudhir Saraf ²	Member	1 out of 1	
3	Mrs. Preeti Goyal ³	Member/Chairperson	1 out of 1	
4	Mr. Sunil Agarwal ⁴	Member	0 out of 0	
5	Mr. Radhey Shyam Gemini ⁴	Member	0 out of 0	

¹Appointed as Chairperson w.e.f. 01st October, 2022.

²Appointed as Member w.e.f. 01st October, 2022.

³Ceased to be a chairperson w.e.f. 01st October, 2022 and appointed as Member w.e.f. 01st October, 2022.

⁴Ceased to be a member w.e.f. 30th September, 2022.

The Board has appointed Ms. Madhuri Sain company secretary, as the compliance officer of the company w.e.f. 01.04.2022 and resigned from the post w.e.f. 30.06.2022 after that Ms. Ritika Poddar appointed as Compliance Officer of the Company w.e.f. 01.07.2022.

All the appointment made by the company are as required under the SEBI Listing Regulations.

QUERIES AND COMPLAINTS RECEIVED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2023

Nature of Query/ Complaint	No. of Queries/ Complaints		
	Received	Attended	Pending
Received from security holders for non- receipt of balance sheet/ dividends/shares in demat suspense account etc	Nil	Nil	Nil
Received from regulatory bodies such as Ministry of Corporate Affairs, Securities and Exchange Board of India and Stock Exchanges	Nil	Nil	Nil

D) RISK MANAGEMENT COMMITTEE

The Board of Directors has framed a Risk Management Policy for identification, assessment, monitoring, mitigation and reporting of risks and minimization procedures. The provision of the formation of Risk Management Committee is applicable only to 1000 listed companies by market capitalization.

GENERAL BODY MEETINGS

Details of Annual General Meetings held during last three years, are as follows:

LOCATION AND TIME OF ANNUAL GENERAL MEETINGS

Financial Year	Venue	Date	Time	Special Resolution Passed for
2021-22	A-243 A Road No 6, V. K. I. Area, Jaipur- 302013 RJ.	September 29, 2022	10.30 A.M	<ol style="list-style-type: none"> Increase in authorized share capital and alternation in Clause No. V of the Memorandum of Association of the company. Appointment of Mr. Sandeep Kumar Jain (DIN: 01116047) as an Independent Directors of the Company. Appointment of Mr. Saral Sudhir Saraf (DIN: 08216764) as an Independent Directors of the Company.

Financial Year	Venue	Date	Time	Special Resolution Passed for
2020-21	A-243 A Road No 6, V. K. I. Area, Jaipur- 302013 RJ.	September 28, 2021	10.30 A.M	1. Re-Appointment of Mr. Raj Kumar Agarwal as Managing Director of The Company 2. Revision of Remuneration Payable to Executive Directors
2019-20	A-243 A Road No 6, V. K. I. Area, Jaipur- 302013 RJ.	December 30, 2020	10.30 A.M	1. Re-appointment of Mrs. Preeti Goyal as an Independent Director of the company.

No special resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

EXTRAORDINARY GENERAL MEETING

The company has held Extraordinary General Meeting during the F.Y. 2022-23. Details of EGM:

LOCATION AND TIME OF EXTRAORDINARY GENERAL MEETINGS

Financial Year	Venue	Date	Time	Special Resolution Passed for
2022-23	A-243 A Road No 6, V. K. I. Area, Jaipur- 302013 RJ.	October 12, 2022	03:00 P.M.	Consider and approve issuance of Warrants convertible into Equity Shares on Preferential Basis.

POSTAL BALLOT

During the year pursuant the provision of the section 110 of the company's act, 2013, read with Companies (Management and Administration) Rules, 2014, no resolution has been passed through Postal Ballot in the Company.

MEANS OF COMMUNICATION

The Company interacts with its investors through multiple forms of corporate and financial communications such as annual reports, result announcements. Quarterly results are usually published in English and Hindi daily newspapers, viz., Financial Express, Nafa Nuksaan and Business Remedies. These results are also made available on the website of the Company www. leharfootwear.com and also posted at the online portal of BSE. No presentation has been made to Institutional Investors / Analysts by the Company. The Management Discussion and Analysis (MD&A) forms part of the Annual Report.

GENERAL SHAREHOLDERS INFORMATION

29 th Annual General Meeting Day, Date and Time	Wednesday, September 27, 2023 at 10.30 A.M.
Venue	A-243 (A) Road No: 6 V.K.I. Area, Jaipur 302013
Financial Year	The Financial Year of the Company starts from April 1 of every year to March 31 of the next year
Book Closure	Thursday, September 21, 2023 to Wednesday, September 27, 2023
Dividend Payment date	The Company will remit the dividend within a period of 30 days from the date of declaration and the required funds will be transferred to the Dividend Account within 5 days from the date of the AGM.
Listing on Stock Exchange(s)	BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001.
Stock Code (BSE)	532829
ISIN No.	INE976H01018
Depository Connectivity	NSDL and CDSL
Annual Listing Fees and Custodial Fees	The listing fees and custodial fees for the FY2024 have been paid by the Company within the stipulated time.
Registrar and share Transfer Agent	Bigshare Services Pvt. Ltd. Registered Office-E-3 Ansa Industrial, Estatesaki Vihar Road Sakinaka Mumbai -400072 MH Corporate Office- Office No S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093

DIVIDEND REMITTANCE

Dividend on equity shares as recommended by the Board for the year ended 31st March 2023, when declared at the ensuing 29th AGM will be paid:

i) in respect of shares held in electronic form, to those persons whose names appear as beneficial owners in the statement(s) furnished by the Depositories as on the close of the market day prior to start of book closure and

ii) in respect of shares held in physical form, to those Shareholders whose names appear on the Company's register of members lodged with the Company before the start of date of book closure.

Members may please note that the dividend warrants shall be payable at par at the designated branches of the bank for an initial period of three months. The Members are therefore advised to encash dividend warrants within the initial validity period of three months. After expiry of initial validity period, bank draft will be issued against cancellation of warrants upon request of the shareholders, if any.

DISCLOSURES

1. There were no transactions of material nature with related parties during the year that had potential conflict with the interest of the Company at large.
2. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

Company has complied with the requirements of the Stock Exchange(s)/SEBI and statutory authorities on all matters related to capital markets. There were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI or any statutory authority in any matter related to capital markets except the following:

Action Taken by	Details of violation during financial year 2020-21	Details of action taken e.g., fines, warning letter, debarment, etc.
BSE Limited (BSE)	Pursuant to Regulation 23(9) of SEBI Listing Regulations, the Disclosure of Related Party Transactions for Half Year Ended 30.09.2020 and same was submitted by the Company on 19 th January, 2021.	Fine was imposed by BSE. The Company paid the fine on 26 th February, 2021.

3. The Company has adopted Vigil Mechanism and Whistle Blower Policy and the same is uploaded on the website of the Company at www.leharfootwear.com. All the personnel of the Company have the access to the Audit Committee.
4. The Company has framed Related Party Transaction Policy and available on the website of the Company www.leharfootwear.com.
5. During the financial year ended March 31, 2023 the company did not engage in commodity hedging activities.
6. The Company is in compliance with corporate governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. Proceeds from Public Issues, Rights Issue, Preferential Issues, Qualified Institutional Placement etc: The Company has not raised any money through issue of Securities by means of Public Issue,

Rights Issue, Qualified Institutions Placement etc. during the financial year ended 31st March 2023.

Pursuant to the approval of the Board at its meeting held on 16th September, 2022 and approval of the members of the Company at their Extra-Ordinary General Meeting ('EGM') held on 12th October, 2022, upon receipt of 25% of the issue price per warrant (i.e., ₹ 13 per warrant) as upfront payment ("Warrant Subscription Price"), the Company, on 11th November, 2022 has allotted 40,00,000 (Forty Lakh) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, at a price of ₹ 52 each payable in cash ("Warrant Issue Price"). Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of ₹ 10 (Rupee Ten only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹ 39 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

Subsequently the Company on 23rd February 2023, 10th March, 2023 and 29th March, 2023 upon receipt of balance 75% of the issue price (i.e., ₹ 39 per warrant) for 19,86,000 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

For the remaining 20,14,000 warrants, the respective allottees have not yet exercised their option for

conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the EGM dated 12th October, 2022.

8. Certificate from a Company Secretary in Practice confirming that the directors are not debarred or disqualified by SEBI/MCA or any statutory authority is published as an **Annexure-I** to this Report.
9. All the recommendations of the committees are accepted by the Board.
10. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The details of utilization of funds are given hereunder:

Particulars	Amount in Lakhs
Funds raised through allotment of 40,00,000 warrants on 11 th November, 2022 (A)	520.00
Funds raised through allotment of 5,30,000 fully paid-up equity shares against conversion of equal number of warrants on 23 rd February, 2023 (B)	206.70
Funds raised through allotment of 7,45,000 fully paid-up equity shares against conversion of equal number of warrants on 10 th March, 2023 (C)	290.55
Funds raised through allotment of 7,11,000 fully paid-up equity shares against conversion of equal number of warrants on 29 th March, 2023 (D)	277.29
Total Funds raised till 31 March 2023 (A+B+C+D)	1294.54
Funds utilized during the year ended 31 March 2023	1294.54

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the EGM dated 12th October, 2022.

11. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the Financial Year	Nil
Number of complaints disposed of during the Financial Year	Nil
Number of complaints pending as on end of the Financial Year	Nil

COMPLIANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Discretionary Requirements

A. The Board

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

B. Shareholder Rights

Yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

C. Modified opinion(s) in audit report

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.

D. Separate posts of chairperson and chief executive officer

The post of the Chairman of the Company and the CEO are held by different persons.

E. Reporting of internal auditor

The Chief Internal Auditor of the Company attends the meeting of the Audit Committee on regular basis. Internal audit findings are reported directly to the Audit Committee.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day-to-day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

A declaration signed by the Chief Executive Officer to this effect is enclosed at the end of this Report as **Annexure II**. The Code of Conduct for the Independent Directors is in line with the provisions of Section 149(8) and Schedule IV of the Act and contains brief guidance for professional conduct by the Independent Directors.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year-1/400
- (b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year- Nil
- (c) Number of shareholders to whom shares were transferred from suspense account during the year- Nil
- (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year-1/400
- (e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

MARKET PRICE DATA (BSE)*

Details of high and low price and the number of shares traded during each month in the last financial year on BSE Limited are as under:

Month	Volume (Nos.)	High Price	Low Price
Apr-22	3,55,975	47.50	33.85
May-22	1,12,814	43.50	34.10
Jun-22	90,846	40.00	33.00
Jul-22	2,17,090	48.75	37.00
Aug-22	7,18,037	66.30	42.00
Sep-22	17,67,519	83.95	44.10
Oct-22	14,18,179	108.45	79.50
Nov-22	7,42,904	112.15	88.00
Dec-22	3,14,777	94.75	80.30
Jan-23	1,74,005	95.50	78.45
Feb-23	1,96,566	91.50	70.70
Mar-23	1,14,938	83.00	70.00

*Source: www.bseindia.com

SHAREHOLDING PATTERN AS ON MARCH 31, 2023

Particulars	No. of Shares held	% of shareholding
Promoters	1,10,93,625	70.82
Financial Institutions, Banks and Mutual Funds	-	-
Trusts / Clearing Members	10,985	0.07
Corporate Bodies other than promoters	9,06,126	5.78
Indian Public	36,07,988	23.03
NRI's / OCBs	45,675	0.29
Unclaimed or Suspense or Escrow Account	400	0.00
Total	1,56,64,799	100.00

INVESTORS' SERVICE AND SHARE TRANSFER SYSTEM

Bigshare Services Pvt. Ltd. is the registrar and transfer agent of the Company. All share transfers and related operations are conducted by registrar and transfer agent of the Company, which is registered with Securities and Exchange Board of India. The Company has a Stakeholders' Relationship Committee for redressing the complaints/queries of shareholders and investors.

SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, RTA is not accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation. However, members are not barred from holding shares in physical form.

Transfers in electronic form are much simpler and quicker as the transfers directly processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, a Practising Company Secretary shall carry out a Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

DISTRIBUTION OF SHAREHOLDING (IN RUPEES) AS ON MARCH 31, 2023

Shareholding of Nominal (₹)	Number of shareholders	% of Total Holders	Total Holding	% of Total
001-500	3708	81.48	506039	3.23
501-1000	343	7.54	285574	1.82
1001-2000	227	4.99	320034	2.04
2001-3000	70	1.54	179061	1.14
3001-4000	30	0.66	107728	0.69
4001-5000	32	0.70	150644	0.96
5001-10000	45	0.99	340468	2.17
10001 & above	96	2.11	13775251	87.94
	4551	100.00	15664799	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are currently traded only in dematerialized form at The Bombay Stock Exchange Limited to facilitate trading in dematerialised form, the Company has tied up arrangements with both the present depositories viz. National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). Shareholders can open Demat Account with any Depository participant registered with any of these depositories. As on March 31, 2023 about 99.99% of the Company's shares were held in dematerialized form.

OUTSTANDING GDRS /ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS OUTSTANDING WARRANTS

The Company, on 11th November, 2022 has allotted 40,00,000 (Forty Lakh) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, at a price of ₹ 13/- each payable in cash ("Warrant Issue Price"). Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of ₹ (Rupee Ten only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹ 39.0/-per warrant ("Warrant Exercise Price"), being 75%

of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants. Subsequently the Company on 23rd February, 2023, 10th March, 2023 and 29th March, 2023, upon receipt of balance 75% of the issue price (i.e., 39/- per warrant) for 19,86,000 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder. 20,14,000 warrants outstanding as on as on 31st March 2023 for which the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

The Company has not issued any American depository receipts or global depository receipts.

CERTIFICATION OF CORPORATE GOVERNANCE REPORT

Certificate from Practising Company Secretaries on Corporate Governance, as required by Regulation 34 of SEBI (LODR), Regulations, 2015, is annexed to this report as **Annexure III**.

CEO / CFO CERTIFICATION

The Certificate required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015, duly signed by the Chief Executive Officer and Chief Financial Officer of the Company

was placed before the Board of Directors of the Company at its Meeting held on 01.09.2023. The Certificate is annexed to this report as **Annexure IV**.

FEES TO STATUTORY AUDITOR

Total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was ₹ 8.78 lakhs /- plus taxes for the year under review.

PLANT LOCATION

The Company has the following manufacturing and operating divisions

UNIT1.	A-243 (A), Road No. 6, V. K. I. Area, Jaipur – 302013
UNIT2.	G-685, Road No. 9F2, V. K. I. Area, Jaipur – 302013
UNIT3.	F-263, Road No.13, V. K. I. Area, Jaipur – 302013
UNIT4.	SP-41D, Kaladera Industrial Area, Tehsil Chomu, District Jaipur
UNIT5.	A 85 A, Road No. 9, VKI Area, Jaipur, Rajasthan, 302013

ADDRESS FOR CORRESPONDENCE FOR SHARE TRANSFER AND RELATED MATTERS

For any assistance regarding dematerialization of Shares, Transfer / Transmission of shares, change of address or any other query relating to shares, the investors may please contact with the Registrar & Share Transfer Agent of the Company at the following address:

BIG SHARE SERVICES PVT LTD

Registered Office-E-3 Ansa Industrial, Estatesaki Vihar Road Sakinaka, Mumbai -400072 MH
Corporate Office- Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093
Ph.91-22-4043 0200 Fax No: 91-22-2847 5207
E-mail: investor@bigshareonline.com

For any other query the investors may please contact to:

Company Secretary & Compliance Officer
Lehar Footwears Limited
Registered Office:- A-243(A) Road No.6 V.K.I. Area, Jaipur - 302013 (Rajasthan)
Tel No: 91-141-415 7777
E-mail: csc@leharfootwear.com

By the order of the Board
For **Lehar Footwears Limited**

Raj Kumar Agarwal
Managing Director
Din: 00127215

Naresh Kumar Agarwal
Whole Time Director
Din: 00106649

Date: 01.09.2023
Place: Jaipur

Annexure I of the Corporate Governance Report**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
Members

Lehar Footwears Limited

A-243 (A) Road No.6 , V.K.I. Area Jaipur Rajasthan 302013

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lehar Footwears Limited having CIN: L19201RJ1994PLC008196 and having registered office at A-243 (A) Road No.6 , V.K.I. Area Jaipur Rajasthan 302013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. NO.	Name of Director	DIN	Date of appointment in Company
1.	NARESH KUMAR AGARWAL	00106649	31/03/1994
2.	RAJ KUMAR AGARWAL	00127215	31/03/1994
3.	PREETI GOYAL	07109775	26/03/2015
4.	PRAMOD KUMAR AGARWAL	00108167	29/09/2022
5.	SANDEEP KUMAR JAIN	01116047	29/09/2022
6.	SARAL SUDHIR SARAF	08216764	29/09/2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Jaipur
Date: 29.06.2023

CS Gaurav Goyal
Practicing Company Secretary
ACS 54582 C.P. No.22052
Peer Review No. 2799/2022
UDIN: A054582E000521611

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members of
Lehar Footwears Limited

Dear Sir/Madam,

Sub: Declaration by the Chief Executive Officer under Regulation 34(3) read with Schedule V (D) of SEBI (LODR) Regulations, 2015

I, Mr. Sanjay Kumar Agarwal, Chief Executive Officer of the Company do and hereby acknowledge and confirm that during the financial year 2022-23, to the best of my knowledge and belief, the Board of Directors and senior management have not violated any of the provisions of the Code of Conduct as applicable to the Executive Directors and Members of Senior Management of the Company or any policies or legal/ regulatory requirement of the Company, directly or indirectly applicable to the job or responsibility.

By the order of the Board
for **Lehar Footwears Limited**

Sanjay Kumar Agarwal
Chief Executive Officer

Place: Jaipur
Date: 01.09.2023

Annexure III of the Corporate Governance Report**CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

To
Members
Lehar Footwears Limited
A-243 (A) Road No.6 , V.K.I. Area Jaipur Rajasthan 302013

1. Gaurav Goyal, Company Secretary in Practice, the Secretarial Auditor of Lehar Footwears Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time(the "Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

AUDITOR'S RESPONSIBILITY

3. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. I have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India ("ICSI").

OPINION

6. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March 2023.
7. I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTION ON USE

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Jaipur
Date: 29.06.2023

CS Gaurav Goyal
Practicing Company Secretary
ACS 54582 C.P. No.22052
Peer Review No. 2799/2022
UDIN: A054582E000521611

CEO / CFO CERTIFICATION

To
The Board of Directors
Lehar Footwears Limited

We, Sanjay Kumar Agarwal, Chief Executive Officer and Rakesh Kumar Soni, Chief Financial Officer of Lehar Footwears Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed Financial Statements and Cash Flow Statements for the Financial Year ended March 31, 2023.
2. To the best of our knowledge and information:
 - i. These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to auditors and the audit committee:
 - a. Significant Changes in internal control over financial reporting during the year, if any.
 - b. Significant changes in accounting policies during the year, if any and same have been disclosed in the notes to the financial statements.
 - c. Any instances of significant fraud of which we are aware, that involve the management or other employees who have a significant role in the company's internal control system.
6. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.
7. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

for **Lehar Footwears Limited**

Sanjay Kumar Agarwal
Chief Executive Officer

Rakesh Kumar Soni
Chief Financial Officer

Place: Jaipur
Date: 01.09.2023

Independent Auditor's Report

To
The Members of
Lehar Footwears Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the Standalone Financial Statements of **Lehar Footwears Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financials Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under

those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTERS

The standalone financial statements of the Company for the year ended 31st March, 2022 were audited by the predecessor auditor, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 30th May 2022.

Our Opinion is not modified in respect of above matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Revenue recognition	
Revenue is one of the key profit drivers. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, around dispatches / deliveries, inventory reconciliations and substantive testing for cut-offs and analytical review procedures.
Discounts and Incentives:	
Discounts and incentives to dealers / customers are administered through various schemes including incentives. These are material items of business cost. The calculation of the amount of expense to be recognized is both voluminous, complex and involves significant judgement. There is a risk that such expense for discounts and incentives may be inaccurately recognized.	Our audit procedures included assessment of the design and implementation of controls, in addition to testing the effectiveness of key controls in respect of recognition of the expenses for such discounts and incentives. We have considered each significant type of discount recognized and assessed the appropriateness of the judgement applied while recognizing the expenses including the methodology and inputs used in calculating the amount and in some cases, re-performed the calculation. Our audit procedures also included verification of appropriate authorization, analytical review and actual charge for the year and review of historical trends in respect

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this audit report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained

up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure I** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we

report that:

- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to adequacy of Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure II**. Our report expresses an Unmodified Opinion on the adequacy and operating effectiveness of the company internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 38 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that Refer Note No. 42.5 to the financial statements, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any

- other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The management has represented Refer Note No. 42.5 to the financial statements, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (A) and (B) above contain any material misstatement.
- v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1st, 2023 to the Company, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **A. Bafna & Co.**
Chartered Accountants
FRN : 003660C

(CA Vivek Gupta)
Partner
M.No. 400543
UDIN : 23400543BGSOTW6621

Date: 23rd May 2023
Place: Jaipur

Annexure I to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the **Lehar Footwears Limited** on the standalone financial statements for the year ended 31st March, 2023, we report that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of Intangible assets.
 - b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, Plant & Equipment are verified at least once in three year. Pursuant to this program, Property, Plant and Equipment were physically verified by the Management during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanation given to us and on the basis of our examination of records of the company, the title deed of the immovable properties (Other than properties where the company is a lessee & the lease agreement is dully executed in favour of the lessee) disclosed in the financial statements are held in the name of the company as at the balance sheet date.
 - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency together with coverage & procedure of verification are reasonable, further the management has not found discrepancies of more than 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanation given to us and on the basis of our examination of records of the company, the company has been sanctioned working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such bank or financial institutions are generally in agreement with the books of accounts of the company and no material deviations were observed.
3. The Company has not made investment in any other company during the year and has not provided or stood guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other parties and hence reporting under Para (iii) of the Order is not applicable:
4. In our opinion and according to the information and explanations given to us , the company has complied with the provisions of section 185 and 186 of the Companies Act , 2013 in respect of loans , investments , guarantees , and securities.
5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
6. According to the information & explanation given to us , maintenance of Cost records is not mandatory for the company hence this clause is not applicable.
7. In respect of statutory dues:
 - a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they become payable.

- b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2023 on account of disputes.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.
- (b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the company examined by us and as per the information and explanations given to us, term loans availed by the company have been used for the purpose for which they were raised.
- (d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.
10. (a) The Company has not raised money(s) by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, however it has issued warrants convertible into Equity shares on a preferential basis and the requirements of the Companies Act, 2013 in this regard have been complied with and the funds raised have been used for the purposes for which the funds were raised.
11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) According to information & explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934
- (b) According to information & explanation given to the company has not conducted any NBFC business during the year, hence, reporting under clause 3(xvi)(b) of the Order is not applicable.

- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The group does not have more than one CIC.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state
- that our reporting is based on the facts up to the date of the audit report and we neither, give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. According to information and explanation given to us and based on our examination of the records of the company, the provisions of Section 135 related to Corporate Social Responsibility (CSR) are not applicable to the company hence clause 3 (xx) (a) and 3 (xx)(b) of the order are not applicable.
21. The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **A. Bafna & Co.**
Chartered Accountants
FRN : 003660C

(CA Vivek Gupta)
Partner
M.No. 400543
UDIN : 23400543BGSOTW6621

Date: 23rd May 2023
Place: Jaipur

Annexure II to the Independent Auditors' Report

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Lehar Footwears Limited (hereinafter referred to as "the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial

control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial

Reporting issued by the Institute of Chartered Accountants of India.

For **A. Bafna & Co.**
Chartered Accountants
FRN : 003660C

(CA Vivek Gupta)
Partner
M.No. 400543
UDIN : 23400543BGSOTW6621

Date: 23rd May 2023
Place: Jaipur

Balance Sheet

as at 31st March 2023

(₹ in Lakhs)

S. No.	Particulars	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
I. ASSETS				
(1) Non-current assets				
(a)	Property, Plant & Equipment	3	7,238.46	6,749.72
(b)	Capital work-in-progress	4	410.85	10.35
(c)	Intangible Asset	5	0.31	3.06
(d)	Right to Use	6	102.38	19.90
(e)	Financial Assets			
(i)	Other Financial Assets	8	53.30	25.80
(f)	Other non-current assets	9	147.74	118.69
	Total Non-current Asset		7,953.04	6,927.53
(2) Current assets				
(a)	Inventories	10	5,748.06	4,479.47
(b)	Financial Assets			
(i)	Trade Receivable	11	7,517.33	3,995.13
(ii)	Cash and Cash Equivalents	12	146.20	290.31
(iii)	Bank Balances other than above	13	346.39	169.40
(iv)	Loans & Advances	7	3.04	2.60
(v)	Other Financial Asset	8	168.46	108.55
(c)	Other current assets	9	563.37	667.07
	Total Current Asset		14,492.85	9,712.53
	Total Assets		22,445.89	16,640.05
II. EQUITY AND LIABILITIES				
(1) EQUITY				
(a)	Equity Share capital	14	1,566.48	1,367.88
(b)	Other Equity	15	7,319.75	5,736.90
	Total Equity		8,886.23	7,104.78
(2) Non-current liabilities				
(a)	Financial Liabilities			
(i)	Borrowings	16	1,488.18	1,441.16
(ii)	Lease Liabilities	17	69.91	15.54
(b)	Provisions	18	0.02	10.86
(c)	Deferred tax liabilities (Net)	19	845.18	868.48
	Total Non-current Liabilities		2,403.29	2,336.04
(3) Current liabilities				
(a)	Financial Liabilities			
(i)	Borrowings	20	4,960.26	4,312.49
(ii)	Lease Liabilities	17	35.91	8.04
(iii)	Trade Payables			
	Total outstanding dues of Micro Small and Medium Enterprises	21	194.78	95.08
	Total outstanding dues of other than Micro Small and Medium Enterprises	21	5,226.50	2,402.83
(iv)	Other Financial Liabilities	22	225.62	89.54
(b)	Provisions	18	203.46	159.80
(c)	Other current liabilities	23	309.84	131.45
	Total Current Liabilities		11,156.37	7,199.23
	Total Liabilities		13,559.66	9,535.27
	Total Equity and Liabilities		22,445.89	16,640.05
Notes forming part of Financial Statements		1 to 45		

As per our Report of even date
For A.Bafna & Company
 Chartered Accountants
 FRN: 003660C

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

(CA Vivek Gupta)
 Partner
 M.No. 400543

Raj Kumar Agarwal
 (Managing Director)
 DIN: 00127215

Naresh Kumar Agarwal
 (Executive Director)
 DIN: 00106649

Date: 23rd May 2023
 Place: Jaipur

Sanjay Agarwal
 (CEO)

Rakesh Kumar Soni
 (CFO)

Ritika Poddar
 (Company Secretary)

Statement of Profit & Loss

for the year ended on 31st March 2023

(₹ in Lakhs)

S. No.	Particulars	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
I.	Revenue from operations	24	20,216.41	13,747.14
II.	Other income	25	114.46	134.89
III.	Total Revenue (I + II)		20,330.87	13,882.03
IV.	Expenses:			
	Cost of Materials Consumed	26	10,325.12	8,354.68
	Purchases of Stock-in-Trade		4,925.40	2,154.71
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(596.29)	(889.84)
	Employee Benefits Expense	28	953.50	805.57
	Finance costs	29	502.74	389.15
	Depreciation and amortization expense	30	346.12	330.08
	Other expenses	31	3,221.84	2,371.75
	Total expenses		19,678.43	13,516.10
V.	Profit before exceptional items and tax (III-IV)		652.44	365.93
VI.	Exceptional items		-	-
VII.	Profit before tax (V- VI)		652.44	365.93
VIII.	Tax expense:			
	(1) Current tax	32	164.28	131.65
	(2) Deferred tax	32	(24.83)	(16.27)
	Total Tax Expenses		139.45	115.38
IX	Profit (Loss) for the period		512.99	250.55
	Other Comprehensive Income			
(a)	(i) Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of Defined Employee Benefit Plans		5.85	15.35
	Revaluation of Land		-	1,165.49
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		(1.54)	(262.67)
(b)	(i) Items that will be reclassified subsequently to profit or loss			-
	(ii) income tax relating to items that will be reclassified subsequently to profit or loss			-
	Total Other Comprehensive income		4.31	918.18
	Total Comprehensive Income for the year		517.30	1,168.72
X	Earnings per equity share:			
	(1) Basic	33	3.72	1.83
	(2) Diluted	33	3.72	1.83
	Notes forming part of Financial Statements	1 & 45		

As per our Report of even date
For A.Bafna & Company
Chartered Accountants
FRN: 003660C

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

(CA Vivek Gupta)
Partner
M.No. 400543

Raj Kumar Agarwal
(Managing Director)
DIN: 00127215

Naresh Kumar Agarwal
(Executive Director)
DIN: 00106649

Date: 23rd May 2023
Place: Jaipur

Sanjay Agarwal
(CEO)

Rakesh Kumar Soni
(CFO)

Ritika Poddar
(Company Secretary)

Cash Flow Statement

for the year ended 31st March 2023

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. Cash flow from Operating Activities		
Profit before income tax	652.44	365.93
Adjustment for		
Depreciation and amortisation expenses	346.12	330.08
Finance Costs	502.74	389.15
Adjustment on Sale / Discard of Asset	(11.04)	(10.61)
IDLS Subsidy Income	(30.39)	(36.14)
Actuarial Gain/Loss	5.85	12.89
Interest Income	(11.88)	(5.62)
Change in operating assets and liabilities		
(Increase)/Decrease in inventories	(1,268.59)	(1,032.98)
(Increase)/Decrease in trade receivables	(3,522.20)	(580.25)
(Increase)/Decrease in financial assets	(87.86)	(73.45)
(Increase)/Decrease in current assets	103.70	172.19
Increase/(Decrease) Provisions	(11.65)	(14.94)
Increase/(Decrease) other current liabilities	3,237.84	(1,198.28)
Cash generated from operations	(94.92)	(1,682.03)
Income Tax paid	(119.82)	(39.38)
Net cash flow from operating activities	(214.74)	(1,721.43)
B. Cash flow from Investing Activities		
Purchase for property, plant and equipments	(1,230.24)	(286.20)
Sale of Property , Plant and Equipements	20.05	12.66
Advance Paid for Capital Goods	(29.05)	102.15
Change in other bank balance and cash not available for immediate use	(176.99)	(72.94)
Interest Income	11.88	5.62
Net cash flow from investing activities	(1,404.35)	(238.71)
C. Cash flow from financing activities		
Proceeds realised from issue of shares and share warrents	1,294.54	-
Increase in Short Term Borrowings	607.36	2,480.68
Increase in Long Term Borrowings	87.43	132.08
Finance Costs	(500.13)	(386.56)
Interest Liability on Lease	(2.61)	(2.58)
Payment of Principal portion of Lease Liability	(11.60)	(6.87)
Net cash flow from financing activities	1,474.99	2,216.75
Net increase / (decrease) in cash and cash equivalents	(144.11)	256.60
Cash and cash equivalents at the beginning of the year	290.31	33.71
Cash and cash equivalents at the end of the year	146.20	290.31

As per our Report of even date
For A.Bafna & Company
 Chartered Accountants
 FRN: 003660C

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

(CA Vivek Gupta)
 Partner
 M.No. 400543

Raj Kumar Agarwal
 (Managing Director)
 DIN: 00127215

Naresh Kumar Agarwal
 (Executive Director)
 DIN: 00106649

Date: 23rd May 2023
 Place: Jaipur

Sanjay Agarwal
 (CEO)

Rakesh Kumar Soni
 (CFO)

Ritika Poddar
 (Company Secretary)

Statement of Changes in Equity

for the year ended 31st March 2023

A EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Note	As at	As at
		31 st March, 2023	31 st March, 2022
Balance as at the Beginning of the Period		1367.88	1367.88
Changes in Equity Share Capital due to Prior Period errors		-	-
Restated Balance as at the beginning of the Period		1367.88	1367.88
Changes in equity share capital during the year	10	198.60	-
Balance as at the end of the Period		1566.48	1367.88

B OTHER EQUITY

(₹ in Lakhs)

Particular	Reserve & Surplus				Items of Other Comprehensive income		Money received against Share Warrants	Total
	Security Premium Reserve	General Reserve	Retained Earning	Deferred Income	Revaluation Surplus	Remeasurement of net defined benefit Plans		
Balance as at 1 April 2021	660.53	100.15	1,905.64	277.45	1,653.21	9.80	-	4,606.78
Changes in accounting policy or prior period errors	-	-	-	-	-	(2.46)	-	(2.46)
Restated balance as the beginning of the period	660.53	100.15	1,905.64	277.45	1,653.21	7.34	-	4,604.32
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	250.55	-	-	-	-	250.55
Revaluation Reserve Created During the Year	-	-	-	-	1,165.49	-	-	1,165.49
Receipt of Capital Subsidy from FDDI	-	-	-	-	-	-	-	-
Deferred Income recognition during the period	-	-	-	(36.14)	-	-	-	(36.14)
Remeasurement of Defined Benefit Plans Made during the year	-	-	-	-	-	15.35	-	15.35
Amount transfer from Deffered Tax Liability to Revaluation Reserve	-	-	-	-	(261.87)	-	-	(261.87)
Amount transfer from Deffered Tax Liability on Remeasurement of Defined Benefit Plans	-	-	-	-	-	(0.80)	-	(0.80)
Balance as at 31st March, 2022	660.53	100.15	2,156.19	241.31	2,556.83	21.89	-	5,736.90

Statement of Changes in Equity

for the year ended 31st March 2023

(₹ in Lakhs)

Particular	Reserve & Surplus				Items of Other Comprehensive income		Money received against Share Warrants	Total
	Security Premium Reserve	General Reserve	Retained Earning	Deferred Income	Revaluation Surplus	Remeasurement of net defined benefit Plans		
Balance as at 1 April 2022	660.53	100.15	2,156.19	241.31	2,556.83	21.89	-	5,736.90
Changes in accounting policy or prior period errors	-	-	22.01	-	-	(22.01)	-	-
Restated balance as the beginning of the period	660.53	100.15	2,178.20	241.31	2,556.83	(0.12)	-	5,736.90
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	512.99	-	-	-	-	512.99
Revaluation Reserve Created During the Year	-	-	-	-	-	-	-	-
Receipt of Capital Subsidy from FDDI	-	-	-	-	-	-	-	-
Deferred Income recognition during the period	-	-	-	(30.39)	-	-	-	(30.39)
Remeasurement of Defined Benefit Plans made during the year	-	-	-	-	-	5.85	-	5.85
Share Premium on Issue of Shares against Share Warrant	834.12	-	-	-	-	-	-	834.12
Money Received Against Share warrant during the year	-	-	-	-	-	-	261.82	261.82
Amount transfer from Deferred Tax Liability to Revaluation Reserve	-	-	-	-	-	-	-	-
Amount transfer from Deferred Tax Liability on Remeasurement of Defined Benefit Plans	-	-	-	-	-	(1.54)	-	(1.54)
Balance as at 31st March, 2023	1,494.65	100.15	2,691.19	210.92	2,556.83	4.19	261.82	7,319.75

As per our Report of even date
For A.Bafna & Company
 Chartered Accountants
 FRN: 003660C

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

(CA Vivek Gupta)
 Partner
 M.No. 400543

Raj Kumar Agarwal
 (Managing Director)
 DIN: 00127215

Naresh Kumar Agarwal
 (Executive Director)
 DIN: 00106649

Date: 23rd May 2023
 Place: Jaipur

Sanjay Agarwal
 (CEO)

Rakesh Kumar Soni
 (CFO)

Ritika Poddar
 (Company Secretary)

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 1 CORPORATE INFORMATION

"Lehar Footwears Limited" (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in manufacturing and selling of a reputed brand "LEHAR" footwear in domestic and overseas market.

The Board of Directors approved the Financial Statements for the year ended 31st March, 2023 and authorised for issue on May 23, 2023.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period and land has been carried at revalued amount, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Functional and Presentation Currency

The financial statements are prepared in Indian ₹ ("INR") which is the Company's presentation currency and the functional currency for its operations. All financial information presented in INR has been rounded to the nearest lakhs with two decimal places unless stated otherwise.

2.3 Use of Estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates,

judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to carrying value of assets and liabilities include useful lives of Property, plant and equipment, impairment of Property, plant and equipment, investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.4 Classification of Assets and Liabilities as Current and Non Current

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 Recognition of Revenue and Expenditure

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Sale of Goods

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method. Interest income is included under the head "Other Income" in statement of profit and loss.

Export Incentive

Duty drawback is recognized on the accrual basis whereas MEIS/Rodtep credit income is recognized on receipt basis.

Expenses

All expenses are charged in statement of profit and loss as and when they are incurred.

2.6 Property, Plant & Equipment

Property, plant and equipment (except land) are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than land) and impairment loss, if any. The Land has been carried at revalued amount and revaluation is carried out at reasonable period.

Depreciation is provided for property, plant and equipment on a straight line method so as to expenses the cost less residual value over their useful lives assets as prescribed in Schedule II of the Companies Act, 2013 except Dies & Moulds. The useful life of Dies & Moulds has been assessed as per the technical assessment of the management. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in progress until construction and installation is completed and the asset is for intended use.

2.7 Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of software licenses which are amortised over license period which equates the

useful life on a straight line basis over the period of its economic useful life.

2.8 Inventory

Inventories consists of Raw Material, Work In Progress, Finished Goods, Stores & Spares and Packing Materials.

Inventories are valued at the lower of cost or net realisable value. Cost is determined on weighted average basis.

Raw materials, Stores & Spares & Packing material: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition on the weighted average basis.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity on a weighted average basis. Cost of finished goods includes other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9 Employee benefits

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Defined Contribution Plan

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

c) Defined Benefit Plan

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

d) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.10 Income Tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.11 Lease

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or where no reliable estimate is possible. Contingent liabilities are not recognised in financial statements but are disclosed in notes.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in financial statements and are disclosed in notes when it is virtually certain that economic benefits will inflow to the Company.

2.13 Foreign Currency Transactions

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting date are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rate at date of initial transactions, are not retranslated.

In respect of forward contracts, the premium or discount on these contracts is recognized as income or expenditure over the period of the contract. Any profit or loss arising on the cancellation or the renewal of such contracts is recognized as income or expense for the year.

2.14 Impairment

Non-financial assets

The carrying amount of non- financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised as an expenses in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix.

2.15 Government Grant

Government grants are recognised when there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants relating to an expense item is recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate are expensed. Government grants relating to asset is recognised as income in equal amounts over the useful life of the asset.

2.16 Earning Per Share (EPS)

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The Company did not have any potentially dilutive securities in any of the years presented.

2.17 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.18 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for the intended use or sale. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. The borrowing costs other

than attributable to qualifying assets are recognised in the profit or loss in the period in which they incurred.

2.19 Financial Instruments

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and loss.

Financial assets

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets

(i) Financial assets carried at amortised cost

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

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

(iii) Financial assets at fair value through profit or loss

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

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

c) Derecognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.20 Insurance Claim

Insurance Claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.21 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The company consider footwear and accessories as its single segment in which company operates.

2.22 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.23 Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates.

The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 3 PROPERTY, PLANT & EQUIPMENTS

Following are the changes in the carrying value of property, plant and equipment for the Year Ended 31st March, 2023

Particulars	Tangible Assets								Total
	Land	Building (Free Hold)	Road	Plant & Machinery	Dies & Moulds and Misc. Fixed Assets	Furniture & Fixtures	Vehicles	Office Equipments	
Gross Carrying value as at April 1, 2022	3,555.71	1,928.41	15.11	1,544.39	1,721.63	24.85	331.99	89.60	9,211.69
Additions during the year	18.41	-	-	611.32	95.26	3.99	93.71	7.05	829.74
Disposals / Deletion during the year	-	-	-	-	6.00	-	60.19	-	66.19
Addition / Deletion due to Revaluation	-	-	-	-	-	-	-	-	-
Gross Carrying value as at 31st March, 2023	3,574.12	1,928.41	15.11	2,155.71	1,810.89	28.84	365.50	96.65	9,975.24
Accumulated depreciation as at April 1, 2022	-	436.97	4.27	561.17	1,171.34	12.43	201.54	74.25	2,461.97
Depreciation	-	71.79	1.43	100.39	123.76	1.89	27.71	5.01	331.99
Accumulated depreciation on deletions	-	-	-	-	-	-	57.19	-	57.19
Accumulated depreciation as at 31st March, 2023	-	508.76	5.70	661.56	1,295.10	14.32	172.07	79.26	2,736.78
Carrying Value as at 31st March, 2023	3,574.12	1,419.65	9.41	1,494.15	515.79	14.52	193.43	17.39	7,238.46
Gross Carrying value as at April 1, 2021	2,390.22	1,899.15	15.11	1,504.52	1,601.63	22.93	287.51	85.89	7,806.96
Additions	-	29.26	-	39.87	120.44	1.92	80.65	3.71	275.85
Disposals / Deletion during the year	-	-	-	-	0.44	-	36.17	-	36.61
Addition / Deletion due to Revaluation	1,165.49	-	-	-	-	-	-	-	1,165.49
Gross Carrying value as at 31st March, 2022	3,555.71	1,928.41	15.11	1,544.39	1,721.63	24.85	331.99	89.60	9,211.69
Accumulated depreciation as at April 1, 2021	-	356.64	2.84	462.86	1,047.06	10.74	214.74	69.61	2,164.49
Depreciation	-	80.33	1.43	98.31	124.49	1.69	21.16	4.64	332.05
Accumulated depreciation on deletions	-	-	-	-	0.21	-	34.36	-	34.57
Accumulated depreciation as at 31st March, 2022	-	436.97	4.27	561.17	1,171.34	12.43	201.54	74.25	2,461.97
Carrying Value as at 31st March, 2022	3,555.71	1,491.44	10.84	983.22	550.29	12.42	130.45	15.35	6,749.72

(a) The revised useful life, as assessed by Management, are in line with those specified in Part C of Schedule II of the Companies Act, 2013 for all classes of assets other than Dies and Moulds. The useful life of Dies and Moulds has been assessed as per the assessment of the management which has 6 years of useful life. Management believes that the assessed useful life of the assets reflect the periods over which these assets are expected to be used.

(b) The company has adopted Revaluation Model for entire class of Land assets and cost model for other class of assets and consequently the value of Land is higher by ₹ 1800 Lakh due to revaluation done is the financial year 2016-17 and ₹ 1165.49 Lakh in financial year 2021-22

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 4 CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	As at 31 st March 2023		As at 31 st March 2022	
	Property, Plant and Equipment	Intangible Asset Under Development	Property, Plant and Equipment	Intangible Asset Under Development
Gross Carrying value as at the beginning of the period	-	10.35	-	-
Additions (Subsequent Expenditure)	397.83	2.68	20.95	10.35
Capitalized during the Year	-	-	20.95	-
Carrying Value as at the end of the period	397.83	13.03	-	10.35

Capital Work-in-progress ageing schedule for the year ended 31st March, 2023 and March 31,2022

(₹ in Lakhs)

Particular	Amount in CWIP for a Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 year	
Property, Plant and Equipment					
March 31,2023					
Projects in Progress	397.83	-	-	-	397.83
Projects Temporarily suspended	-	-	-	-	-
March 31,2022					
Projects in Progress	-	-	-	-	-
Projects Temporarily suspended	-	-	-	-	-

(₹ in Lakhs)

Particular	Amount in CWIP for a Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 year	
Intangible Asset Under Development					
March 31,2023					
Projects in Progress	2.68	10.35	-	-	13.03
Projects Temporarily suspended	-	-	-	-	-
March 31,2022					
Projects in Progress	-	-	-	-	-
Projects Temporarily suspended	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 5 INTANGIBLE ASSET

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
	Software	Software
Gross Carrying value as at the beginning of the period	6.12	6.12
Additions during the year	-	-
Disposals / Deletion during the year	-	-
Gross Carrying value as at the end of the period	6.12	6.12
Accumulated depreciation as at the beginning of the period	3.06	-
Depreciation	2.75	3.06
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at the end of the period	5.81	3.06
Carrying Value as at the end of the period	0.31	3.06

NOTE 6 RIGHT TO USE

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
	Lease Bulding	Lease Bulding
Gross Carrying value as at the beginning of the period	42.28	271.83
Additions during the year	93.84	-
Deletion during the year	-	229.55
Gross Carrying value as at the end of the period	136.12	42.28
Accumulated depreciation as at the beginning of the period	22.38	92.52
Depreciation	11.37	7.46
Accumulated depreciation on deletions	-	77.61
Accumulated depreciation as at the end of the period	33.75	22.38
Carrying Value as at the end of the period	102.38	19.90

NOTE 7 FINANCIAL ASSET: LOANS & ADVANCES

(₹ in Lakhs)

Particulars	Long Term		Long Term	
	As at	As at	As at	As at
	31 st March, 2023	31 st March, 2022	31 st March, 2023	31 st March, 2022
Unsecured considered goods				
Loans to Employees	-	-	3.04	2.60
Total	-	-	3.04	2.60

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 8 FINANCIAL ASSET : OTHER FINANCIAL ASSET

(₹ in Lakhs)

Particulars	Long Term		Long Term	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Security Deposits	53.30	25.80	106.70	42.20
Duty Drawback Receivable	-	-	3.70	3.51
IGST Refundable on Export	-	-	51.98	43.70
Guaranteed Emergency Credit Line Loan Receivable	-	-	0.69	0.92
MEIS Credit Receivable	-	-	0.30	11.68
RODTEP Credit Receivable	-	-	0.01	2.13
Accrued Interest	-	-	5.07	1.87
Insurance Policies for Compensated Absence	-	-	0.01	2.54
Total	53.30	25.80	168.46	108.55

NOTE 9 OTHER ASSET

(₹ in Lakhs)

Particulars	Long Term		Long Term	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
GST Input Tax Credit and Electronic Cash Ledger Balance	-	-	304.53	429.84
Advance to Suppliers & Other Parties	147.74	118.69	158.00	78.71
Advance Income Tax & TDS Receivable	-	-	79.52	119.64
Advance Custom Duty Paid	-	-	-	22.26
Prepaid Expenses	-	-	19.24	14.12
TDS Refundable from Financial Institutions	-	-	2.08	2.50
Total	147.74	118.69	563.37	667.07

NOTE 10 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(Valued at lower of cost and net realizable value)		
Raw materials	1,592.40	895.47
Stock in Transit	-	109.64
Work-in-progress;	1,806.25	1,924.05
Finished goods;	1,886.79	1,318.94
Packing Material	64.38	64.83
Stock-in-trade (in respect of goods acquired for trading)	222.98	76.74
Stores and spares;	175.26	88.74
Diesel/Pet Cock	-	1.06
Total	5,748.06	4,479.47

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 11 TRADE RECEIVABLE

(₹ in Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Unsecured, considered good unless stated otherwise		
Undisputed Trade Receivables	7,471.05	4,040.69
Undisputed Trade Receivables which have significant increase in credit risk	-	-
Undisputed Trade Receivables- Credit Impaired	-	-
Less : Provision for Doubtful Debts	90.14	116.12
Total Undisputed Trade Receivables	7,380.91	3,924.57
Disputed Trade Receivables	159.09	81.43
Disputed Trade Receivables which have significant increase in credit risk	-	-
Disputed Trade Receivables- Credit Impaired	-	-
Less : Provision for Doubtful Debts	22.67	10.87
Total Disputed Trade Receivables	136.42	70.56
Total Trade Receivables	7,517.33	3,995.13
Trade Receivables related to:		
Related Parties	-	3.40
Others	7,630.15	4,118.72
Less : Provision for Doubtful Debts	112.81	126.99
Total	7,517.33	3,995.13

(₹ in Lakhs)

Additional information on Trade Receivable	Outstanding for following periods from due date of payment as on Balance Sheet Date						
	As on 31 st March 2023	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivables	5,184.69	1,738.95	92.45	114.10	74.09	266.77	
Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables	1.61	40.14	6.12	22.55	5.60	83.07	
Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-	-
Total	5,186.30	1,779.09	98.57	136.65	79.69	349.84	
Total Undisputed Trade Receivables							7,471.04
Total Disputed Trade Receivables							159.09
Total Trade Receivables							7,630.14
Less : Provision for Doubtful Debts							112.81
Net Trade Receivable							7,517.33

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

(₹ in Lakhs)

Additional information on Trade Receivable	Outstanding for following periods from due date of payment as on Balance Sheet Date					
	As on 31 st March 2022	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years
Undisputed Trade Receivables	2,065.84	1,021.49	235.66	283.07	231.97	202.66
Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables	16.13	10.87	0.01	1.00	25.89	27.53
Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-
Total	2,081.97	1,032.36	235.67	284.07	257.86	230.19
Total Undisputed Trade Receivables						4,040.69
Total Disputed Trade Receivables						81.43
Total Trade Receivables						4,122.12
Less : Provision for Doubtful Debts						126.99
Net Trade Receivable						3,995.13

NOTE 12 CASH & CASH EQUIVALENT

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Cash and Cash Equivalents		
Balances with banks	118.39	264.59
Cash on Hand	27.81	25.72
Total	146.20	290.31

NOTE 13 BANK BALANCES OTHER THAN ABOVE

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
As margin money / under lien	346.39	169.40
In term Deposit with original maturity more than 3 months but less than 12 months	-	-
Total	346.39	169.40

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 14 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at	
	31 st March, 2023	31 st March, 2022
Authorised		
20000000 Equity Shares of ₹ 10 each (Previous year 15000000 Equity Shares of ₹ 10 each)	2,000.00	1,500.00
Issued, Subscribed & Paid-up		
(1,56,64,799 Equity Shares of ₹ 10/-each, fully paid up)	1,566.48	1,367.88
(Previous year 1,36,78,799 Equity Shares of ₹ 10/-each, fully paid up)		
Total	1,566.48	1,367.88

14.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹ in Lakhs)

Equity Shares	As at 31 st March, 2023		As at 31 st March, 2022	
	Number	Amount	Number	Amount
At the beginning of the period	13678799	1,367.88	1,36,78,799	1,367.88
Issued during the period	1986000	198.60	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	1,56,64,799	1,566.48	1,36,78,799	1,367.88

14.2 Terms/ Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.3 Details of Shareholders holding more than 5% equity shares in the Company

(₹ in Lakhs)

Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	Number	% Holding	Number	% Holding
Promoters and Promoter Group				
Naresh Kumar Agarwal	1268566	8.10	1268566	9.27
Raj Kumar Agarwal	1617618	10.33	1492618	10.91
Santra Devi Agarwal	1137813	7.26	1137813	8.32
Pramod Kumar Agarwal	1413632	9.02	1113632	8.14
Ramesh Chand Agarwal*	2019170	12.89	2019170	14.76
Naveen Kumar Agarwal	795960	5.08	670960	4.91
Total	8252759	52.68	7702759	56.31

*Deceased on 15.09.2022

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

14.4 Details of Shares held by promoters in the Company

(₹ in Lakhs)

Promoter Name	As at 31 st March, 2023			As at 31 st March, 2022		
	No of Shares Held	% of Holding of Total Share	% Change During the Year	No of Shares Held	% of Holding of Total Share	% Change During the Year
Mohan Lal Agarwal HUF	140000	0.89%	-0.13%	140000	1.02%	0.00%
Raj Kumar Agarwal HUF	67600	0.43%	-0.06%	67600	0.49%	0.00%
Ramesh Chand Agarwal HUF	140000	0.89%	-0.13%	140000	1.02%	0.00%
Pramod Kumar Agarwal	1413632	9.02%	0.88%	1113632	8.14%	0.00%
Megha Agarwal	185655	1.19%	-0.17%	185655	1.36%	0.00%
Santra Devi Agarwal	1137813	7.26%	-1.06%	1137813	8.32%	0.00%
Sushila Devi Agarwal	140000	0.89%	-0.13%	140000	1.02%	0.00%
Ramesh Chand Agarwal	2019170	12.89%	-1.87%	2019170	14.76%	0.00%
Manisha Agarwal	63625	0.41%	-0.06%	63625	0.47%	0.00%
Sanjay Kumar Agarwal	350722	2.24%	-0.32%	350722	2.56%	0.03%
Lalita Devi Agarwal	50000	0.32%	-0.05%	50000	0.37%	0.00%
Naresh Kumar Agarwal	1268566	8.10%	-1.17%	1268566	9.27%	0.00%
Naveen Kumar Agarwal	795960	5.08%	0.17%	670960	4.91%	0.00%
Raj Kumar Agarwal	1617618	10.33%	-0.58%	1492618	10.91%	0.00%
Pankaj Agarwal	288865	1.84%	0.73%	151365	1.11%	0.09%
Prateek Agarwal	212222	1.35%	1.13%	29722	0.22%	0.00%
Lawreshwar Footcare Private Limited	268750	1.72%	-0.24%	268750	1.96%	0.00%
Navita Goyal	50000	0.32%	0.32%	-	-	-
Saroj Devi	150000	0.96%	0.96%	-	-	-
Savita Kumari Agarwal	75000	0.48%	0.48%	-	-	-
Dinesh Kumar Gupta	76200	0.49%	0.49%	-	-	-
Manju Gupta	81000	0.52%	0.52%	-	-	-
Lata Devi Gadia	153800	0.98%	0.98%	-	-	-
Pooja Agarwal	224083	1.43%	1.43%	-	-	-
Nitesh Gupta	5001	0.03%	0.03%	-	-	-
Divya Gupta	58825	0.38%	0.38%	-	-	-
Lakshita Agarwal	51017	0.33%	0.33%	-	-	-
Pooja Gupta	2500	0.02%	0.02%	-	-	-
Nandan Agarwal	6001	0.04%	0.04%	-	-	-
Total	11093625	70.82%	2.92%	9290198	67.92%	0.12%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 15 OTHER EQUITY

Particular							(₹ in Lakhs)	TOTAL
	Reserve & Surplus				Items of Other Comprehensive income		Money received against Share Warrants	
	Security Premium Reserve	General Reserve	Retained Earning	Deferred Income	Revaluation Surplus	Remeasurement of net defined benefit Plans		
Balance as at 1 April 2021	660.53	100.15	1,905.64	277.45	1,653.21	9.80	-	4,606.78
Changes in accounting policy or prior period errors	-	-	-	-	-	(2.46)	-	(2.46)
Restated balance as the beginning of the period	660.53	100.15	1,905.64	277.45	1,653.21	7.34	-	4,604.32
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	250.55	-	-	-	-	250.55
Revaluation Reserve Created During the Year	-	-	-	-	1,165.49	-	-	1,165.49
Receipt of Capital Subsidy from FDDI	-	-	-	-	-	-	-	-
Deferred Income recognition during the period	-	-	-	(36.14)	-	-	-	(36.14)
Remeasurement of Defined Benefit Plans Made during the year	-	-	-	-	-	15.35	-	15.35
Amount transfer from Deferred Tax Liability to Revaluation Reserve	-	-	-	-	(261.87)	-	-	(261.87)
Amount transfer from Deferred Tax Liability on Remeasurement of Defined Benefit Plans	-	-	-	-	-	(0.80)	-	(0.80)
Balance as at 31st March, 2022	660.53	100.15	2,156.19	241.31	2,556.83	21.89	-	5,736.90
Balance as at 1 April 2022	660.53	100.15	2,156.19	241.31	2,556.83	21.89	-	5,736.90
Changes in accounting policy or prior period errors	-	-	22.01	-	-	(22.01)	-	-
Restated balance as the beginning of the period	660.53	100.15	2,178.20	241.31	2,556.83	(0.12)	-	5,736.90
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	512.99	-	-	-	-	512.99
Revaluation Reserve Created During the Year	-	-	-	-	-	-	-	-
Receipt of Capital Subsidy from FDDI	-	-	-	-	-	-	-	-
Deferred Income recognition during the period	-	-	-	(30.39)	-	-	-	(30.39)
Remeasurement of Defined Benefit Plans made during the year	-	-	-	-	-	5.85	-	5.85
Share Premium on Issue of Shares against Share Warrant	834.12	-	-	-	-	-	-	834.12
Money Received Against Share warrant during the year	-	-	-	-	-	-	261.82	261.82
Amount transfer from Deferred Tax Liability to Revaluation Reserve	-	-	-	-	-	-	-	-
Amount transfer from Deferred Tax Liability on Remeasurement of Defined Benefit Plans	-	-	-	-	-	(1.54)	-	(1.54)
Balance as at 31st March, 2023	1,494.65	100.15	2,691.19	210.92	2,556.83	4.19	261.82	7,319.75

Description and nature of other equity:-

Security premium account : The security premium account is created on issue of share at premium.

Revaluation surplus: The revaluation surplus is crated out of the revaluation of land owned by the company.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

General Reserve: The general reserve comprises of transfer of profits from retained earnings for appropriate purposes. The reserve can be distributed/ utilised by the company in accordance with the Companies Act, 2013.

Profit and Loss Account: It represents the surplus amount available in profit and loss as retained earnings. The reserve can be distributed/ utilised by the company in accordance with the Companies Act, 2013.

Deferred Income : It represent the capital receipt of government grant from FDDI against the investment of Plant and machinery.

NOTE 16 LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	Non Current Portion		Current Maturities	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Term Loan-HDFC 84229932*	104.03	161.45	59.46	58.69
Term Loan-HDFC 84229948*	156.86	201.96	47.54	48.60
Term Loan-HDFC 84139705*	-	-	-	64.46
Term Loan-HDFC 84229943*	-	19.42	19.84	51.87
Term Loan-HDFC 84390346*	75.93	105.83	31.21	31.37
GECL HDFC Term Loan-8888876*	169.38	414.13	248.80	236.61
GECL HDFC Term Loan-452557707*	327.17	335.00	7.83	-
Term Loan SIDBI Solar	21.80	-	13.20	-
Term Loan SIDBI Plant & Machinery	404.74	-	80.82	-
Deferred Vehicle Loans from various banks	103.62	56.11	39.43	16.13
Other Intercompany Loan	124.65	147.26	-	-
Total	1,488.18	1,441.16	548.13	507.73
The above amount includes				
Secured borrowings	1,363.53	1,293.90	548.13	507.73
Unsecured Borrowings				
From Related Parties	124.65	147.26	-	-
From Others	-	-	-	-
Amount Disclosed under Current Maturity of Long term Borrowing Under Note No. 20 Short Term Borrowings	-	-	(548.13)	(507.73)
Total	1,488.18	1,441.16	-	-

* All the loans from HDFC Bank Limited are secured against hypothecation of Raw Material, Finished Goods, Stock in Process, Store & Spares, Packing Material and book debts, mortgage over fixed assets of the Company & mortgage of certain fixed assets of the related parties and personal guarantees of Directors and other related parties and residual charge over the immovable property of the company which are mortgaged for the term loans from HDFC Bank Limited carrying interest rate of @ 8.79% to 9.25%. Details of immovable asset which are mortgaged are as follows :-

- (i) A-243(A), Road No.6, V.K.I. Area, Jaipur-302013(ii) SP-41D, RIICO Industrial Area, Kaladera, Tehsil Chomu, District Jaipur-303801
- (ii) SP-41D, RIICO Industrial Area, Kaladera, Tehsil Chomu, District Jaipur-303801
- (iii) E-20A, Kaushalya Path, Basant Marg, Bani Park, Jaipur-302016
- (iv) G-1-685, Road No.9F2, V.K.I. Area, Jaipur-302013 (Owned in the name of Lawreshwar Footwears prop concern of Mr. Naveen Kumar Agarwal who is related party.)

- (I) Term Loan-HDFC 84229932 is financed for ₹ 314.80 lakhs which is repayable in 67 equal monthly installment of ₹ 5,98,772 including interest started from Jan. 2020.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

- (II) Term Loan-HDFC 84229948 is financed for ₹ 222.86 lakhs which is repayable in 85 equal monthly installment of ₹ 5,34,497 including interest started from Jan. 2020.
- (III) Term Loan-HDFC 84139705 is financed for ₹ 318.48 lakhs which is repayable in 33 equal monthly installment of ₹ 12,18,747 including interest started from Jan. 2020.
- (IV) Term Loan-HDFC 84229943 is financed for ₹ 159.51 lakhs which is repayable in 41 equal monthly installment of ₹ 4,59,334 including interest started from Jan. 2020.
- (V) Term Loan-HDFC 84390346 is financed for ₹ 150.00 lakhs which is repayable in 72 equal monthly installment of ₹ 3,28,049 including interest starting from Apr. 2020.
- (VI) GECL TERM LOAN HDFC-8888876* is financed for ₹ 745.56 Lakhs which is repayable in 37 equal monthly installment of ₹ 23,17,459 including interest starting from Nov. 2021.
- (VII) GECL TERM LOAN HDFC-452557707* is financed for ₹ 335.00 Lakhs which is repayable in 38 equal monthly installment of ₹ 10,41,290 including interest starting from March 2024.
- (VIII) Term Loan SIDBI Solar* is financed for ₹ 117.88 Lakhs and secured against hypothecation respective solar plant, which is repayable in 53 equal monthly installment of ₹ 2,20,000 and 1 installemnt of ₹ 1,28,000 excluding interest starting from October 2023.
- (IX) Term Loan SIDBI Plant & Machinery* is financed for ₹ 485.03 Lakhs and secured against hypthothecation of respective plant & machinery, which is repayable in 53 equal monthly installment of ₹ 8,98,000 and 1 installemnt of ₹ 9,09,000 excluding interest starting from July 2023.
- (X) Deferred Vehicle Loans are secured against hypothecation of respective vehicles carrying interest rate in the range of @ 8.50% to 13%.

NOTE 17 LEASE LIABILITY

(₹ in Lakhs)

Particulars	Long Term		Short Term	
	As at	As at	As at	As at
	31 st March, 2023	31 st March, 2022	31 st March, 2023	31 st March, 2022
Lease Liability	69.91	15.54	35.91	8.04
Total	69.91	15.54	35.91	8.04

Lease liability represent the operating lease which has been classified as per the Ind AS 116 related to property taken on lease situated at : G-1-685, Road No.9F2, V.K.I. Area, Jaipur-302013 and A-85, Road No. 9, V.K.I. Area, Jaipur-302013.

NOTE 18 PROVISIONS

(₹ in Lakhs)

Particulars	Long Term		Short Term	
	As at	As at	As at	As at
	31 st March, 2023	31 st March, 2022	31 st March, 2023	31 st March, 2022
(a) Provision for Employees Benefit				
(i) Provision for Gratuity	0.02	10.86	3.52	4.42
(ii) Provision for Compensated Absence	-	-	-	1.36
(iii) Provision for Bonus	-	-	33.23	31.59
(b) Provision for Income Tax	-	-	162.70	118.25
(c) Provision for Expenses	-	-	4.01	4.19
Total	0.02	10.86	203.46	159.80

The company has taken partly gratuity policy against which premium has been paid to LIC, and partly made provision for gratuity on actuarial valuation basis.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 19 DEFERRED TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	As at	
	31 st March, 2023	31 st March, 2022
Deferred Tax Liability		
Related to Fixed Assets	251.41	279.77
Related to Revaluation of Land	622.22	629.37
Deferred Tax Assets		
Related to Employee Benefit Expenses	0.05	5.33
Related to Expected Credit Loss	28.40	35.33
Total	845.18	868.48

NOTE 20 SHORT-TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at	
	31 st March, 2023	31 st March, 2022
Cash Credit from HDFC Bank Ltd. (Secured)*	4,412.13	3,619.00
Current Maturities of Long Term Borrowing	548.13	507.73
HDFC Invoice Discounting	-	92.28
ICICI Bank Invoice Discounting	-	93.48
Other Intercompany Loan	-	-
Total	4,960.26	4,312.49

* Cash Credit Limit from HDFC Bank Ltd. is secured against hypothecation of Raw Material, Finished Goods, Stock in Process, Store & Spares, Packing Material and book debts, mortgage over fixed assets of the Company & mortgage of certain fixed assets of the related parties and personal guarantees of Directors and other related parties and residual charge over the immovable property of the company which are mortgaged for the term loans from HDFC Bank Limited carrying interest rate of @ 9.09%.

NOTE 21 TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at	
	31 st March, 2023	31 st March, 2022
Trade Payable Due to Micro and Small Enterprises (MSME)		
Sundry Creditors for Raw Material and Packing Material	192.26	92.89
Sundry Creditors for Consumable Store and Traded Goods	-	-
Sundry Creditors for Expenses	2.52	2.19
Total Due to Micro and Small Enterprises (MSME)	194.78	95.08
Trade Payable Due to others		
Sundry Creditors for Raw Material and Packing Material	3,384.03	1,982.54
Sundry Creditors for Consumable Store and Traded Goods	1,398.81	201.31
Sundry Creditors for Expenses	443.66	218.98
Total Due to others	5,226.50	2,402.83
Total Trade Payables	5,421.28	2,497.91

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Micro and Small Enterprises

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Dues Remaining unpaid		
The Principal amount remaining unpaid to any supplier as at the end of the year	142.04	78.15
Interest due on the above amount	27.31	13.21
Amount of Interest accrued and remaining unpaid at the end of the year	9.85	3.02

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

(₹ in Lakhs)

Additional information on Trade Payables	Outstanding for following periods from due date of payment as on Balance Sheet Date						
	As on 31 st March 2023	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i) MSME			72.71	137.38	-	-	-
(ii) Others	100.04		2,387.46	2,717.09	4.28	1.39	0.93
(iii) Disputed Dues : MSME			-	-	-	-	-
(iv) Disputed Dues : Others			-	-	-	-	-
Total	100.04	2,460.17	2,854.47	4.28	1.39	0.93	

(₹ in Lakhs)

Additional information on Trade Payables	Outstanding for following periods from due date of payment as on Balance Sheet Date						
	As on 31 st March 2022	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i) MSME			42.17	52.91	-	-	-
(ii) Others	69.73		1,475.66	848.26	5.79	1.10	2.29
(iii) Disputed Dues : MSME			-	-	-	-	-
(iv) Disputed Dues : Others			-	-	-	-	-
Total	69.73	1,517.83	901.17	5.79	1.10	2.29	

NOTE 22 FINANCIAL LIABILITY - OTHER

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Trade Payable for Capital Goods	183.55	51.16
Other Current Financial Liability	42.07	38.37
Total	225.62	89.54

NOTE 23 OTHER CURRENT LIABILITY

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Advances from customers	287.75	113.82
Statutory Liabilities	22.09	17.63
Total	309.84	131.45

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 24 REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Sale of products		
Finished Goods & Traded Goods	18,849.34	13,279.74
Export Sales	1,687.18	692.40
Other Operating Revenue	185.49	125.07
Revenue from Operation (Gross)	20,722.01	14,097.21
Less: Discount	505.60	350.07
Revenue from Operation (Net)	20,216.41	13,747.14

NOTE 25 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Interest Income on		
Bank Deposits	8.20	4.28
Other Interest	3.68	1.34
Exchange Fluctuation Gain	38.46	8.23
Discount Received	22.40	18.83
Subsidy from FDDI	30.39	36.14
Profit on Sale of Fixed Assets	11.04	10.61
Miscellaneous Income	0.29	55.46
Total	114.46	134.89

NOTE 26 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Raw Materials Consumed		
Opening Stock	895.47	821.51
ADD: Purchases	10,062.01	7,543.33
	10,957.48	8,364.84
Less: Closing Stock	1,592.40	895.47
Total [A]	9,365.08	7,469.37
Packing Materials Consumed		
Opening Stock	64.83	142.08
ADD: Purchases	959.59	808.06
	1,024.42	950.14
Less: Closing Stock	64.38	64.83
Total [B]	960.04	885.31
Cost of Material Consumed Total [A+B]	10,325.12	8,354.68

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Opening Stock		
Finished Goods	1,318.94	1,161.36
Work-in-Progress	1,924.05	1,208.88
Stock-in-Trade	76.74	59.65
Total [I]	3,319.73	2,429.89
Closing Stock		
Finished Goods	1,886.79	1,318.94
Work-in-Progress	1,806.25	1,924.05
Stock-in-Trade	222.98	76.74
Total [III]	3,916.02	3,319.73
Change in inventories Total [I-II-III]	(596.29)	(889.84)

NOTE 28 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Salaries, Wages and Bonus	887.41	760.68
Contribution to Provident and Other Funds	54.78	36.61
Staff Welfare Expenses	11.31	8.28
Total	953.50	805.57

NOTE 29 FINANCE COST

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Bank Charges	37.65	26.07
Interest on Term Loan	137.71	125.07
Interest to Bank & others	327.38	238.01
Total	502.74	389.15

NOTE 30 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Depreciation	346.12	330.08
Total	346.12	330.08

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 31 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Manufacturing Expenses		
Cartage	111.86	30.65
Consumable stores	100.53	109.16
Diesel / Pet Cock consumption	2.20	6.12
Job Charges	1,560.77	1,129.24
Power & Electricity	298.11	238.52
Repairs & Maintenance (P & M)	81.51	74.53
Work Shed Rent	55.12	35.48
Designing Expenses	6.10	1.00
TOTAL [A]	2,216.20	1,624.70
Administrative & Other Expenses		
Annual Listing Fees	6.90	3.90
Conveyance, Vehicle Running Expense	57.64	45.41
Demand Expenses	-	41.09
Directors Remuneration	73.48	72.00
Directors Seating Fees	0.60	-
Donation	5.68	5.33
Electricity and Water Expenses	10.81	12.03
Festival Expenses	0.52	7.77
General Expenses	11.59	15.86
Insurance Expenses	17.34	17.71
Interest on TDS	1.45	1.87
Interest on GST	0.01	31.33
Interest to MSME Entities	27.31	13.21
Loss on Sale of Asset	-	-
Late Fee GST	0.04	0.01
Legal and Professional Fees	42.42	46.46
Membership fees & Subscription Fees	2.33	2.21
Payment to Auditors (Refer details below)	9.13	8.12
Penalty & Fine	5.18	0.24
Communication Expenses	10.87	8.29
Printing & Stationery	6.60	6.63
Repairs & Maintenance	11.89	27.63
Security Charges	25.24	24.79
Software and Website Expenses	2.53	1.32
Sundry Balances written off	14.48	-
Travelling Expenses	94.72	76.67
TOTAL [B]	438.76	469.88
SELLING & DISTRIBUTION EXPENSES		
Advertisement and Sales Promotion Expense	132.02	24.20
Commission on Sales	3.90	30.60
Freight Outward	315.39	65.58
Bad Debts	121.30	82.64
Expected Credit Loss	(14.18)	66.55
Tender and Technical Testing Fees	8.45	7.60
TOTAL [C]	566.88	277.17
GRAND TOTAL [A+B+C]	3,221.84	2,371.75

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

31.1 Payment to Statutory Auditor

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Audit Fees	8.78	7.99
Reimbursement of Expenses	0.35	0.13
Total	9.13	8.12

NOTE 32 INCOME TAX RECOGNISED IN STATEMENT OF PROFIT OR LOSS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Current Tax		
In respect of Current year		
Regular Tax	162.70	118.25
In respect of earlier year	1.58	13.40
Total Current tax	164.28	131.65
Deferred Tax	(24.83)	(16.27)

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Profit before income taxes	652.44	365.93
Enacted tax rate in India	25.17%	27.82%
Computed expected tax expenses	164.22	101.80
Effect of Allowances for tax purpose	(95.70)	(103.26)
Effect of Non deductible expenses	94.18	119.71
Others	1.58	13.40
Tax expense recognised in Statement of Profit and Loss	164.28	131.65

The movement of deferred tax assets and liabilities during the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	As at 1 st April, 2022	(Credit)/ Charge in statement of Profit and Loss	(Credit) / Charge in Other Comprehensive Income	As at 31 st March, 2023
Deferred Tax Assets/ (Liabilities)				
Depreciation	(279.77)	28.35	-	(251.41)
Gratuity & Compensated Absence	5.33	(3.74)	(1.54)	0.05
Expected Credit Loss	35.33	(6.93)	-	28.40
Revaluation of Land	(629.37)	7.15		(622.22)
Total	(868.48)	24.83	(1.54)	(845.18)

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 33 EARNING PER SHARE

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Profit after tax	512.99	250.55
Weighted average no. of Equity Share Outstanding	13783273	13678799
Nominal value of Ordinary share(INR)	10	10
Basic & diluted earning per share in rupees	3.72	1.83

NOTE 34 LEASE

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
As Lessee:-		
Disclosure in respect of premises taken on operating lease by the company :		
The company has entered into operating lease for its warehouses which are renewable on a periodic basis and cancelled at the company's option		
(a) Lease payment done during the year	14.21	9.45
(b) Future Lease payments:	-	-
Not later than 1 year	35.91	9.92
Later than 1 year but not later than 5 years	69.91	16.87
More than 5 years	-	-

NOTE 35 EMPLOYEE BENEFIT

(A) Defined Contribution Plan:

The Company operates defined contribution retirement benefit plans for all qualifying employees. Contributions are made to registered provident fund and Employee state insurance administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Contribution to provident fund and other fund recognised in Statement of Profit and Loss	35.46	20.34

(B) Defined Benefit Plan:-

Gratuity

In accordance with the provisions of Payment of Gratuity Act, 1972, the company has defined benefit plan which provides for gratuity payment. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the year of employment with the company. The gratuity plan is a partially funded plan.

These plans typically expose the Company to actuarial risks such as: Investment, Interest rate, longevity and salary risk:

Investment risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Longevity risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31st March, 2023 by a certified actuary of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Compensated Absence

Compensated absence liability recognised at the year end is ₹ Nil (Previous Year ₹ 1.36 Lakhs). The above is based on actuarial valuation report. The report considers assumptions with respect to discount rates, salary escalation, retirement age, mortality, rate of leaving service, leave availment pattern, disability and other relevant factors. the method used is Projected unit Credit Method.

Assumptions:

The principal assumptions used for the purposes of the actuarial valuations are given below:

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Discount Rate	7.50%	7.25%	7.50%	7.25%
Future Salary growth rate	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	7.36%	7.35%	7.36%	7.35%
Mortality table used	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14

Projected Benefit Obligation

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Projected benefit Obligation at beginning of the year	1.36	17.21	49.09	35.96
Interest Cost	-	1.25	3.56	2.61
Current Service Cost	-	0.08	12.18	11.55
Actuarial (Gain)/Loss	-	(16.44)	(6.07)	1.32
Benefits paid	(1.36)	(0.74)	(3.16)	(2.35)
Projected benefit Obligation at end of the year	-	1.36	55.60	49.09

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Amount recognised in the Balance Sheet:

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Amount recognised in the Balance Sheet:				
Projected benefit Obligation at end of the year	-	1.36	55.60	49.09
Fair Value of Plan Assets as at year end	-	2.54	52.06	33.81
Net (Asset)/Liability recognised in the Balance Sheet	-	(1.18)	3.54	15.28

Cost of the defined benefit plan for the year:

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Current Service Cost	-	0.08	12.18	11.55
Interest Cost	-	1.25	3.56	2.61
Expected Return on plan Asset	-	(0.17)	(2.54)	(1.08)
Components of defined benefit cost recognised in the Statement of Profit & Loss	-	1.16	13.20	13.08

Remeasurement on the net defined benefit liability:

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Actuarial (gain)/loss arising from changes in demographic assumptions	N.A.	N.A.	N.A.	N.A.
Actuarial (gain)/loss arising from changes in financial assumptions	-	(0.06)	(0.81)	0.98
Experience Adjustment (gain)/ loss for Plan Liabilities	-	(17.11)	(5.25)	0.34
Components of defined benefit costs recognised in Other Comprehensive Income	-	(17.17)	(6.06)	1.32
Total cost of the defined benefit plan for the year	-	(16.01)	7.14	14.40

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Experience Adjustment

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Present value of defined benefit obligation	-	1.36	55.60	49.09
Fair Value of plan assets	-	2.54	52.06	33.81
Balance Sheet (Liability)/ Asset	-	(1.18)	3.54	15.28
P&L (Income)/ expenses	-	1.16	13.20	13.08
Experience adjustment on plan liabilities (gain)/ loss	-	(17.11)	(5.25)	0.34
Experience adjustment on plan assets gain/ (loss)	-	-	(0.22)	0.01

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

(₹ in Lakhs)

Particulars	Compensated Absence		Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Discount rate - 1% increase	-	1.28	51.64	45.50
Discount rate - 1% decrease	-	1.46	60.14	53.22
Salary Growth rate - 1% increase	-	1.46	60.21	53.27
Salary Growth rate - 1% decrease	-	1.28	51.52	45.39
Withdrawal rate - 1% increase	-	1.38	55.94	49.25
Withdrawal rate - 1% decrease	-	1.35	55.17	48.85

NOTE 36 CAPITAL MANAGEMENT

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
	Borrowings (Long Term and Short Term including Current Maturity of Long Term borrowing)	6,448.44
Other Payable (Current and non-current, excluding current maturity of long term borrowing)	6,160.22	2,889.56
Less : Cash and Cash Equivalents	(492.59)	(459.73)
Net Debt	12,116.07	8,183.47
Equity Share Capital	1,566.48	1,367.88
Other Equity	4,762.92	3,180.07
Total Capital	6,329.40	4,547.95
Capital and Net Debt	18,445.46	12,731.42
Gearing Ratio	1.91	1.80

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

NOTE 37 RELATED PARTY DISCLOSURES

The Company has made the following transactions with related parties as defined under the provisions of Indian Accounting Standard-24 issued by the Institute of Chartered Accountants of India.

List of related parties with whom transaction have taken place during the year along with the nature and volume of transaction is given below from 01.04.2022 to 31.03.2023

Particulars	Relation
Directors & Key managerial persons & their associate concerns	
Ramesh Chand Agarwal*	Chairman of the company
Raj Kumar Agarwal	MD of the company
Pramod Agarwal	Executive Director of the company
Naresh Kumar Agarwal	Executive Director of the company
Sanjay Kumar Agarwal	Chief Executive Officer of the Company
Rakesh Kumar Soni	Chief Financial Officer
Ritika Poddar	Company Secretary cum Compliance Officer
Sandeep Kumar Jain	Independent Director
Saral Sudhir Saraf	Independent Director
Preeti Goyal	Independent Director
Relatives	
Relations with Directors	
Megha Agarwal	Wife of Executive Director
Megha Lodha	Daughter in law of Managing Director
Naveen Agarwal	Brother of Executive Director
Pankaj Agarwal	Son of Managing Director
Shailly Agarwal	Daughter in law of Managing Director
Prateek Agarwal	Son of Executive Director
Lakshita Agarwal	Daughter of Executive Director
Jai Shree Agarwal	Brother's wife of Executive Director
Manav Agarwal	Nephew of Executive Director
Enterprises owned/controlled by directors & their relatives	
Relations with Directors	
Lawreshwar Footcare Pvt. Ltd.	Directors are shareholders of this company
Lawreshwar Footwear	Proprietorship concern of Chairman's son
Jai Narayan Mohan Lal & Sons	Proprietorship concern of Chairman's Brother
Krishan Kripa Creation	Chairman is partner in firm
Raj Shoe Palace	Proprietorship concern of MD
P.K. Shoe Co.	Proprietorship concern of Executive Director
Naveen Footwear	Proprietorship concern of Executive Director's brother
N.K. Footwear	Proprietorship concern of EDs HUF
R.K. Boothouse	Proprietorship concern of MDs HUF
M.L. Boot House	Proprietorship concern of MD's Father's HUF
S. D. Footwear	Proprietorship concern of MD's mother

*Deceased on 15.09.2022

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Transaction with key management persons

(₹ in Lakhs)

Nature of transaction	2022-23	2021-22
Remuneration	141.95	128.12
Out of the above items, transactions in excess of 10% of the total related party transactions are as under:		
Ramesh Chand Agarwal	13.76	29.06
Raj Kumar Agarwal	27.97	29.06
Pramod Kumar Agarwal	24.29	-
Naresh Kumar Agarwal	27.97	29.06
Sanjay Kumar Agarwal	18.10	18.76
Rakesh Kumar Soni	27.28	20.85

Transaction with relatives

(₹ in Lakhs)

Nature of transaction	2022-23	2021-22
Salary	84.60	106.08
Out of the above items, transactions in excess of 10% of the total related party transactions are as under:		
Naveen Agarwal	13.39	-
Pankaj Agarwal	16.59	15.29
Pramod Agarwal	-	24.29
Prateek Agarwal	12.29	12.22
Megha Agarwal	9.00	-
Megha Lodha	9.00	-
Shailly Agarwal	9.00	-

Enterprises owned & controlled by the Directors and their relatives

(₹ in Lakhs)

Nature of transaction	2022-23	2021-22
Rent Paid	56.42	33.29
Donation	5.39	5.02
Sales	15.70	11.65
Loan Received	1,688.90	578.50
Loan Repaid	1,650.10	436.25
Interest Paid	18.00	5.56

Out of the above items, transactions in excess of 10% of the total related party transactions are as under:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Rent Paid		
Lawreshwar Footwear	9.92	9.29
Lawreshwar Footcare Pvt. Ltd.	46.50	24.00
Donation		
Jai Narayan Mohan Lal Charitable Trust	0.05	0.90
Lawreshwar Mahadev Mandir Trut	5.34	4.12

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

(₹ in Lakhs)		
Particulars	2022-23	2021-22
Sales		
P.K. Shoe Co.	15.70	11.65
Loan Received		
Lawreshwar Footcare Pvt. Ltd.	1,688.90	578.50
Loan Repaid		
Lawreshwar Footcare Pvt. Ltd.	-	-
	1,650.10	436.25
Interest Paid		
Lawreshwar Footcare Pvt. Ltd.	18.00	5.56

NOTE 38 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)		
Particulars	2022-23	2021-22
Contingent Liabilities		
Claims against the company / disputed liabilities not acknowledged as debts	17.03	-
Bank Guarantee	460.42	278.51
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for in relation to the plant and machinery and for the installation of solar power plant	Nil	Nil
The company has imported plant and machinery under EPCG Scheme without paying custom duty, as a consequences in the event that certain terms and conditions are not fulfilled, the company is committed to pay the consequential taxes, levies etc. The additional export obligation is ₹ 264.68 Lakhs (USD \$ 3,28,467.21) over and above the average annual export of last three years ₹ 995.96 Lakhs	39.75	-

NOTE 39 FINANCIAL INSTRUMENT : FAIR VALUE MEASUREMENT

(₹ in Lakhs)				
Particulars	31 st March, 2023		31 st March, 2022	
	Amortised cost	Carrying value	Amortised cost	Carrying value
Financial Assets				
(i) Trade receivables	7,517.33	7,517.33	3,995.13	3,995.13
(ii) Loans	3.04	3.04	2.60	2.60
(iii) Others	221.76	221.76	134.34	134.34
(iv) Cash & cash equivalents	492.59	492.59	459.73	459.73
Total	8,234.72	8,234.72	4,591.80	4,591.80
Financial Liabilities				
(i) Borrowings	6,448.44	6,448.44	5,753.65	5,753.65
(ii) Trade payables	5,421.28	5,421.28	2,497.91	2,497.91
(iii) Other financial liabilities	331.44	331.44	113.12	113.12
Total	12,201.16	12,201.16	8,364.68	8,364.68

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term variable-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of other factors for the company is considered to be insignificant in valuation.

NOTE 40 FINANCIAL INSTRUMENTS : RISK MANAGEMENT

Financial risk management policy and objectives

The key objective of the Company's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise Borrowings from Banks, trade and other payables. The main purpose of these financial liabilities is to finance Company's operations and plant expansion. Company's principal financial assets include investments, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board oversees the management of these risks. The Company's Board is supported by senior management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and price risk. Financial instruments affected by market risk include investments in equity shares, security deposits, trade and other receivables, deposits with banks and financial liabilities.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2023 and 31st March, 2022. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

a) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign exchange risk arising from foreign currency transactions primarily to EURO & USD. Company do not enter into any derivative instrument in order to hedge its foreign currency risks.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change by 5% in USD exchange rates, with all other variables held constant.

(₹ in Lakhs)

Financial Exposure	2022-23	2021-22
Financial Asset		
Trade Receivable		
USD Converted in ₹	430.94	466.39
Financial liabilities:		
Trade Payables		
USD Converted in ₹	409.69	-
Net exposure	21.25	466.39

Sensitivity Analysis

(₹ in Lakhs)

Currency	Amount in ₹		5% increase		5% decrease	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
USD Converted in ₹	21.25	466.39	22.32	489.71	20.19	443.07

b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to change in interest income and expense for the Company. In order to optimize the Company's position with regards to interest income & expense and to manage the interest risk, the Company performs comprehensive interest risk management by balancing the proportion of fix & variable rate financial instruments.

(₹ in Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Fixed rate instruments		
Fixed deposit with Banks	346.39	169.40
Borrowings		
Vehicle Loans	143.05	72.24
Inter Corporate Loans	124.65	147.26
Variable rate instruments		
Borrowings		
Term Loan (HDFC)	1,248.05	1,729.38
Cash Credit HDFC	4,412.13	3,804.76
Term Loan (SIDBI)	520.56	-

Sensitivity analysis:

A change in 50 basis point in interest rate at the reporting date would have increase/(decrease) Profit or Loss by the amount shown below.

This analysis assumes that all other variables, remain constant.

(₹ in Lakhs)

Particulars	31 st March, 2023		31 st March, 2022	
	Increase	Decrease	Increase	Decrease
Interest rate - increase/ decrease by 50 basis point	30.90	(30.90)	27.67	(27.67)

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

c) Commodity Risk

Commodity risk is defined as the possibility of financial loss as a result of fluctuation in price of Raw Material/ Finished Goods and change in demand of the product and market in which the company operates. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The company forecast annual business plan and execute on monthly business plan. Raw material procurement is aligned to its monthly/annual business plan and inventory position is monitored in accordance with future price trend.

ii) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk mainly from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

a) Trade Receivables

Credit risk on trade receivables is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has no concentration of risk as customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as financial condition, ageing of outstanding and the Company's historical experience for customers.

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment Company adjust its exposure to various counterparties. Company's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 39.

Credit risk exposure

The following table shows the maximum exposure to the credit risk at the reporting date :

Particulars	(₹ in Lakhs)			
	31 st March, 2023		31 st March, 2022	
	Non Current	Current	Non Current	Current
Loans	53.30	3.04	-	2.60
Trade Receivables	-	7,517.33	-	3,995.13
Cash equivalents	-	492.59	-	459.71
Other financials assets	-	168.46	25.80	108.55
Total	53.30	8,181.42	25.80	4,565.99

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from banks at optimised cost and cash flow from operations.

The table summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	As at 31 st March, 2023			As at 31 st March, 2022		
	Within 1 year	>1 years	Total	Within 1 year	>1 years	Total
Borrowings including interest	703.03	1,627.86	2,330.90	685.87	1,441.82	2,127.69
Other liabilities	261.53	69.91	331.44	99.46	16.87	116.33
Trade and other payable	5,421.28	-	5,421.28	2,497.91	-	2,497.91

NOTE 41 CODE ON SOCIAL SECURITY

The Code on Social Security, 2020 ('code') relating to employee benefits, during employment and post-employment, received Presidential assent on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders. The Company will assess the impact on its financial statements in the period in which the related rules to determine the financial impact are notified and the Code becomes effective.

NOTE 42 OTHER STATUTORY INFORMATION

42.1 Details of Benami property held (Para a(ii)(XIII)(Y)(vi))- No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

42.2 Relationship with struck of Companies (Para a(ii)(XIII)(Y)(ix))- There are no transactions (Including Investment in Securities / Shares held by Struck off company & Other Outstanding balances) with companies struck off u/s 248 of the Companies Act 2013, or section 560 of the Companies At, 1956.

42.3 Registration of charges and satisfaction with Registrar of Companies (Para a(ii)(XIII)(Y)(x))- There are no charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

42.4 Details of Crypto Currency or Virtual Currency (Para a(iii)(xi))- The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

42.5 Utilization of Borrowed funds and share premium (Para a(ii)(XIII)(Y)(xiv)) - No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42.6 Undisclosed Income (Para a(iii)(ix))- Company has not surrendered or disclosed any transaction which was not recorded in the books of accounts as income during the year in the tax assessment under the Income Tax Act.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

42.7 Compliance with number of layers of companies (Para a(ii)(XIII)(Y)(xi)) - The company has not made violation of requirements related to number of layers of companies as prescribed under clause 87 of Section 2 read with Companies (Restriction of number of Layers) Rules 2017.

42.8 Willful Defaulter (Para a(ii)(XIII)(Y)(viii))- The company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

42.9 Title deeds of Immovable Property not held in name of the Company (Para a(ii)(XIII)(Y)(i))- There are no immovable properties owned by the company whose title deeds are not held in its name.

42.10 Loan & Advance made to promoters, directors, KMPs and other related parties (Para a(ii)(XIII)(Y)(iii))- The Company has not provided any loans and advance to the parties covered under this clause

42.11 Compliance with approved Scheme(s) of Arrangements (Para a(ii)(XIII)(Y)(xiii)) - Not Applicable

NOTE 43 The company consider footwear and accessories as its single segment in which company operates.

NOTE 44 The previous year figures have been regrouped, rearranged and reclassified wherever necessary.

NOTE 45 IMPORTANT FINANCIAL RATIO

(₹ in Lakhs)

Particulars	Numerator	Denominator	2022-23	2021-22	% Variance	Explanation
Current Ratio	Current Assets	Current Liabilities	1.30	1.35	-3.71%	As the variance is not more than +/- 25% hence, no explanation required.
Debt-Equity Ratio	Total Debt	Shareholder's Equity	1.02	1.27	-19.47%	As the variance is not more than +/- 25% hence, no explanation required.
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.29	1.07	20.19%	As the variance is not more than +/- 25% hence, no explanation required.
Return on Equity Ratio	Net Profits after taxes - Preference Dividend (if Any)	Average Shareholder's Equity	9.63%	5.65%	70.50%	Due to increase in the profitability of the company.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	3.30	2.88	14.66%	As the variance is not more than +/- 25% hence, no explanation required.
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	3.52	3.70	-4.81%	As the variance is not more than +/- 25% hence, no explanation required.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2023

(₹ in Lakhs)

Particulars	Numerator	Denominator	2022-23	2021-22	% Variance	Explanation
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.48	3.49	28.56%	Due to the institutional supply is at the higher credit period.
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	6.20	5.59	10.92%	As the variance is not more than +/- 25% hence, no explanation required.
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	2.54%	1.82%	39.23%	Due to increase in the profitability of the company.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	10.30%	8.02%	28.37%	Due to increase in the profitability of the company.
Return on Investment	Interest (Finance Income)	Investment	Nil	Nil	Nil	N.A.

As per our Report of even date
For A.Bafna & Company
 Chartered Accountants
 FRN: 003660C

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

(CA Vivek Gupta)
 Partner
 M.No. 400543

Raj Kumar Agarwal
 (Managing Director)
 DIN: 00127215

Naresh Kumar Agarwal
 (Executive Director)
 DIN: 00106649

Date: 23rd May 2023
 Place: Jaipur

Sanjay Agarwal
 (CEO)

Rakesh Kumar Soni
 (CFO)

Ritika Poddar
 (Company Secretary)



LEHAR FOOTWEARS LIMITED

A-243 A, Road No. 6, V. K. I. Area, Sikar Road,
Jaipur - 302013, Rajasthan, India
Ph.: 0141-4157777
Website: www.leharfootwear.com