

A large, abstract graphic on the left side of the cover. It consists of several overlapping, diagonal bands of color: red, white, and blue. The bands are arranged in a way that creates a sense of depth and movement, resembling a stylized ribbon or a modern architectural element. The background behind the bands is a solid dark blue.

Lehar Footwears Limited
**27TH ANNUAL
REPORT**
2020-21



Shri Rajkumar Agarwal Managing Director Lawreshar Polymers Limited,
Receiving National Award from Hon. President of India



Shri Naresh Agarwal Executive Director Lawreshar Polymers Limited,
Receiving National Award from Hon. President of India

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CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. RAMESH CHAND AGARWAL
Chairman

MR. RAJ KUMAR AGARWAL
Managing Director

MR. NARESH AGARWAL
Whole-time Director

MRS. PREETI GOYAL
Independent Director

MR. SUNIL AGARWAL
Independent Director

MR. RADHEY SHYAM GEMINI
Independent Director

CHIEF FINANCIAL OFFICER
Mr. Rakesh Kumar Soni

COMPANY SECRETARY
Ms. Priya Gandhi

STATUTORY AUDITOR
M/s Ravi Sharma & Co.
Chartered Accountants

INTERNAL AUDITOR
M/s Garg Vipin & Co.
Chartered Accountants

SECRETARIAL AUDITOR
M/s Naredi Vinod And Associates
Company Secretaries

BANKERS

Punjab National Bank
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.

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Service Pvt. Ltd
Bharat Tin Works Building, 1st Floor,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059
Email: info@bigshareonline.com
Website: www.bigshareonline.com

OTHER DETAILS

CIN : L19201RJ1994PLC008196
E Mail ID: info@leharfootwear.com
: csc@leharfootwear.com
Website : www.leharfootwear.com
Contact : 0141-4157777 (30 Lines)
Fax : 0141-4157766

CHAIRMAN'S MESSAGE

Dear Stakeholder,

FY2020-21 (FY21) was a mixed bag for our country as well as our company. FY21 began amid the first wave and closed in the first quartile of the second wave of the pandemic striking the country. Besides the severe health challenges, it disrupted our economic momentum and recovery throughout the year, though at a varying extent. At the same time, the Country demonstrated heightened resiliency to bounce back to a positive GDP growth by the third quarter of the year.

Ushering in FY21 under the shadow of a complete lockdown, we ensured adequate protection of all our assets – people, goodwill, manufacturing, inventory, installed equipment base, cash – as our first priority. Subsequently, the focus shifted to reboot ourselves in work mode as the restrictions started being lifted by the mid of May 2020. The recovery started thereafter with sequential increase in demand.

But these challenges only reinforce our resolve to continue working towards Company's vision- to be a responsible business entity towards society and the environment. First and foremost, we would like to thank you for what you have done already to weather this crisis and to get our company prepared to cope with this situation. Your commitment makes all the difference.

We would also like to reassure you that as a company we are resilient. Over the course of 27 years, we have seen – and mastered – many challenging moments. We are convinced that we will overcome this one too.

We would also like to congratulate you all as our company completes 27 years of success in the footwear industry. We have been going through a major transformation over the past years and it is not easy to assess the transformation impact from one single year's results, but when looking back, it becomes clear just how much has changed. Our teams feel engaged and empowered to always do better and push our shared ambitions to greater heights. Our transformation journey will continue to build from what we have been achieving.

We continue to take steps towards manufacturing excellence across our production units. We have been improving productivity and reducing manufacturing cost year on year, with the help of world class manufacturing concepts. Last year was no exception, wherein we were able to manage our manufacturing expenses extremely well, while maintaining our high standards of quality and manpower engagement.

In the year ahead, the business environment will continue to remain challenging and competitive intensity is likely to remain high. With our purpose driven products, passionate employees and your continued support, I am confident that we will continue to deliver growth that is consistent, competitive, profitable and responsible.

As we move ahead, you can be assured that we shall work diligently to take this Company to greater heights. I would also like to thank all of you, our stakeholders, some of whom have been with us for many years, are an integral part of our journey, in empowering our people and our company to be more. If we can execute our strategies, and do the things we must learn to do, the year, and the years, ahead of us could be deeply rewarding, and I look forward to a great journey ahead, together.

Here's hoping and praying for good health for everyone. Additionally, as we navigate the year with mass vaccination, I am sure, together, we shall come out of this catastrophe stronger and better than before.

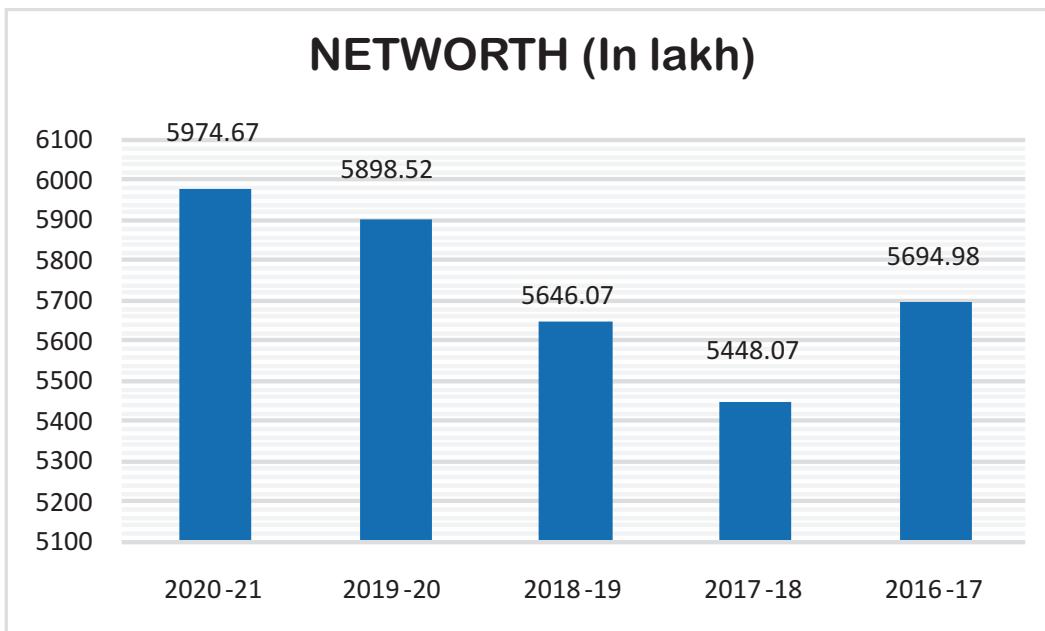
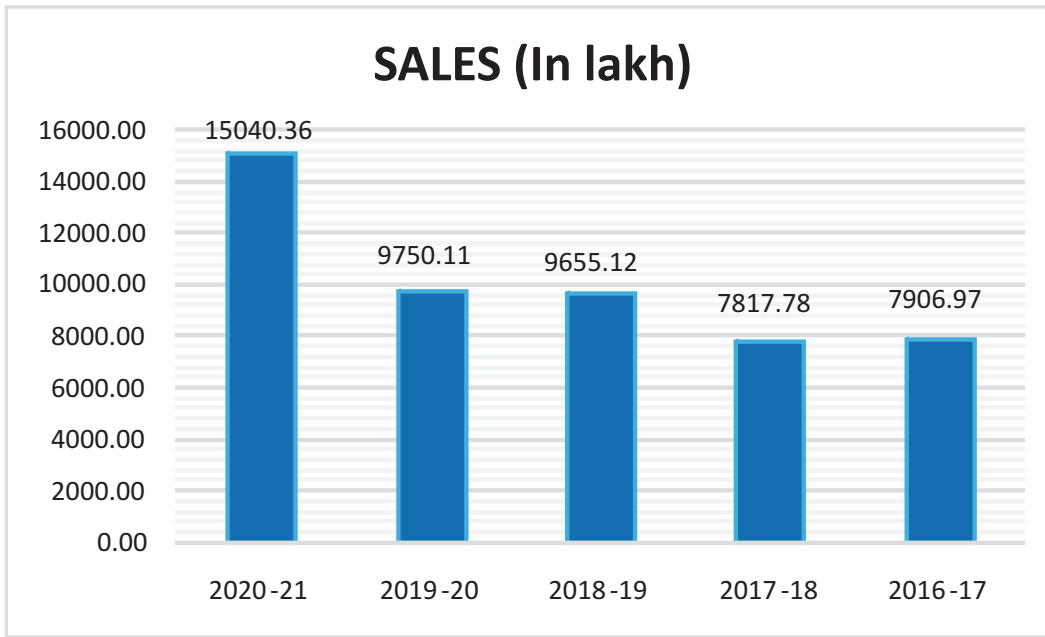
With best regards

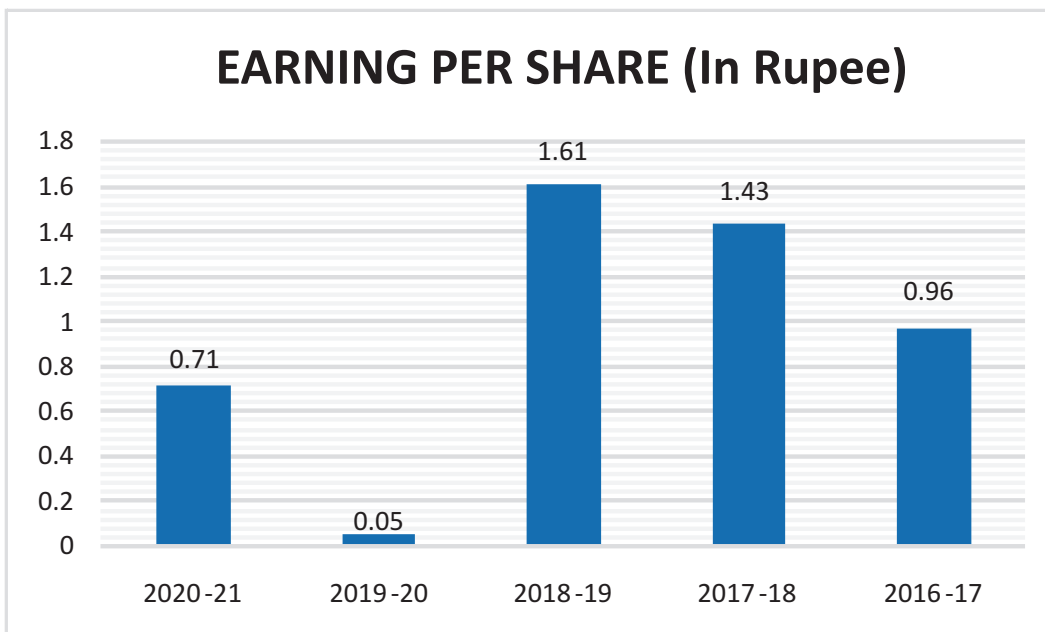
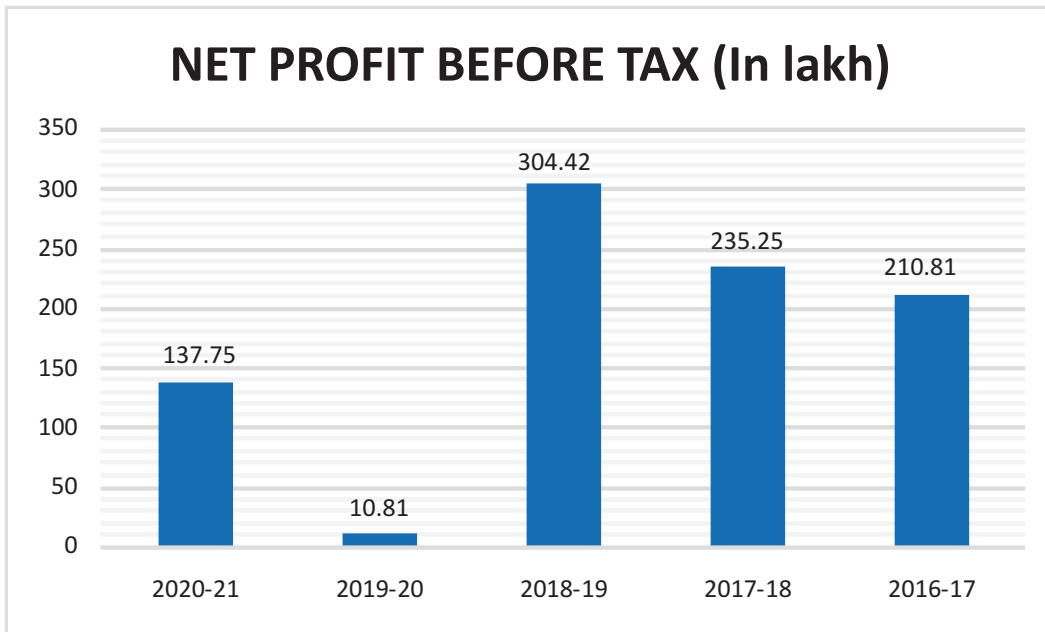
Ramesh Chand Agarwal
Chairman

HIGHLIGHTS OF OPERATIONS 2020-21

(Rs. in lakh)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Sales	15040.36	9750.11	9655.12	7817.78	7906.97
Discount	328.02	276.69	259.00	362.89	581.35
Discounted Sale	14712.34	9473.42	9396.12	7454.89	7325.62
Revenue	14712.34	9473.42	9396.12	7454.89	7906.97
Profit before Tax	137.75	10.81	304.42	235.25	210.81
Finance cost	390.56	508.24	477.54	453.16	417.52
Depreciation	373.20	376.44	298.41	287.82	193.30
Tax	40.11	4.22	83.96	39.87	80.02
Net profit	97.64	6.59	220.46	195.38	130.79
EBDIT	900.51	895.49	1080.37	976.23	821.63
Equity Share capital	1367.88	1367.88	1367.88	1367.88	1367.88
Reserve & Surplus	4606.79	4530.64	4278.19	4080.19	4327.10
Revaluation Reserve	1653.21	1653.21	1653.21	1653.21	2045.10
Net worth	5974.67	5898.52	5646.07	5448.07	5694.98
Fixed Asset (Tangible & Intangible)	5827.91	5686.94	5474.22	5262.91	4999.70
Fixed Asset (Capital Work In Progress)	0.00	1.65	0.00	112.20	9.77
Total Assets	14003.47	14498.55	13042.73	13256.92	12457.24
Current Assets	7928.82	8398.60	7458.33	7779.26	7087.48
Non-Current Assets	6074.65	6099.95	5584.40	5477.66	5369.76
Total Liabilities	8028.80	8600.03	7396.66	7808.85	5629.05
Current Liabilities	5772.46	6804.38	5950.11	6299.45	5503.14
Non-Current Liabilities	2256.34	1795.65	1446.55	1509.40	1259.12
Borrowing- Long Term	1399.41	938.43	809.16	897.31	1011.51
Borrowing- Short Term	1324.06	2972.69	2855.20	3061.64	2926.71
Borrowing- Current Maturities	417.39	214.38	346.14	347.38	296.45
Secured Borrowing	3140.86	4100.61	3661.58	3918.97	4069.56
Unsecured Borrowing	0	24.89	348.92	387.36	165.11
Capital employed	8231.01	7694.17	7092.62	6957.47	6954.10
EPS- Basic & Diluted (In Rs.)	0.71	0.05	1.61	1.43	0.96
Book Value per share (in Rs.)	43.67	43.12	41.28	39.83	41.63
ROCE (%)	1.19%	0.09%	3.11%	2.81%	1.88%
Current Ratio	1.37	1.23	1.25	1.23	1.29





REWRITING HISTORY

Success doesn't come from what you do occasionally. It comes from what you do consistently. The road to success is not easy to navigate but with hard work, drive and passion, it is possible to achieve your success. Here's a trail of our incredible journey as a brand.

September, 2007: Installed the PU Pouring Machine for manufacturing PU Sole Footwear with the Annual Capacity of 6.00 Lac pairs per annum & start the commercial production. Further, the Company has also installed the fully automatic computerized EVA injected Moulding Machine with the Annual Capacity of 6.00 Lac pairs per annual & start the commercial production with effect from September 29, 2007.

November, 2007: On the occasion of Resurgent Rajasthan Partnership Summit held at Jaipur, 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.

April, 2008: The Company was awarded a Rate Contract from Government of India for supply of Shoe Canvas Rubber Sole for Defense.

November, 2013: The Company acquired a Factory Land & Building measuring about 14325.00 Sq. Mtrs. situated at Kaledera, Jaipur for expansion of manufacture of footwears of latest technology and to meet the rising demand of its customers.

May, 2015: The Company inaugurated a new plant at SP-41D, RIICO Ind. Area Kaladera, Tehsil - ChomuDistt- Jaipur (Raj.) on for further expansion of the Company and to meet rising demand of customers.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Over the recent years, Indian footwear industry has seen a change in perception from basic consumption to a fashion and style consumption, thanks to an increase in disposable income, growing fashion consciousness and increase in discretionary spending. This has helped the Indian footwear industry too, which is now the second largest producer and third largest consumer of footwears in the world. The Indian footwear industry has witnessed a metamorphosis growth with the advent of new retail brands in the market. The industry has grown by leaps & bounds in the last decade with the introduction of new technology and inflow of investments. Your Company is predominantly engaged in the manufacturing of Light Weight Hawai Chappals, Canvas Shoes, PVC Shoes, Synthetic Leather Chappals, Fancy Chappals and also engaged in manufacturing of EVA Injected Footwear. Your Company's brand name '**LEHAR**' has built up a better image over the other brands available in the local market. The major demand in non-leather footwear sector is of PU Chappals because it is the cheapest footwear available in India. The PU Chappals have captured 75% of demand in rural areas, because in rural areas people use this product as multipurpose footwear.

OPPORTUNITIES

India is attracting various established fashion brands of the world as well as retailers who are re-orienting their focus on the domestic footwear market, which has led to a significant increase in the market of retail outlets nationwide. Footwear industry has growth potential to be a \$80 Billion industry by 2030, which means a CAGR of approximately, 20% in the next 15 years with great potential for exports and a huge domestic market.

The footwear industry has tremendous potential to create 20 lakh new jobs at the grass root level primarily for weaker section of society. Women, SC/ST, poor and needy in next 5 years, meeting the agenda of the Central Government in job creation.

THREATS

The identified challenges and threats before the Indian Footwear and Leather Industry are India's competitiveness cheap and under invoiced imports, inadequate infrastructure, largest unorganised sector in comparison to organised, multiplicity of tax indication and trade regulation, lack of branding, capacity inadequacy, lack of skilled labour & labour wages, environmental issues and inadequate investment.

The industry operates in a complex regulatory environment and fully abides by law and regulations of the country it operates in. Any change in the laws and regulations governing the leather and footwear industry may affect the business and financial performance of the industry.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is engaged in the business of manufacturing of Footwear, so the Management considers “Footwear” as the only business segment of the Company.

INDUSTRY OUTLOOK

There is still lot of potential for growth in the turnover of the Company because the demand of Company's products in the market is fast increasing. The Company is specially developing an innovative and different type of product as per requirement of the market. There is a strong Demand of Eva & PU product in the market hence management has planned to expand its production capacity to cater the increased demand.

RISK AND CONCERN

Your Company continuously ascertains risks and concerns in the Footwear Industry affecting its present operations, future performances and business environment. In order to overcome such risks and concerns your Company adopts preventive measures as considered expedient and necessary.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of internal controls comprising authorization levels, supervision, checks and balances and procedures through documented policy guidelines and manuals, which provide that all transactions are authorized, recorded and reported correctly and compliance with policies and statutes are ensured. The operational managers exercise their control over business processes through operational systems, procedural manual and financial limits of authority manual, which are reviewed and updated on an ongoing basis to improve the systems and efficiency of operations. The company places prime importance on an effective internal audit system. The internal control system is supplemented by internal audit, regular review by the management and well-documented policies. The Company has an independent internal audit system to monitor the entire operations and services. The top management and Audit Committee of the Board review the findings of the Internal Auditor and takes remedial actions accordingly.

DISCUSSIONS ON FINANCIAL PERFORMANCE VIS-À-VIS OPERATIONAL PERFORMANCE

During this Year(2020-21), the company has made net profit of Rs. 97.64 Lakh and last year (2019-20) net profit was Rs.6.59 Lakh. This Year turnover of your company stands at Rs. 14712.34 Lakh as against last year turnover Rs. 9473.42 Lakh.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company always believes that its growth is closely linked with the growth and overall development of its employees. The Company is committed to upgrade the skill of its employees and to create an environment where excellence is recognized and rewarded. The target is to place right people at right position and to enhance the efficiency, working speed, competency and time management skill of its employees. The Company's endeavour is to create an environment where people can use all of their capabilities in promoting the business of the Company. Number of people employed, as at March 31, 2021 is 778 including the contract labour.

CAUTIONARY STATEMENT

The report may contain certain statements that the Company believes are, or may be considered to be “forward looking statements” that describe our objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but limited to, Government action, economic development, risks inherent in the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present 27th Annual Report of the Company along with Audited Accounts for the financial year ended March 31, 2021.

FINANCIAL SUMMARY

Rs. in lakh

Particulars	2020-21 (Audited)	2019-20 (Audited)
Revenue from Operations	14712.34	9473.42
Other Income	74.48	113.05
Total Income from Operations	14786.82	9586.47
Net Profit before Exceptional Items and Tax	137.75	10.81
Exceptional Items	-	-
Profit Before Tax	137.75	10.81
Tax Expenses	40.11	4.22
Profit After Tax	97.64	6.59
Other comprehensive income (Net of Tax)	18.73	3.38
Total Comprehensive Income for the year	116.37	9.97

RESULT OF OPERATIONS AND STATE OF COMPANIES AFFAIRS

During the year under review, your Company's income from operations is Rs. 14712.34 Lakh as compared to Rs. 9473.42 Lakh during the previous year. The Company has incurred a Profit for the period of Rs. 97.64 Lakh as compared to the profit of Rs. 6.59 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 was no change in the Company's share capital during the year under review.

The Company's Authorised Share Capital is Rs. 15,00,00,000/- (Rupees Fifteen Crore) comprising of 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of 10/- (Rupees Ten) each and paid up equity share capital is Rs. 13,67,87,990/- (Rupees Thirteen Crore Sixty Seven Lakh Eighty seven Thousand Nine Hundred Ninety only) comprising of 1,36,78,799 (One Crore Thirty Six Lakh Seventy Eight Thousand Seven Hundred Ninety Nine) Equity Shares of 10/- each.

DIVIDEND AND RESERVES

Your Directors have not recommended any dividend for the financial year under review.

During the year under review, no amount from profit was transferred to General Reserve.

MATERIAL CHANGES EFFECTING FINANCIAL POSITIONS OF THE COMPANY

There has been no material change and commitment affecting financial position between end of the financial year and date of this Board's Report.

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

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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your 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

Directors

Retire by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ramesh Chand Agrawal, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

Re-appointment

Mr. Raj Kumar Agarwal (DIN: 00127215), Managing Director term is expiring on November 30, 2021. On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on June 25, 2021, recommended re-appointment of Mr. Raj Kumar Agarwal for a further period of five years with effect from December 01, 2021.

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. The details of familiarization programme for Independent Directors are available on Company's website.

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

Key Managerial Personnel

During the period under review, Ms.Sneha Sharma resigned from the post of the Company Secretary of the Company w.e.f 18.06.2020 due to her personal reasons. The Company further appointed Ms.Sneha Sharma as Company Secretary of the Company w.e.f 17.12.2020.

After the closure of financial year

Ms. Sneha Sharma resigned from the post of the Company Secretary of the Company w.e.f 12.06.2021 due to her personal reasons. The Company has appointed Ms.Priya Gandhi as Company Secretary of the Company w.e.f 14.06.2021.

There has been no change other than above in the Directors and the Key Managerial Personnel during the financial year 2020-21.

BOARD MEETINGS

The Board met fourteen 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

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 of Directors expressed their satisfaction with the evaluation process.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The criteria for Directors' appointment has been set up by the Nomination & 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"). More details on the same are given in the Corporate Governance Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The same has also been displayed on the website 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 off during FY 2020-21.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of Annual General Meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the Company Secretary and Compliance officer of the Company in this regard.

COMMITMENT TO QUALITY AND ENVIRONMENT

Your Company recognizes quality and productivity as a pre-requisite for its operations and has implemented ISO 9001 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 Financial Year 2020-21.

AUDITORS AND AUDIT REPORT

Statutory Auditor

M/s Ravi Sharma & Co., Chartered Accountants (Firm Registration No. 015143C), Jaipur, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 23rd AGM held in the year 2017 to hold office from the conclusion of 23rd AGM until the conclusion of 28th AGM to be held in the year 2022.

There are no qualifications, adverse remarks reservations or disclaimer made by M/s Ravi Sharma & Co., Statutory Auditors, in their report for the financial year ended March 31, 2021. 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

The Board has appointed M/s. Naredi Vinod & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is attached as **Annexure-A** to this Board's Report. The Secretarial Audit Report does not contain any qualification or reservation or adverse remark or disclaimer.

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.

LOANS AND INVESTMENTS BY THE COMPANY

Details of loans and investments by the Company to other body corporate or persons are given in the Notes to the financial statements.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary as on March 31, 2021.

RELATED PARTY TRANSACTIONS

The related party transactions entered into during the year under review were on arm's length basis, in the ordinary course of business and in compliance with the Policy on Related Party Transactions of the Company. During the year, the Company has not entered into any contracts /arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The provisions of Section 188 of the Companies Act, 2013 and/or Regulation 23 of the SEBI (LODR) Regulations, 2015 were duly complied. The Related Party Transactions are placed before the Audit Committee and the Board for their approval on quarterly basis.

The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is not applicable to your Company. The related party transaction Policy as approved by the Board is uploaded on the Company's website at the following weblink: <https://www.leharfootwear.com/>

The details of transactions / contracts/ arrangements entered by the Company with Related parties during the financial year are set out in the Notes to the Financial Statement.

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-B** and Forms an integral part of this Report.

EXTRACT OF ANNUAL RETURN

The Details forming part of extract of Annual Return in Form MGT-9, as required under section 92 of the Companies Act, 2013, is included in this report as **Annexure-C** and forms an integral part of this report.

LISTING

The equity shares of your Company are listed with the BSE Limited.

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, 2021, 99.99% of the share capital stands dematerialized.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on the Corporate Governance alongwith a certificate from Practicing Company Secretary is annexed to this Annual Report.

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.

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 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, 2021;

- 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 have been devised to ensure compliance with the provision of all applicable law and that such system were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

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.

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.

PAYMENT OF LISTING FEE

Your company has paid the Annual listing fee of BSE Limited for the Financial Year 2021-22

APPRECIATION

Your Directors wish to place on record their sincere appreciation to employees at all levels for their hard work, dedication and commitment towards Company's operations and performance. Your Directors also wish to place on record their gratitude for the valuable assistance and co-operation extended to the Company by the Central Government, State Governments, banks, institutions, investors and customers.

Date: 11.08.2021
Place: Jaipur

By the order of the Board
For **Lehar Footwears Limited**
SD/-
Ramesh Chand Agarwal
Chairman
DIN: 00108287

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Lehar Footwears Limited
A-243(A) Road No. 06, V.K.I.Area,
Jaipur (Rajasthan).

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lehar Footwears Limited** (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 our opinion thereon.

Based on our verification the 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We 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 **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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, Overseas Direct

Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 15 May 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable as there was no reportable event during the period under review)**
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as there was no reportable event during the period under review)**
 6. 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;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as there was no reportable event during the period under review)**
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable as there was no reportable event during the period under review)**
 9. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 10. The Environment (Protection) Act, 1986
 11. 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 and Uniform listing Agreement entered into by the Company with Bombay Stock Exchange;

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

We 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. Sneha Sharma resigned from the post of the Company Secretary of the Company w.e.f 18/06/2020. The Company further appointed Ms. Sneha Sharma as Company Secretary of the Company w.e.f 17/12/2020.

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, 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.

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

Date: 17/06/2021
Place: Jaipur

For **Naredi Vinod and Associates**
Company Secretaries

SD/-
Vinod Kumar Naredi
Proprietor
ACS 20453
CP No. 7994
UDIN No. A020453C000480506

To,

The Members,
Lehar Footwears Limited
A-243(A) Road No. 06, V.K.I. AREA,
Jaipur 302013 (Rajasthan).

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Naredi Vinod and Associates**
Company Secretaries

SD/-
Vinod Kumar Naredi
Proprietor
ACS 20453
CP No. 7994
UDIN No. A020453C000480506

Place: Jaipur
Date: 17/06/2021

Annexure–B to the Board's Report

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, 2021.

A. CONSERVATION OF ENERGY

The steps taken or impact on conservation of energy	Installation of Solar Power Plant
The steps taken by the company for utilising alternate sources of energy	The Company has installed the 600 Kilowatts Solar Power Plant at the Roof Top at its plant situated at Unit 4, SP-41D, Kaledara Industrial Area, Tehsil Chomu, District, Jaipur, Rajasthan
The capital investment on energy conservation equipments	Rs. 245.89 lakh

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	- No technology has been imported by the Company.
Year of Import	- N.A
Has technology been fully absorbed	- N.A
If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	- N.A
The expenditure incurred on Research and Development	- Company has not incurred any expenditure on Research and Development.

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: NIL.

- b) Total foreign exchange used and earned:
 - Used: \$688896.60
 - Earned: \$ 1592575.47
 - AED 229316.65

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

SD/-
Ramesh Chand Agarwal
Chairman
DIN: 00108287

Date: 11.08.2021
Place: Jaipur

Form No. MGT-9
Extract of Annual Return
as on the financial year ended on March 31, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS		
i	CIN	L19201RJ1994PLC008196
ii	Registration Date	31-03-1994
iii	Name of the Company	Lehar Footwears Limited
iv	Category/Sub-category of the Company	Public Company/ Limited by Shares
v	Address of the Registered office & contact details	A-243 (A) ROAD NO. 6 V.K.I. Area Jaipur, Rajasthan 302013 Phone No. 0141- 4157777
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt Ltd, Bharat Tin Works Building, 1 st Floor, opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 Phone No. 022-28470652

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated hereunder:			
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Footwear	192	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
i) Category-wise Share Holding										
	Category of Shareholder	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	
(A)	PROMOTERS									
(1)	INDIAN									
(a)	INDIVIDUAL / HUF	8911102	0	8911102	65.15	9004252	0	9004252	65.83	0.68
(b)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	268750	0	268750	1.96	268750	0	268750	1.96	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)									0.00
(i)	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(1) :	9179852	0	9179852	67.11	9004252	0	9004252	67.79	0.68
(2)	FOREIGN									
(a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
(c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	(A)=(A)(1) + (A)(2)	9179852	0	9179852	67.11	9004252	0	9004252	67.79	0.68
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS	2	0	2	0.00	0	0	0	0.00	0.00
(c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1) :	0	0	0	0.00	2	0	2	0.00	0.00

	Category of Shareholder	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	
(2)	NON-INSTITUTIONS									
(a)	BODIES CORPORATE	562250	0	562250	4.11	540302	0	540302	3.95	(0.16)
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO Rs. 1 Lakh)	1829158	20	1829178	13.37	1843777	20	1843797	13.48	0.11
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	1506458	0	1506458	11.01	1539336	0	1539336	11.25	0.24
(c)	ANY OTHERS (Specify)									
(i)	HINDU UNDIVIDED FAMILY	205599		205599	1.51	214099	0	214099	1.57	0.06
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0.00	
(iii)	CLEARING MEMBER	371285	0	371285	2.71	256035	0	256035	1.87	(0.84)
(iv)	NON RESIDENT INDIANS	23775	0	23775	0.18	11828	0	11828	0.09	(0.09)
(v)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
(vi)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(vii)	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
(viii)	UNCLAIMED SUSPENSE ACCOUNT	400	0	400	0.00	400	0	400	0.00	0.00
(ix)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(2) :	4498925	20	4498925	32.89	4405777	20	4405797	32.21	(0.68)
	(B)=(B)(1) + (B)(2)	4498925	20	4498925	32.89	4405777	20	4405797	32.21	(0.68)
(C)	SHARES HELD BY CUSTODIANS FOR GDRs & ADRs									
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1) :	0	0	0	0.00	0	0	0	0.00	0.00
	(C)=(C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A) + (B) + (C)	13678779	20	13678799	100.00	13678779	20	13678799	100.00	

(ii) Shareholding of Promoters								
Sr.No	NAME	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	RAMESH CHAND AGARWAL	2019170	14.76	0.00	2019170	14.76	0.0000	0.00
2	RAJ KUMAR AGARWAL	1492618	10.91	0.00	1492618	10.91	0.0000	0.00
3	PRAMOD KUMAR AGARWAL	1113632	8.14	0.00	1113632	8.14	0.0000	0.00
4	NAVEEN KUMAR AGARWAL	670960	4.91	0.00	670960	4.91	0.0000	0.00
5	LAWRESHWAR FOOTCARE PRIVATE LIMITED	268750	1.96	0.00	268750	1.96	0.0000	0.00
6	SANJAY AGARWAL	292820	2.14	0.00	345722	2.53	0.0000	0.39
7	MEGHA AGARWAL	185655	1.36	0.00	185655	1.36	0.0000	0.00
8	SANTRA DEVI AGARWAL	1137813	8.32	0.00	1137813	8.32	0.0000	0.00
9	MOHAN LAL AGARWAL HUF	140000	1.02	0.00	140000	1.02	0.0000	0.00
10	SUSHILA DEVI AGARWAL	140000	1.02	0.00	140000	1.02	0.0000	0.00
11	RAMESH CHAND AGARWAL HUF	140000	1.02	0.00	140000	1.02	0.0000	0.00
12	PANKAJ AGARWAL	123935	0.91	0.00	139169	1.02	0.0000	0.11
13	RAJ KUMAR AGARWAL HUF	67600	0.49	0.00	67600	0.49	0.0000	0.00
14	MANISHA AGARWAL	63625	0.47	0.00	63625	0.47	0.0000	0.00
15	LALITA DEVI AGARWAL	50000	0.37	0.00	50000	0.37	0.0000	0.00
16	NARESH KUMAR AGARWAL	1253566	9.16	0.00	1268566	9.27	0.0000	0.11
17	PRATEEK AGARWAL	19708	0.14	0.0000	29722	0.22	0.0000	0.07
	TOTAL	9179852	67.11	0.0000	9273002	67.79	0.0000	0.68

(iii) Change in Promoters' Shareholding (please specify, if there is no change)				
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
At the beginning of the year	9179852	67.11	9179852	67.11
Increase during the year	Reason: Purchase of shares	-	93150	0.68
Decrease during the year	Reason: sale of shares	-	-	-
At the end of the year	9273002	67.79	9273002	67.79

(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)								
SL. No.	Top Ten Shareholders	Shareholding as on 01/04/2020		Date wise increase/decrease in shareholding during the year specifying the reasons for such change			Shareholding as on 31/03/2021	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the Company
1	UPHAR HOMFIN PVT LTD	400000	2.92	24-Apr-2020	Sell	400000	0	0.00
				17-Jul-2020	Buy	400000	400000	2.92
2	EDELWEISS CUSTODIAL SERVICES LTD	230609	1.69	-	-	-	230609	1.69
3	PARESH KANTILAL SHAH	0	0.00	04-Sep-2020	Buy	148763	148763	1.09
				30-Oct-2020	Sell	-2	148761	1.09
				27-Nov-2020	Sell	-6401	142360	1.04
				04-Dec-2020	Sell	-1732	140628	1.03
				11-Dec-2020	Sell	-5532	135096	0.99
				30-Dec-2020	Sell	-995	134101	0.98
				15-Jan-2021	Buy	13637	147738	1.08
				22-Jan-2021	Buy	30125	177863	1.30
				29-Jan-2021	Buy	28500	206363	1.51
				26-Feb-2021	Buy	2505	208868	1.53
05-Mar-2021	Sell	-12925	195943	1.43				
19-Mar-2021	Sell	-2130	193813	1.42				
4	YOGESH CHAUDHARY	63582	0.46	-	-	-	120000	0.88
5	PINKI JAIN	99836	0.73	-	-	-	99836	0.73
6	ULHAS NARAYAN DEOSTHALE	95000	0.69	-	-	-	95000	0.69
7	VINITA SUNIL PATODIA	174196	0.27	-	-	-	94196	0.69
8	RACHNA LODHA	106207	0.78	10-Apr-2020	Sell	-1650	104557	0.76
				17-Apr-2020	Sell	-1400	103157	0.75
				15-May-2020	Sell	-3000	100157	0.73
				22-May-2020	Sell	-3000	97157	0.71
				29-May-2020	Sell	-4061	93096	0.68
				05-Jun-2020	Sell	-3000	90096	0.66
				26-Jun-2020	Sell	-1000	89096	0.65
				08-Jan-2021	Sell	-638	88458	0.65
				15-Jan-2021	Sell	-31	88427	0.65
9	FASHIONS BRANDS (INDIA) PRIVATE LIMITED	0	0.00	28-Aug-2020	Buy	78500	78500	0.57
10	NEETA ANOOP TANDON	65176	0.48	-	-	-	65176	0.48
11	AMIT KANDOI	70379	0.51	01-May-2020	Sell	-4990	65389	0.48
				08-May-2020	Sell	-4759	60630	0.44
				15-May-2020	Sell	-300	60330	0.44
				29-May-2020	Sell	-10330	50000	0.37
				30-Jun-2020	Sell	-12440	37560	0.27
				03-Jul-2020	Sell	-2673	34887	0.26
12	BHAMINI PARESH SHAH	148763	1.09	04-Sep-2020	Sell	148763	0	0.00
13	ORBIS FINANCIAL CORPORATION LTD	80000	0.58	24-Apr-2020	Sell	-80000	0	0.00
				17-Jul-2020	Buy	78500	78500	0.57
				28-Aug-2020	Sell	-78500	0	0.00
				22-Jan-2021	Buy	3300	3300	0.02
				29-Jan-2021	Sell	-986	2314	0.02
				05-Feb-2021	Sell	-2314	0	0.00
				19-Feb-2021	Buy	7798	7798	0.06
26-Feb-2021	Sell	-7798	0	0.00				

(v) Shareholding of Directors and Key Managerial Personnel				
For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
RAMESH CHAND AGARWAL (Chairman & Director)				
At the beginning of the year	2019170	14.76	2019170	14.76
Increase during the year	-	-	-	-
Decrease during the year	-	-	-	-
At the end of the year	2019170	14.76	2019170	14.76
RAJ KUMAR AGARWAL (Managing Director)				
At the beginning of the year	1492618	10.91	1492618	10.91
Increase during the year	-	-	-	-
Decrease during the year	-	-	-	-
At the end of the year	1492618	10.91	1492618	10.91
NARESH KUMAR AGARWAL (Whole-time Director)				
At the beginning of the year	1253566	9.16	1253566	9.16
Increase during the year	15000	0.11	1268566	9.27
Decrease during the year	-	-	-	-
At the end of the year	1268566	9.27	1268566	9.27
SANJAY KUMAR AGARWAL (CEO)				
At the beginning of the year	292820	2.14	292820	2.14
Increase during the year	52902	0.39	345722	2.53
Decrease during the year	-	-	-	-
At the end of the year	345722	2.53	345722	2.53
SUNIL AGARWAL (Non-Executive Director)	Does not hold shares of the Company			
RADHEY SHYAM GEMINI (Non-Executive Director)	Does not hold shares of the Company			
PREETI GOYAL (Non-Executive Director)	Does not hold shares of the Company			
RAKESH KUMAR SONI (CFO)	Does not hold shares of the Company			
SNEHA SHARMA (Company Secretary)	Does not hold shares of the Company			

V INDEBTEDNESS				
				Amount In Lakh.
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4010.89	64.39	-	4075.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.45	0.23	-	6.67
Total (i+ii+iii)	4017.34	64.62	-	4081.96
Change in Indebtedness during the financial year				
Additions	18519.08	382.61	-	18901.69
Reduction	19390.51	441.17	-	19831.69
Net Change	-871.43	-58.57	-	-930.00
Indebtedness at the end of the financial year				
i) Principal Amount	3140.84	6.05	-	3146.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.07	-	-	5.07
Total (i+ii+iii)	3145.91	6.05	-	3151.96

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
(A) Remuneration to Managing Director, Whole time director and/or Manager:					
Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager			Amount in Lakh
		Ramesh Chand Agarwal	Raj Kumar Agarwal	Naresh Agarwal	Total Amount
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	20.48	20.48	20.48	61.44
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	4.62	4.62	4.62	13.86
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit	Nil	Nil	Nil	Nil
	others (specify)	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	25.10	25.10	25.10	75.30
	Ceiling as per the Act	Overall ceiling as per the Act			

(B)	Remuneration to other directors:				
Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Sunil Agarwal	RadheyShyam Gemini	PreetiGoyal	
(a)	Fee for attending board committee meetings	NONE			
(b)	Commission				
(c)	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
(a)	Fee for attending board committee meetings				
(b)	Commission				
(c)	Others, please specify.				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration	1% of Net Profit			
	Overall Ceiling as per the Act.	1% of Net Profit			

(C)	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Amount in Lakh
1	Gross Salary	CEO	Company Secretary	CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11.70	1.29	14.19	27.18
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	3.31	-	-	3.31
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	15.01	1.29	14.19	30.49

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			<u>NONE</u>		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

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

Sd/-
Ramesh Chand Agarwal
DIN: 00108287
Chairman

Date: 11.08.2021
Place : Jaipur

REPORT ON CORPORATE GOVERNANCE

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

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.

COMPOSITION OF BOARD OF DIRECTORS

Your Company endeavours to have a judicious mix of Executive, Non-executive and Independent Directors, so as to have independence on the Board and separate its function of governance from that of management. Your Company also has a woman Independent Director which brings diversity on the Board.

As on March 31, 2021, the Composition of Board of Directors is as follows:

COMPOSITION OF BOARD AND DIRECTORSHIP/ COMMITTEE MEMBERSHIPS THERE OF AS ON MARCH 31, 2021					
S.No	Name of Directors	Category	No. of Directorship(s) held in other Public Limited Companies #	No. of Committee(s) position held in other Companies #	
				Chairman	Member
1	Mr.Ramesh Chand Agarwal	Chairman, Executive Director	2	-	-
2	Mr.Raj Kumar Agarwal	Managing Director	1	-	-
3	Mr.Naresh Kumar Agarwal	Executive Director	2	-	1
4	Mr.Radhey Shyam Gemini	Non-Executive Independent Director	3	-	1
5	Mrs.Preeti Goyal	Non-Executive Independent Director	1	2	-
6	Mr.Sunil Agarwal	Non-Executive Independent Director	1	-	2

excludes directorships in (1) Private Limited Companies (2) Section 8 Companies (3) Companies incorporated outside India and (4) Alternate Directorships. Only Audit Committee and Stakeholders Relationship Committee of public limited companies have been considered for committee position.

None of the Directors are related to the other Directors except Mr. Ramesh Chand Agarwal, Mr. Raj Kumar Agarwal and Mr. Naresh Kumar Agarwal.

Mr. Naresh Kumar Agarwal is the son of Mr. Ramesh Chand Agarwal and Mr. Raj Kumar Agarwal is younger brother of Mr. Ramesh Chand Agarwal.

NUMBER OF BOARD MEETING AND ATTENDANCE OF DIRECTORS

During the year under review, Fourteen Board Meetings were held on May 19, 2020; June 18, 2020; July 28, 2020; August 07, 2020; September 14, 2020; October 07, 2020; November 12, 2020; November 20, 2020; December 17, 2020; December 31, 2020; January 08, 2021; January 27, 2021; February 12, 2021 and March 13, 2021 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.

The composition and category of the Board of Directors are as follows:

DIRECTORS' ATTENDANCE RECORD FOR THE YEAR ENDED MARCH 31, 2021				
S. No.	Name of Directors	No. of Board Meetings held during the year	No. of Board Meetings attended	Attended the last AGM
1	Mr. Ramesh Chand Agarwal	14	14	Yes
2	Mr. Raj Kumar Agarwal	14	14	Yes
3	Mr. Naresh Kumar Agarwal	14	14	Yes
4	Mr. Radhey Shyam Gemini	14	14	Yes
5	Mrs. Preeti Goyal	14	14	Yes
6	Mr. Sunil Agarwal	14	14	Yes

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
Mr.Ramesh Chand Agarwal	✓	✓	✓	✓	✓	✓
Mr.Raj Kumar Agarwal	✓	✓	✓	✓	✓	✓
Mr.Naresh Kumar Agarwal	✓	✓	✓	✓	✓	✓
Mr.Radhey Shyam Gemini	✓	✓	✓	✓	✓	✓
Mrs.Preeti Goyal	✓	✓	✓	✓	✓	✓
Mr.Sunil Agarwal	✓	✓	✓	✓	✓	✓

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 12.02.2021 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 it's 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.

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

Letter of Appointment(s) are issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. 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.

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:

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 three Non-Executive Director and all of the Committee members are independent. 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.

4 (Four) Audit Committee meetings were held on July 28, 2020; September 14, 2020; November 12, 2020 and February 12, 2021 during the financial year and the gap between the two meetings did not exceed one hundred and twenty days. The Chairman of the Audit Committee attended the last 26th AGM held on December 30, 2020.

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 auditors 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 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 RECORD OF AUDIT COMMITTEE FOR THE YEAR ENDED MARCH 31, 2021				
Name of Directors	Position	Status	No. of meeting held during the Financial Year	No. of meeting attended during the Financial Year
Mrs. Preeti Goyal	Independent Non-Executive Director	Chairman	4	4
Mr. Naresh Kumar Agarwal	Whole-time Director	Member	4	4
Mr. Sunil Agarwal	Independent Non-Executive Director	Member	4	4

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

1. 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
2. To carry out evaluation of every Director's performance
3. 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
4. To formulate the criteria for evaluation of Independent Directors and the Board
5. To devise a policy on Board diversity
6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria

7. 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
8. To perform such other functions as may be necessary or appropriate for the performance of its duties.

The Committee met once on 17.12.2021 during the year 2020-21. The Composition and attendance of the members at the Committee meetings were as follows:

ATTENDANCE RECORD OF NOMINATION AND REMUNERATION COMMITTEE FOR THE YEAR ENDED MARCH 31, 2021				
Name of Directors	Position	Status	No. of meeting held during the Financial Year	No. of meeting attended during the Financial Year
Mrs. Preeti Goyal	Independent Non-Executive Director	Chairperson	1	1
Mr. Radhey Shyam Gemini	Independent Non-Executive Director	Member	1	1
Mr. Sunil Agarwal	Independent Non-Executive Director	Member	1	1

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 2020-21.
- (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

- a) The Non-executive Directors did not have any other material pecuniary relationship or transactions with the Company during the year.
- b) No Remunerations was paid to the Non-Executive Directors during the Financial Year 2020-21.
- c) No Sitting fees were paid to the Non-Executive Directors for attending Board Meetings or Committee Meetings during the Financial Year 2020-21.
- d) No commission has been paid to any Director.
- e) Severance Fees: NIL
- f) Number of Equity Shares held by Non-Executive Directors: NIL
- g) An Independent Director shall not be entitled to any stock option of the Company
- h) 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 2021

EXECUTIVE DIRECTORS

The details of the remuneration paid during the year 2020-21 to the Managing/Executive Director(s) are as follows:

DIRECTORS' REMUNERATION FOR THE YEAR ENDED MARCH 31, 2021						
Name of Director	Relationship with directors	Business Relationship with the company	Remuneration paid during 2020-21 (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. Raj Kumar Agarwal	Relative of Ramesh Chand Agarwal & Naresh Agarwal	Managing Director	25.10	-	-	-

DIRECTORS' REMUNERATION FOR THE YEAR ENDED MARCH 31, 2021						
Name of Director	Relationship with directors	Business Relationship with the company	Remuneration paid during 2020-21 (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. Naresh Kumar Agarwal	Relative of Ramesh Chand Agarwal & Raj Kumar Agarwal	Executive Director	25.10	-	-	-
Mr. Ramesh Chand Agarwal	Relative of Raj Kumar Agarwal & Naresh Kumar Agarwal	Chairman	25.10	-	-	-

- 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.

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.

The Committee met once on 13.03.2021 during the year 2020-21. The Composition and attendance of the members at the Committee meetings were as follows:

ATTENDANCE RECORD OF STAKEHOLDERS' RELATIONSHIP COMMITTEE FOR THE YEAR ENDED MARCH 31, 2021				
Name of Directors	Position	Status	No. of meeting held during the Financial Year	No. of meeting attended during the Financial Year
Mrs. Preeti Goyal	Independent Non-Executive Director	Chairman	1	1
Mr. Radhey Shyam Gemini	Independent Non-Executive Director	Member	1	1
Mr. Sunil Agarwal	Independent Non-Executive Director	Member	1	1

QUERIES AND COMPLAINTS RECEIVED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021			
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

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. Therefore, the Risk Management Committee has been dissolved with effect from March 13, 2021.

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
2019-20	A-243 A Road No 6, V. K. I. Area, Jaipur – 302 013.	December 30, 2020	10.30 A.M	Re-appointment of Mrs.Preeti Goyal as an Independent Director of the company.
2018-19	A-243 A Road No 6, V. K. I. Area, Jaipur – 302 013.	September 30, 2019	10.30 A.M	Appointment of Independent Director U/s 149,150 and 152 and appointment of Whole-Time Director U/s 196, 197 and 203 of the Companies Act, 2013.

LOCATION AND TIME OF ANNUAL GENERAL MEETINGS				
Financial Year	Venue	Date	Time	Special Resolution Passed for
2017-18	A-243 A Road No 6, V. K. I. Area, Jaipur – 302 013.	September 28, 2018	10.30 A.M	Appointment of Independent Director U/s 149,150 and 152 of the Companies Act, 2013.

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

EXTRAORDINARY GENERAL MEETING

The company has not held Extraordinary General Meeting during the F.Y. 2020-21.

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 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. The Company's website doesn't displays official news releases and presentations made to the Institutional Investors or to the Analysts. 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

27 th Annual General Meeting Day, Date and Time	Tuesday, September 28, 2021 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	Wednesday, September 22, 2021 to Tuesday, September 28, 2021
Dividend	No Dividend has been recommended by the Board of Directors for the year under review. The Company has not declared any dividend so far hence there is not any unpaid / unclaimed dividend's.

Listing on Stock Exchange(s)	BSE Limited (BSE) PhirozeJeejeebhoy 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 Financial Year 2021-22 have been paid by the Company within the stipulated time.
Registrar and share Transfer Agent	Bigshare Services Pvt. Ltd. Bharat Tin Works Building, 1 st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059

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. The Company has announced Whistle Blower policy. All the personnel of the company have the access to the Audit Committee.
3. The company has framed Related Party Transaction Policy and is placed on the Company's website www.leharfootwear.com
4. During the financial year ended March 31, 2021 the company did not engage in commodity hedging activities.
5. 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.
6. 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 to this Report.

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

Half 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 has been posted on the Company's website www.leharfootwear.com. 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.

Declaration by Chief Executive officer regarding compliance by board members and senior management personnel with the company's code of conduct is appended at the end of this report.

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 is no audit qualifications in the Company's financial statements for the year under review.

DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Details of Unclaimed shares lying in unclaimed suspense account

Sr.No.	Applicaton no.	Inv Name	Shares	Lot no	Book No	Sr. No	Address
1	548607	RadhaChivukula	400	1 14	1024	25	H No.1-7-16/1/D, Plot No, 124, Srinivas Nagar, Temple Alwal, Secunderabad 500010

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year-1
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year-0
- Number of shareholders to whom shares were transferred from suspense account during the year-0
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year-1
- 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-20	1,00,928	22.30	15.25
May-20	1,27,810	19.45	14.80
Jun-20	5,18,587	24.00	15.20
Jul-20	1,83,420	21.00	17.00
Aug-20	2,89,068	26.90	17.10
Sep-20	99,167	22.65	17.25
Oct-20	1,22,832	21.00	15.75
Nov-20	1,25,879	21.15	16.20
Dec-20	3,12,486	23.20	18.00
Jan-21	5,33,265	30.00	19.65
Feb-21	1,84,516	24.25	20.15
Mar-21	2,58,897	26.05	20.50

*Source: www.bseindia.com

SHAREHOLDING PATTERN AS ON MARCH 31, 2021

Particulars	No. of Shares held	% of shareholding
Promoters	9273002	67.79
Financial Institutions, Banks and Mutual Funds	0	0.00
Trusts / Clearing Members	256035	1.87
Corporate Bodies	540302	3.95
Indian Public	3597632	26.30
NRIs / OCBs	11828	0.09
Total	13678799	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.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Range	Number of shareholders	% of Total Holders	Total Holding	% of Shareholding
001-500	2467	73.12	496265	3.63
501-1000	371	11.00	315527	2.31
1001-2000	280	8.30	402534	2.94
2001-3000	65	1.93	163415	1.19
3001-4000	30	0.89	108468	0.79
4001-5000	31	0.92	147519	1.08
5001-10000	56	1.66	410387	3.00
10001 & above	74	2.19	11634684	85.06
	3374	100.00	13678799	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are currently traded only in dematerialized form at The Bombay Stock Exchange Ltd. 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, 2021 about 100% of the Company's shares were held in dematerialized form.

OUTSTANDING GDRS /ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

There were no outstanding GDRs /ADRS/Warrants or any convertible instruments.

CERTIFICATION OF CORPORATE GOVERNANCE REPORT

Certificate from Practising Company Secretaries on Corporate Governance, as required by Regulation 34 of SEBI (LODR), Regulations, 2015, is incorporated in this Annual Report.

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 25.06.2021. The Certificate also forms part of this Report.

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 Rs. 7.26 lakhs /- for the year under review.

PLANT LOCATION

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

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

Bharat Tin Works Building, 1st Floor,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059
Ph.91-22-40430200 Fax No: 91-22-28475207
E-mail: investor@bigshareonline.com

For any other query the investors may please contact to:

Company Secretary
Lehar Footwears Limited
A-243(A) Road No.6 V.K.I.Area,
Jaipur - 302013 (Rajasthan)
Tel No: 91-141-4157777
E-mail: csc@leharfootwear.com
info@leharfootwear.com

CEO / CFO CERTIFICATION

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, 2021.
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**

SD/-

Sanjay Kumar Agarwal
Chief Executive Officer

For **Lehar Footwears Limited**

SD/-

Rakesh Kumar Soni
Chief Financial Officer

Place : Jaipur

Date: 25.06.2021

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 2020-21, 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**

SD/-
Sanjay Kumar Agarwal
Chief Executive Officer

Place : Jaipur
Date: 25.06.2021

**CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE**

To

The Members of

Lehar Footwears Limited.

1. We have examined the compliance of conditions of Corporate Governance by Lehar Footwears Limited for the year ended on March 31, 2021 as stipulated in SEBI (LODR) regulation, 2015
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) regulation, 2015.
4. We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the shareholders / Investors grievance committee.
5. We further 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.

For **Naredi Vinod and Associates**
Company Secretaries

Sd/-
Vinod Kumar Naredi
Proprietor
ACS 20453
CP No. 7994
UDIN No. A020453C000740029

Place: Jaipur
Date: 05/08/2021

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,
The Members,
Lehar Footwears Limited
(Formerly known as Lawreshwar Polymers Limited)
A-243(A) Road No. 06, V.K.I.Area,
Jaipur (Rajasthan).

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lehar Footwears Limited (hereinafter referred to as 'the Company'), produced before me/us 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 our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 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.

DIN	Name	Begin date
00106649	Naresh Kumar Agarwal	31/03/1994
00108287	Ramesh Chand Agarwal	11/05/2009
00127215	Raj Kumar Agarwal	31/03/1994
00108706	Radhey Shyam Gemini	09/07/2018
07109775	Preeti Goyal	26/03/2015
02587959	Sunil Agarwal	27/04/2019

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.

For **Naredi Vinod and Associates**
Company Secretaries

Sd/-
Vinod Kumar Naredi
Proprietor
ACS 20453
CP No. 7994
UDIN No. A020453C000739963

Place: Jaipur
Date: 05/08/2021

INDEPENDENT AUDITOR'S REPORT

To the Members of **Lehar Footwears Limited**
(formerly known as **Lawreshwar Polymers Limited**)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Lehar Footwears Limited (formerly known as Lawreshwar Polymers Limited)** (“the Company”), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and Statement of Cash Flow 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 Financial 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 31 March 2021, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act 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.

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
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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</p>

Emphasis of Matter Paragraph

We invite attention to Note No- 37 to the financial statements regarding uncertainties associated with the COVID-19 pandemic and impact assessment made by the company on its business and financial statements for the year ended 31st March 2021, the said assessment made by the management is highly dependent upon how the circumstances evolve in subsequent periods.

Our Opinion is not modified on the above matters.

Information Other than the Financial Statements and auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the standalone financial statements and our auditors' 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 during the course of audit or otherwise appears to be material misstatement.
- 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.

Management's Responsibility for the standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone 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 standalone 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal & Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure I" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. 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.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting 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's 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 managerial remuneration for the year ended 31st March 2021, has been paid/provided by the company to its directors in accordance with the provisions of Section 197 read with Schedule V 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 as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.
 - ii. The Company did not have any long-term contract including derivatives contracts for which there were any material foreseeable losses; and
 - iii. here were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Ravi Sharma & CO
Chartered Accountants
Firm Registration No: 015143C

Date: 25th June 2021
Place: Jaipur

Sd/-
Paras Bhatia
Partner
Membership No: 418196
UDIN : 21418196AAAAC8346

Annexure I to the Independent Auditors' Report

With reference to the "Annexure I" referred to paragraph 2 under **Report on Other Legal & Regulatory Requirement** in the Independent Auditors' Report to the members of the Lehar Footweares Limited (formerly known as Lawreshwar Polymers Limited) on the Standalone Financial Statements for the year ended 31 March 2021, we report the following :

- (i), (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets, 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 the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable
 - (b) The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
 - (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii)(a), (b) & (c) of the order are not applicable to the company.
- (iv) 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 given.
- (v) The Company has not accepted any deposits from the Public within the meaning of the directives issued by the Reserve Bank of India, Provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information & explanation given to us, the Central Government has not

prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacture of its products by the company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except for a few delays.

According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid due were outstanding as at March 31, 2021 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanation given to us, there are no pending dues of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues which are not deposited on account of dispute.

(viii) According to information and explanation given to us by the management, as on balance sheet date the company is not in default w.r.t. repayment of loans and borrowings to a financial institutions, banks or government, further the company has not issued any debentures.

(ix) Based upon the audit procedures performed and the information and explanations given by the management during the year under review, the company did not raised moneys by way of initial public offer or further public offer including debt instruments. To the best of our knowledge and belief and according to the Information and Explanation given to us, term loans availed by the company were prima facie applied by the company during the year for the purpose for which the loan were Obtained.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed in Section 406 of the Act. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

- (xiii) According to information and explanations given to us and based on examination of the records of the company, all transactions with the related parties are in compliance with section 177 and 188 of the Act, and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to information and explanations given to us and based on examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) According to information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Ravi Sharma & CO
Chartered Accountants
Firm Registration No: 015143C

Date: 25th June 2021
Place: Jaipur

Sd/-
Paras Bhatia
Partner
Membership No: 418196
UDIN : 21418196AAAACT8346

Annexure II to the Independent Auditors' Report

Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Lehar Footwears Limited (formerly known as Lawreshwar Polymers Limited).

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 with reference to Standalone Financial Statements of Lehar Footwears Limited (formerly known as Lawreshwar Polymers Limited) (hereinafter referred to as "the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company are responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 the respective 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 judgement, 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 with reference to Financial Statements

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 with reference to Financial Statements

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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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.

Date: 25th June 2021
Place: Jaipur

For Ravi Sharma & CO
Chartered Accountants
Firm Registration No: 015143C

Sd/-
Paras Bhatia
Partner
Membership No: 418196
UDIN : 21418196AAAAC8346

BALANCE SHEET AS MARCH 31, 2021

(Rs. in Lakh)

S. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant & Equipment	3	5821.79	5680.82
	(b) Capital work-in-progress	3	-	1.65
	(c) Intangible Asset	3	6.12	6.12
	(d) Financial Assets			
	(i) Loans & Advances	4	25.90	24.30
	(ii) Other Financial Assets	5	-	-
	(e) Other non-current assets	6	220.84	387.06
	Total Non-current Asset		6074.65	6099.95
(2)	Current assets			
	(a) Inventories	7	3446.49	4139.03
	(b) Financial Assets			
	(i) Trade Receivable	8	3475.32	3333.87
	(ii) Cash and Cash Equivalents	9	130.17	181.56
	(iii) Loans & Advances	4	3.08	1.09
	(iv) Other Financial Asset	5	34.50	204.52
	(c) Other current assets	6	839.26	538.53
	Total Current Asset		7928.82	8398.60
	Total Assets		14003.47	14498.55
II.	EQUITY AND LIABILITIES			
(1)	EQUITY			
	(a) Equity Share capital	10	1367.88	1367.88
	(b) Other Equity	11	4606.79	4530.64
	Total Equity		5974.67	5898.52
(2)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	1399.41	938.43
	(ii) Other Financial Liability	13	155.50	194.89
	(b) Provisions	14	79.34	61.87
	(c) Deferred tax liabilities (Net)	15	622.09	600.46
	Total Non-current Liabilities		2256.34	1795.65
(3)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	1324.06	2972.69
	(ii) Trade Payables	17	3544.83	3289.28
	(iii) Other Financial Liabilities	18	734.66	457.42
	(b) Provisions	14	74.44	65.12
	(c) Other current liabilities	19	94.47	19.87
	Total Current Liabilities		5772.46	6804.38
	Total Liabilities		8028.80	8600.03
	Total Equity and Liabilities		14003.47	14498.55

Notes forming part of Financial Statements

1 to 40

For Ravi Sharma & Co.
Chartered Accountants
(FRN 015143C)

Sd/-
(Paras Bhatia)
Partner
M.No. 418196
Date: 25th June 2021
Place: Jaipur

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

Sd/- Raj Kumar Agarwal (Managing Director) DIN: 00127215	Sd/- Naresh Kumar Agarwal (Executive Director) DIN: 00106649
Sd/- Rakesh Kumar Soni (Chief Financial Officer)	Sd/- Priya Gandhi (Company Secretary)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2021

(Rs. in Lakh)

S. No.	Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
I.	Revenue from operations	20	14712.34	9473.42
II.	Other income	21	74.48	113.05
III.	Total Revenue (I + II)		14786.82	9586.47
IV.	Expenses:			
	Cost of Materials Consumed	22	7188.42	6494.63
	Purchases of Stock-in-Trade		2622.72	357.85
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	722.23	(1037.01)
	Employee Benefits Expense	24	739.01	734.36
	Finance costs	25	390.56	508.24
	Depreciation and amortization expense	26	373.20	376.44
	Other expenses	27	2612.93	2141.15
	Total expenses		14649.07	9575.66
V.	Profit before exceptional items and tax (III-IV)		137.75	10.81
VI.	Exceptional items		-	-
VII.	Profit before tax (V- VI)		137.75	10.81
VIII.	Tax expense:			
	(1) Current tax	28	14.39	13.43
	(2) Deferred tax	28	25.72	(9.21)
	Total Tax Expenses		40.11	4.22
IX.	Profit (Loss) for the period		97.64	6.59
	Other Comprehensive Income			
(a)	(i) Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of Defined Employee Benefit Plans		14.65	0.80
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		(4.08)	(2.58)
(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		18.73	3.38
	Total Comprehensive Income for the year		116.37	9.97
X.	Earnings per equity share:			
	(1) Basic	29	0.71	0.05
	(2) Diluted	29	0.71	0.05

Notes forming part of Financial Statements

1 & 40

For Ravi Sharma & Co.
Chartered Accountants
(FRN 015143C)

Sd/-
(Paras Bhatia)
Partner
M.No. 418196
Date: 25th June 2021
Place: Jaipur

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

Sd/-	Sd/-
Raj Kumar Agarwal (Managing Director)	Naresh Kumar Agarwal (Executive Director)
DIN: 00127215	DIN: 00106649
Sd/-	Sd/-
Rakesh Kumar Soni (Chief Financial Officer)	Priya Gandhi (Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakh)

	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from Operating Activities		
Profit before income tax	137.75	10.81
Adjustment for		
Depreciation and amortisation expenses	373.20	376.44
Finance Costs	390.56	508.24
Expected Credit Loss Allowance	17.20	30.44
Adjustment on Sale / Discard of Asset	(0.20)	(0.35)
IDLs Subsidy Income	(40.22)	(42.74)
Actuarial Gain/Loss	14.65	0.80
Interest Income	(3.65)	(36.47)
Change in operating assets and liabilities		
(Increase)/Decrease in inventories	692.54	(1205.05)
(Increase)/Decrease in trade receivables	(141.45)	(640.52)
(Increase)/Decrease in financial assets	166.41	881.66
(Increase)/Decrease in current assets	(300.73)	(70.57)
Increase/(Decrease) Provisions	9.65	27.40
Increase/(Decrease) other current liabilities	404.37	872.49
Cash generated from operations	1720.08	712.58
Income Tax paid net	(14.46)	(77.88)
Net cash flow from operating activities	1705.62	634.70
B. Cash flow from Investing Activities		
Purchase for property, plant and equipments	(515.33)	(319.52)
Sale of Property, Plant and Equipments	3.00	0.84
Advance Paid for Capital Goods	166.22	(292.98)
Interest Income	3.65	36.47
Net cash flow from investing activities	(342.46)	(575.19)
C. Cash flow from financing activities		
Increase in Short Term Borrowings	(1648.62)	117.49
Increase in Long Term Borrowings	664.00	(2.49)
Finance Costs	(370.10)	(486.38)
Interest Liability on Lease	(20.46)	(21.85)
Payment of Principal portion of Lease Liability	(39.39)	(37.55)
FDDI Subsidy	-	285.22
Net cash flow from financing activities	(1414.57)	(145.57)
Net increase / (decrease) in cash and cash equivalents	(51.40)	(86.02)
Cash and cash equivalents at the beginning of the year	181.56	267.58
Cash and cash equivalents at the end of the year	130.16	181.56

As per our Report of even date

For Ravi Sharma & Co.
Chartered Accountants
(FRN 015143C)

Sd/-
(Paras Bhatia)
Partner
M.No. 418196
Date: 25th June 2021
Place: Jaipur

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

Sd/-	Sd/-
Raj Kumar Agarwal (Managing Director) DIN: 00127215	Naresh Kumar Agarwal (Executive Director) DIN: 00106649
Sd/-	Sd/-
Rakesh Kumar Soni (Chief Financial Officer)	Priya Gandhi (Company Secretary)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021**

1. STATEMENT OF CHANGES IN EQUITY

(Rs. in Lakh)

A Equity Share Capital		
Particular	Note	Amount
As on 1 April 2020		1367.88
Changes in equity share capital	10	-
As on 31 March 2021		1367.88

B Other Equity

Particular	Reserve & Surplus			Items of Other Comprehensive Income			TOTAL
	Security Premium Reserve	General Reserve	Retained Earning	Deferred Income	Revaluation Surplus	Remeasurement of net defined benefit Plans	
Balance as at 1 April 2020	660.53	100.15	1808.00	317.67	1653.21	(8.93)	4530.64
Profit for the year/Transfer to Reserve/(Income)	-	-	97.64	(40.22)	-	-	57.42
Receipt of Capital Subsidy from FDDI	-	-	-	-	-	-	-
Amount transfer from Deferred Tax Liability to Revaluation Reserve	-	-	-	-	-	-	-
Other Comprehensive income	-	-	-	-	-	18.73	-
Balance as at 31 March 2021	660.53	100.15	1905.64	277.45	1653.21	9.80	4606.79

As per our Report of even date
For Ravi Sharma & Co.
Chartered Accountants
(FRN 015143C)

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

Sd/-
Raj Kumar Aganwal
(Managing Director)
DIN: 00127215

Sd/-
Naresh Kumar Aganwal
(Executive Director)
DIN: 00106649

Sd/-
Rakesh Kumar Soni
(Chief Financial Officer)

Sd/-
Priya Gandhi
(Company Secretary)

Sd/-
(CA Paras Bhatia)
Partner
M.No. 418196
Date: 25th June 2021
Place: Jaipur

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1 Corporate Information

"Lehar Footweares Limited" formerly known as "Lawreshwar Polymers 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 March 31, 2021 and authorised for issue on June 25, 2021.

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 Rupees ("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.

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 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 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 Finance Lease

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating Lease

Effective 1 April 2019, the company has adopted Ind AS 116 - Leases using a modified retrospective approach. Accordingly, on initial application of Ind AS 116, in respect of leases previously classified as operating leases, lease liability is

measured at the present value of remaining lease payments discounted using the incremental borrowing rate at the date of initial application and the right-of-use asset has been measured at the amount equal to lease liability, adjusted for any prepaid or accrued lease payments recognised in the balance sheet immediately before the date of initial application.

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 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.

(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

Amendment to Ind AS 103 Business Combination

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist

without including all of the inputs and processes needed to create outputs. These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the Company but may impact future periods should the Company enter into any business combinations

Amendment to Ind AS 1 and Ind AS 8 : Definition of Material

The amendments provide a new definition of material clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company. These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020.

Notes on Financial Statements

Note 3 - PROPERTY, PLANT & EQUIPMENTS

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2021

Particulars	(Rupees in Lakh)												
	Tangible Assets												Capital Intangible Assets - Work in Progress Software
	Land	Building (Free Hold)	Building (Lease Hold)	Road	Plant & Machinery	Dies & Moulds and Misc. Fixed Assets	Furniture & Fixtures	Vehicles	Office Equipments	Total	Capital Intangible Assets - Work in Progress Software	Grand Total	
Gross Carrying value as at April 1, 2020	2379.10	1787.65	271.83	15.11	1224.89	1499.54	20.50	287.51	88.76	7569.89	1.65	6.12	7577.65
Additions	11.12	111.50	-	-	279.63	105.09	2.43	-	7.20	516.98	350.79	-	867.77
Deletions	-	-	-	-	-	3.00	-	-	5.07	8.07	352.44	-	360.51
Gross Carrying value as at March 31, 2021	2390.22	1899.15	271.83	15.11	1504.52	1601.63	22.93	287.51	85.89	8078.80	-	6.12	8084.91
Accumulated depreciation as at April 1, 2020	-	280.66	46.26	1.41	367.62	926.31	9.29	190.30	67.23	1889.07	-	-	1889.07
Depreciation	-	75.98	46.26	1.43	95.24	121.20	1.45	24.44	7.20	373.20	-	-	373.20
Accumulated depreciation on deletions	-	-	-	-	-	0.45	-	-	4.82	5.27	-	-	5.27
Accumulated depreciation as at March 31, 2021	-	356.64	92.52	2.84	462.86	1047.06	10.74	214.74	69.61	2257.00	-	-	2257.00
Carrying Value as at March 31, 2021	2390.22	1542.51	179.31	12.27	1041.66	554.57	12.19	72.77	16.28	5821.79	-	6.12	5827.91
Carrying Value as at April 1, 2020	2379.10	1506.99	225.57	13.70	857.27	573.23	11.21	97.21	16.53	5680.82	1.65	6.12	5688.59

(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 Rs 1800 Lakh due to revaluation done in the financial year 2016-17.

Notes on Financial Statements

(Rupees in Lakh)

Note-4 Financial Asset :Loans & Advances

Particular	Long Term		Short Term	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Unsecured considered goods				
Security Deposit				
Others Parties	25.90	24.30	-	-
Loans to Employees	-	-	3.08	1.09
Total	25.90	24.30	3.08	1.09

Note-5 Financial Asset : Other Financial Asset

Particular	Long Term		Short Term	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Insurance Claim Receivable (Unit IV)*			-	148.33
Duty Drawback Receivable	-	-	1.52	2.50
IGST Refundable on Export	-	-	27.72	30.25
MEIS Credit Receivable	-	-	1.48	17.62
Accrued Interest	-	-	1.41	-
Insurance Policies for Compensated Absence	-	-	2.37	5.82
Total	-	-	34.50	204.52

Note-6 Other Asset

Particular	Long Term		Short Term	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
GST Input Tax Credit and Electronic Cash Ledger Balance	-	-	609.18	410.69
Advance to Suppliers & Other Parties	220.84	387.06	105.35	38.04
Advance Income Tax & TDS Receivable	-	-	104.72	79.17
Prepaid Expenses	-	-	17.50	8.37
TDS Refundable from Financial Institutions	-	-	2.51	2.26
Total	220.84	387.06	839.26	538.53

Note-7 Inventories

Particular	As at 31-03-2021	As at 31-03-2020
(Valued at lower of cost and net realizable value)		
Raw materials	821.51	810.28
Work-in-progress;	1208.88	1778.17
Finished goods;	1161.36	1336.66
Packing Material	142.08	82.60
Stock-in-trade (in respect of goods acquired for trading)	59.65	37.29
Stores and spares;	52.85	93.95
Diesel/Pet Cock	0.16	0.08
Total	3446.49	4139.03

Note-8 Trade Receivable

Particular	As at 31-03-2021	As at 31-03-2020
Unsecured, considered good unless stated otherwise		
Related Parties	-	5.00
Others	3475.32	3328.87
Total	3475.32	3333.87

Note-9 Cash & Cash Equivalent

Particular	As at 31-03-2021	As at 31-03-2020
Cash and Cash Equivalents		
Balances with banks	5.60	51.74
Cash on Hand	28.11	112.87
Other Bank Balances (Earmarked)		
Balances with banks held as Margin Money on ILC/FLC/BG and other commitments	96.46	16.95
Total	130.17	181.56

Notes on Financial Statements

(Rupees in Lakh)

Note-10 Equity Share Capital

Particular	As at 31-03-2021	As at 31-03-2020
Authorised 15000000 Equity Shares of Rs. 10 each (Previous year 15000000 Equity Shares of Rs. 10 each)	1500.00	1500.00
Issued, Subscribed & Paid-up (1,36,78,799 Equity Shares of Rs. 10/-each, fully paid up) (Previous year 1,36,78,799 Equity Shares of Rs. 10/-each, fully paid up)	1367.88	1367.88
Total	1367.88	1367.88

Note 10.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31-03-2021		As at 31-03-2020	
	Number	Amount	Number	Amount
At the beginning of the period	13678799	1367.88	13678799	1367.88
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	13678799	1367.88	13678799	1367.88

Note 10.2 Terms/ Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of Rs.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.

Note 10.3 Details of Shareholders holding more than 5% equity shares in the Company

Shareholder	As at 31-03-2021		As at 31-03-2020	
	Number	% Holding	Number	% Holding
Promoters and Promoter Group				
Naresh Kumar Agarwal	1268566	9.27	1253566	9.16
Raj Kumar Agarwal	1492618	10.91	1492618	10.91
Santra Devi Agarwal	1137813	8.32	1137813	8.32
Pramod Kumar Agarwal	1113632	8.14	1113632	8.14
Ramesh Chand Agarwal	2019170	14.76	2019170	14.76
Total	7031799	51.40	7016799	51.29

Note-11 Other Equity

Particular	Security Premium Reserve	General Reserve	Retained Earning	Deferred Income	Revaluation Surplus	Remeasurement of net defined benefit Plans
Balance as at 1 April 2020	660.53	100.15	1808.00	317.67	1653.21	(8.93)
Profit for the year/Transfer to Reserve	0.00	0.00	97.64	-40.22	0.00	0.00
Capital subsidy from FDDI				0.00		
Amount transfer from Deferred Tax Liability to Revaluation Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Other Comprehensive income	0.00	0.00	0.00	0.00	0.00	18.73
Balance as at 31 March 2021	660.53	100.15	1905.64	277.45	1653.21	9.80
Total Other Equity					As at 31-03-2021	As at 31-03-2020
Total					4606.79	4530.64

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 created out of the revaluation of land owned by the company.

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-12 Long Term Borrowings

Particular	Non Current Portion		Current Maturities	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Term Loan-HDFC 84229932*	220.79	274.45	53.23	28.95
Term Loan-HDFC 84229948*	251.29	190.06	43.64	26.49
Term Loan-HDFC 84139705*	64.74	200.95	135.88	87.49
Term Loan-HDFC 84229929*	-	-	-	4.30
Term Loan-HDFC 84229943*	71.52	119.55	47.84	29.48
Term Loan-HDFC 84390346*	137.20	135.56	29.40	14.44
GECL TERM LOAN HDFC-8888876*	651.68	-	92.94	-
Deferred Vehicle Loans from various banks	2.19	16.65	14.46	20.31
Other Intercorporate Loan	-	1.21	-	-
ICICI Bank Limited	-	-	-	2.92
Total	1399.41	938.43	417.39	214.38
The above amount includes				
Secured borrowings	1399.41	937.22	417.39	211.45
Unsecured Borrowings				
From Related Parties	-	1.21	-	-
From Others	-	-	-	2.92
Amount Disclosed under Current Maturity of Long term Borrowing Under Note No.18 Other Financial Liability	-	-	(417.39)	(214.38)
Total	1399.41	938.43	-	-

Notes on Financial Statements

(Rupees in Lakh)

* 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 @ 7.45%. 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
- (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.)
- (v) Kasturi Kunj, Near Tulshayan Guest House, Rani Satti Road, Jhunjhunu-333001 (Owned in the name of Mr. Raj Kumar Agarwal and Mr. Ramesh Chand Agarwal who are related party.)

In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March, 2020 and RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated 17th April, 2020 relating to 'COVID-19 - Regulatory Package', the financial services subsidiaries, as per their board approved policy and ICAI advisories, has granted moratorium upto three months on the payment of installments falling due between 01st March, 2020 and 31st May, 2020 to all eligible borrowers. The company has availed the relief package for the term loan taken from HDFC Bank Limited and for the interest charged on cash credit limit for two months.

(I) Term Loan-HDFC 84229932 is financed for Rs.314.80 lakhs which is repayable in 71 equal monthly installment of Rs.5,98,772 including interest started from Jan.2020

(II) Term Loan-HDFC 84229948 is financed for Rs.336.54 lakhs which is repayable in 80 equal monthly installment of Rs.5,34,497 including interest started from Jan.2020

(III) Term Loan-HDFC 84139705 is financed for Rs.318.48 lakhs which is repayable in 33 equal monthly installment of Rs.12,18,747 including interest started from Jan.2020

(IV) Term Loan-HDFC 84229929 is financed for Rs.17.04 lakhs which is repayable in 4 equal monthly installment of Rs.4,33,514 including interest started Jan.2020

(V) Term Loan-HDFC 84229943 is financed for Rs.159.51 lakhs which is repayable in 44 equal monthly installment of Rs.4,59,334 including interest started from Jan.2020

(VI) Term Loan-HDFC 84390346 is financed for Rs.184.00 lakhs which is repayable in 75 equal monthly installment of Rs.3,28,048 including interest starting from Apr.2020

(VII) GECL TERM LOAN HDFC-8888876* is financed for Rs.745.56 Lakhs which is repayable in 36 equal monthly installment of Rs.23,17,459 including interest starting from Nov.2021.

(VIII) Deferred Vehicle Loans are secured against hypothecation of respective vehicles carrying interest rate in the range of @ 8.50% to 13%.

Note-13 Other Financial Liabilities

Particular	Long Term		Short Term	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Lease Liability	155.50	194.89	39.39	39.39
Total	155.50	194.89	39.39	39.39

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

Notes on Financial Statements

(Rupees in Lakh)

Note-14 Provisions

Particular	Long Term		Short Term	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
(a) Provision for Employees Benefit				
(i) Provision for Gratuity	18.90	18.63	2.17	4.33
(ii) Provision for Compensated Absence	-	-	17.21	18.45
(iii) Provision for Bonus	-	-	25.68	23.36
(b) Provision for Income Tax	-	-	25.98	11.88
(c) Provision for Expenses	-	-	3.40	7.10
(d) Provision for Expected Credit Loss	60.44	43.24	-	-
Total	79.34	61.87	74.44	65.12

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.

Note-15 Deferred Tax Liability (Net)

Particular	As at 31-03-2021	As at 31-03-2020
Deferred Tax Liability		
Related to Fixed Assets	273.11	240.57
Related to Revaluation of Land	375.68	381.82
Deferred Tax Assets		
Related to Employee Benefit Expenses	9.89	9.90
Related to Expected Credit Loss	16.81	12.03
Total	622.09	600.46

Note-16 Short-term Borrowings

Particular	As at 31-03-2021	As at 31-03-2020
Cash Credit from HDFC Bank Ltd. (Secured)*	484.92	2951.94
Unsecured Loan from banks and financial institutions		
Capital First Limited	-	14.44
HDFC Invoice Discounting	632.75	-
HDFC PO Funding	206.39	-
HDFC Bank Credit Card Loan	-	0.59
HDFC Post Shipment Credit Loan	-	5.72
Total	1324.06	2972.69

*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 @ 7.45%.

Note-17 Trade Payable

Particular	As at 31-03-2021	As at 31-03-2020
Sundry Creditors for Raw Material and Packing Material	2329.17	3014.64
Sundry Creditors for Consumable Store and Traded Goods	1032.65	123.59
Sundry Creditors for Expenses	183.01	151.05
Total	3544.83	3289.28

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

Micro and Small Enterprises

Particular	As at 31-03-2021	As at 31-03-2020
Dues Remaining unpaid		
The Principal amount remaining unpaid to any supplier as at the end of the year	118.04	64.47
Interest due on the above amount	12.66	3.85
Amount of Interest accrued and remaining unpaid at the end of the year	3.52	-

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 on Financial Statements

(Rupees in Lakh)

Note-18 Financial Liability - Other

Particular	As at 31-03-2021	As at 31-03-2020
Trade Payable for Capital Goods	107.50	111.35
Current maturities of long-term borrowings (Includes current maturities of deferred vehicle loans)	417.39	214.38
Lease Liability Short term	39.39	39.39
Outstanding Expenses	73.19	68.03
Other Current Financial Liability	97.19	24.27
Total	734.66	457.42

Note-19 Other Current Liability

Particular	As at 31-03-2021	As at 31-03-2020
Advances from customers	73.61	5.04
Statutory Liabilities	20.86	14.83
Total	94.47	19.87

Note-20 Revenue From Operation

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products		
Finished Goods & Traded Goods	13753.33	8541.89
Export Sales	1179.09	1116.41
Other Operating Revenue	107.94	91.81
Revenue from Operation (Gross)	15040.36	9750.11
Less: Discount	328.02	276.69
Revenue from Operation (Net)	14712.34	9473.42

Note-21 Other Income

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Interest Income on		
Bank Deposits	3.23	2.23
Other Interest	3.65	36.47
Exchange Fluctuation Gain	19.33	26.17
Discount Received	7.43	-
Subsidy from FDDI	40.22	42.74
Gain on Insurance Claim	0.00	4.35
Profit on Sale of Assets	0.45	0.35
Miscellaneous Income	0.17	0.74
Total	74.48	113.05

Note-22 Cost of Material Consumed

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Raw Materials Consumed		
Opening Stock	810.28	723.89
ADD: Purchases	6546.97	5964.17
	7357.25	6688.06
Less: Closing Stock	821.51	810.28
Total [A]	6535.74	5877.78
Packing Materials Consumed		
Opening Stock	82.60	58.43
ADD: Purchases	712.16	641.02
	794.76	699.45
Less: Closing Stock	142.08	82.60
Total [B]	652.68	616.85
Cost of Material Consumed Total [A+B]	7188.42	6494.63

Notes on Financial Statements

(Rupees in Lakh)

Note-23 Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Opening Stock		
Finished Goods	1336.66	1147.30
Work-in-Progress	1778.17	918.64
Stock-in-Trade	37.29	49.17
Total [I]	3152.12	2115.11
Closing Stock		
Finished Goods	1161.36	1336.66
Work-in-Progress	1208.88	1778.17
Stock-in-Trade	59.65	37.29
Total [II]	2429.89	3152.12
Change in inventories Total [I-II]	722.23	(1037.01)

Note-24 Employee Benefits Expense

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, Wages and Bonus	679.77	686.32
Contribution to Provident and Other Funds	47.35	39.22
Staff Welfare Expenses	11.89	8.82
Total	739.01	734.36

Note-25 Finance Cost

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Bank Charges	17.17	85.40
Interest on Term Loan	123.37	92.44
Interest to Bank & others	250.02	330.40
Total	390.56	508.24

Note-26 Depreciation and Amortisation Expenses

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation	373.20	376.44
Total	373.20	376.44

Notes on Financial Statements

(Rupees in Lakh)

Note-27 Other Expenses

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Manufacturing Expenses		
Cartage	38.76	21.19
Consumable stores	124.66	60.04
Diesel / Pet Cock consumption	0.73	1.61
Job Charges	1360.18	1111.04
Power & Electricity	266.48	298.05
Repairs & Maintenance (P & M)	76.91	94.15
Designing Expenses	0.05	-
TOTAL [A]	1867.77	1586.08
Administrative & Other Expenses		
Annual Listing Fees	3.90	3.65
Conveyance, Vehicle Running Expense	37.28	36.50
VAT	-	0.02
Directors Remuneration	61.43	63.00
Donation	7.23	8.77
Electricity and Water Expenses	12.13	9.29
Festival Expenses	6.74	7.12
General Expenses	22.06	7.08
Insurance Expenses	18.40	22.35
Interest on TDS	0.66	0.90
Interest on GST	2.30	0.88
Interest to MSME Entities	12.66	3.85
Loss on Sale of Asset	0.25	-
Late Fee GST	0.04	0.02
Legal and Professional Fees	21.81	37.84
Loss on Insurance Claim	35.74	-
Membership fees & Subscription Fees	1.31	1.13
Payment to Auditors (Refer details below)	7.45	6.87
Penalty & Fine	0.02	0.05
Late Delivery Charges	3.10	-
Communication Expenses	9.07	8.92
Printing & Stationery	5.14	6.44
Repairs & Maintenance	17.90	21.38
Security Charges	20.55	14.70
Software and Website Expenses	3.51	1.10
Sundry Balances written off	14.41	-
Travelling Expenses	44.40	81.31
TOTAL [B]	369.49	343.17
SELLING & DISTRIBUTION EXPENSES		
Advertisement and Sales Promotion Expense	46.72	63.87
Commission on Sales	51.95	28.64
Freight Outward	167.29	87.34
Bad Debts	56.65	1.50
Expected Credit Loss	17.20	30.44
Tender and Technical Testing Fees	35.86	0.11
TOTAL [C]	375.67	211.90
GRAND TOTAL [A+B+C]	2612.93	2141.15

Note-27.1 Payment to Statutory Auditor

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Audit Fees	7.26	6.60
Reimbursement of Expenses	0.19	0.27
Total	7.45	6.87

Note-28 Income Tax Recognised in Statement of Profit or Loss

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Current Tax		
In respect of Current year		
Regular Tax	11.81	11.88
In respect of earlier year	2.58	1.55
Total Current tax	14.39	13.43
Deferred Tax	25.72	(9.21)

Notes on Financial Statements

(Rupees in Lakh)

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:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit before income taxes	137.75	10.81
Enacted tax rate in India	26.00%	27.82%
Computed expected tax expenses	35.82	3.01
Effect of Allowances for tax purpose	(131.94)	(117.05)
Effect of Non deductible expenses	107.93	125.92
Others	2.58	1.55
Tax expense recognised in Statement of Profit and Loss	14.39	13.43

The movement of deferred tax assets and liabilities during the year ended March 31, 2021

Particular	As at 1 April, 2020	(Credit)/ Charge in statement of Profit and Loss	(Credit) / Charge in Other Comprehensive Income	As at 31st March, 2021
Deferred Tax Assets/ (Liabilities)				
Depreciation	(240.57)	(32.55)	-	(273.11)
Gratuity & Compensated Absence	9.90	(4.09)	4.08	9.89
Expected Credit Loss	12.03	4.78	-	16.81
Revaluation of Land	(381.82)	6.13	-	(375.68)
Total	(600.46)	(25.72)	4.08	(622.09)

Note-29 Earning Per Share

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit after tax	97.64	6.59
Weighted average no. of Equity Share Outstanding	13678799	13678799
Nominal value of Ordinary share(INR)	10.00	10.00
Basic & diluted earning per share in rupees	0.71	0.05

Note-30 Lease

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
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	59.85	59.40
(b) Future Lease payments:		
Not later than 1 year	59.85	59.85
Later than 1 year but not later than 5 years	173.79	233.64
More than 5 years		

Notes on Financial Statements

(Rupees in Lakh)

Note-31 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	Year ended 31 March 2021	Year ended 31 March 2020
Contribution to provident fund and other fund recognised in Statement of Profit and Loss	23.59	17.18

(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.

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 obligation 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 March 31, 2021 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 Rs. 17.21 Lakhs (Previous Year Rs. 18.24 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:

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Discount Rate	7.00%	7.00%	7.00%	7.00%
Future Salary growth rate	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	7.05%	7.05%	7.05%	7.05%
Mortality table used	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14

Projected Benefit Obligation

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Projected benefit Obligation at beginning of the year	18.24	10.38	35.82	26.29
Interest Cost	1.28	0.73	2.51	1.84
Current Service Cost	8.22	7.97	9.46	9.39
Actuarial (Gain)/Loss	(3.72)	(0.43)	(11.17)	(0.38)
Benefits paid	(6.81)	(0.42)	(0.66)	(1.32)
Projected benefit Obligation at end of the year	17.21	18.24	35.96	35.82

Amount recognised in the Balance Sheet

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Amount recognised in the Balance Sheet:				
Projected benefit Obligation at end of the year	17.21	18.24	35.96	35.82
Fair Value of Plan Assets as at year end	2.37	5.82	14.90	12.87
Net (Asset)/Liability recognised in the Balance Sheet	14.84	12.41	21.06	22.95

Cost of the defined benefit plan for the year:

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Current Service Cost	8.22	7.97	9.46	9.39
Interest Cost	1.28	0.73	2.51	1.84
Expected Return on plan Asset	(0.41)	(0.41)	(0.90)	(0.93)
Components of defined benefit cost recognised in the Statement of Profit & Loss	9.09	8.29	11.07	10.30

Remeasurement on the net defined benefit liability:

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
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	0.00	0.66	0.66	1.50
Experience Adjustment (gain)/ loss for Plan Liabilities	(4.68)	(1.09)	(11.83)	(1.88)
Components of defined benefit costs recognised in Other Comprehensive Income	(4.68)	(0.43)	(11.17)	(0.38)
Total cost of the defined benefit plan for the year	4.41	7.86	(0.11)	9.92

Experience Adjustment

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Present value of defined benefit obligation	17.21	18.24	35.96	35.82
Fair Value of plan assets	2.37	5.82	14.90	12.87
Balance Sheet (Liability)/ Asset	14.84	12.41	21.06	22.95
P&L (Income)/ expenses	9.09	8.29	11.07	10.30
Experience adjustment on plan liabilities (gain)/ loss	(4.68)	(1.09)	(11.83)	(1.88)
Experience adjustment on plan assets (gain)/ (loss)	(0.26)	(0.01)	0.02	(0.01)

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

Particulars	Compensated Absence		Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate - 1% increase	15.70	16.74	33.16	33.32
Discount rate - 1% decrease	18.97	19.98	39.20	38.73
Salary Growth rate - 1% increase	18.99	20.00	39.23	38.76
Salary Growth rate - 1% decrease	15.66	16.70	33.09	33.25
Withdrawal rate - 1% increase	17.48	18.49	36.01	35.90
Withdrawal rate - 1% decrease	16.90	17.96	35.87	35.70

Notes on Financial Statements

(Rupees in Lakh)

Note-32 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 board of directors reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

Note-33 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 01.04.2020 to 31.03.2021.

Particulars	Relation
Directors & Key managerial persons & their associate concerns	
Ramesh Chand Agarwal	Chairman of the company
Raj Kumar Agarwal	MD 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
Geetika Bisht	Company Secretary cum Compliance Officer
Sneha Sharma	Company Secretary cum Compliance Officer
Radhey Shyam Gemini	Independent Director
Sunil Agarwal	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	Son of Chairman
Pramod Agarwal	Brother of Chairman of the company
Pankaj Agarwal	Son of Managing Director
Shailly Agarwal	Daughter in law of Managing Director
Prateek Agarwal	Nephew of Chairman of the company
Lakshita Agarwal	Daughter of Executive Director
Jai Shree Agarwal	Daughter in law of Chairman
Enterprises owned/controlled by directors & their relatives	
Relations with Directors	
JMR Mobilink Limited	19% shares of this company held by the company
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 Chairman's Brother
Ramesh Footwear	Proprietorship concern of Chairman
Naveen Footwear	Proprietorship concern of Chairman's son
N.K. Footwear	Proprietorship concern of EDs HUF
R.K. Boothouse	Proprietorship concern of MDs HUF
M.L. Boot House	Proprietorship concern of Chairman's Father's HUF
S. D. Footwear	Proprietorship concern of Mother of Chairman

Transaction with key management persons

Nature of transaction	2020-21	2019-20
Remuneration	105.79	113.24
Out of the above items, transactions in excess of 10% of the total related party transactions are as under:		
Ramesh Chand Agarwal	25.10	25.70
Raj Kumar Agarwal	25.10	25.70
Naresh Kumar Agarwal	25.10	25.69
Sanjay Kumar Agarwal	15.01	15.35
Rakesh Kumar Soni	14.19	18.62

Transaction with relatives

Nature of transaction	2020-21	2019-20
Salary	69.98	71.74
Out of the above items, transactions in excess of 10% of the total related party transactions are as under:		
Pankaj Agarwal	11.92	12.22
Pramod Agarwal	20.76	21.29
Prateek Agarwal	7.82	8.02

Enterprises owned & controlled by the Directors and their relatives

Nature of transaction	2020-21	2019-20
Rent Paid	59.85	59.40
Donation	3.58	7.05
Sales	26.33	-
Loan Received	-	241.40
Loan Repaid	-	262.50
Interest Paid	-	3.68

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

Rent Paid		
Lawreshwar Footwear	9.45	9.00
Lawreshwar Footcare Pvt. Ltd.	50.40	50.40
Donation		
Jai Narayan Mohan Lal Charitable Trust	2.33	3.76
Lawreshwar Mahadev Mandir Trust	1.25	3.29
Sales		
Ramesh Footwear	2.24	-
S.D. Footwear	7.71	-
R. K. Boothouse	9.55	-
P. K. Shoe Co.	6.82	-
Loan Received		
Lawreshwar Footcare Pvt. Ltd.	-	241.40
Loan Repaid		
Lawreshwar Footcare Pvt. Ltd.	-	262.50
Interest Paid		
Lawreshwar Footcare Pvt. Ltd.	-	3.68

Note-34 Contingent Liabilities, pending litigations and Commitments

Particulars	2020-21	2019-20
Contingent Liabilities		
Claims against the company / disputed liabilities not acknowledged as debts	32.00	-
Bank Guarantee	270.53	-
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	234.00

Notes on Financial Statements

(Rupees in Lakh)

Note 35: Fair Value Measurement

Particulars	31-Mar-2021		31-Mar-2020	
	Amortised cost	Carrying value	Amortised cost	Carrying value
Financial Assets				
(i) Trade receivables	3475.32	3475.32	3333.87	3333.87
(ii) Loans	28.98	28.98	25.38	25.38
(iii) Others	34.50	34.50	204.52	204.52
(iv) Cash & cash equivalents	130.17	130.17	181.56	181.56
Total	3668.97	3668.97	3745.33	3745.33
Financial Liabilities				
(i) Borrowings	2723.47	2723.47	3911.11	3911.11
(ii) Trade payables	3544.83	3544.83	3289.28	3289.28
(iii) Other financial liabilities	890.17	890.17	652.31	652.31
Total	7158.47	7158.47	7852.70	7852.70

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 36: Financial 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 31 March 2021 and 31 March 2020. 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.

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.

Financial Exposure	2020-21	2019-20
Financial liabilities:		
USD Converted in Rupees	270.24	126.54
Net exposure	270.24	126.54

Sensitivity Analysis

Currency	Amount in INR		5% increase		5% decrease	
	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
USD Converted in Rupees	270.24	126.54	283.76	132.87	256.73	120.21

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.

Particulars	As at 31-03-2021	As at 31-03-2020
Fixed rate instruments		
Fixed deposit with Banks	96.46	16.95
Borrowings		
Vehicle Loans	16.65	36.96
Unsecured Loan From Various bank	-	17.36
Inter Corporate Loans	-	1.21
Variable rate instruments		
Borrowings		
Term Loan (HDFC)	1800.14	1117.45
Cash Credit HDFC	1324.05	2951.94

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.

Particulars	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Interest rate - increase/decrease by 50 basis point	15.62	(15.62)	20.35	(20.35)

Notes on Financial Statements

(Rupees in Lakh)

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.

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 33.

Credit risk exposure

The following table shows the maximum exposure to the credit risk at the reporting date :

Particulars	as at March 31, 2021		as at March 31, 2020	
	Non Current	Current	Non Current	Current
Loans	25.90	3.08	24.30	1.09
Trade Receivables	-	3475.32	-	3333.87
Cash equivalents	-	130.17	-	181.55
Other financials assets	-	34.50	-	204.52
Total	25.90	3643.07	24.30	3721.03

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 .

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 1 year	>1 years	Total	Within 1 year	>1 years	Total
Borrowings including interest	686.53	1635.65	2322.18	343.62	1101.42	1445.04
Other liabilities	244.07	-	244.07	175.01	-	175.01
Trade and other payable	3618.02	-	3618.02	3357.31	-	3357.31

Notes on Financial Statements

(Rupees in Lakh)

Note-37

The Spread of COVID-19 has impacted business around the globe. In India, Governments in certain states have imposed various restrictions with the increase in number of COVID -19 cases during the months of March, April and May 2021. The company has considered various internal and external information available up to the date of approval of these financial statements in assessing the impact of COVID-19 pandemic on the financial results for the year ended March 31, 2021.

On the basis of assessment done by the company and based on the internal/external sources of information and application of reasonable estimates, the company has concluded that it does not foresee any significant incremental risk to the recoverability of its Trade Receivables, Inventories and Other Financial Assets or, in meeting its financial obligations over the foreseeable future and hence no material adjustments are required in the financial results.

Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. The company will continue to closely monitor any material changes to future economic conditions due to uncertainties linked to COVID-19, which may impact above assessment.

Note 38 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-39

The company consider footwear and accessories as its single segment in which company operates.

Note-40

The previous year figures have been regrouped, rearranged and reclassified wherever necessary.

As per our Report of even date

For Ravi Sharma & Co.
Chartered Accountants
(FRN 015143C)

Sd/-
(CA Paras Bhatia)
Partner
M.No. 418196
Date: 25th June 2021
Place: Jaipur

For and on behalf of Board of Directors
LEHAR FOOTWEARS LIMITED

Sd/-
Raj Kumar Agarwal
(Managing Director)
DIN: 00127215

Sd/-
Naresh Kumar Agarwal
(Executive Director)
DIN: 00106649

Sd/-
Rakesh Kumar Soni
(Chief Financial Officer)

Sd/-
Priya Gandhi
(Company Secretary)

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting (AGM) of the members of Lehar Footwears Limited (“the Company”) will be held on Tuesday, September 28, 2021 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, 2021 together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ramesh Chand Agarwal (DIN:00108287), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. RE-APPOINTMENT OF MR. RAJ KUMAR AGARWAL AS MANAGING DIRECTOR OF THE COMPANY

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Raj Kumar Agarwal as Managing Director of the Company for a period of five years with effect from December 01, 2021 as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Raj Kumar Agarwal.

RESOLVED FURTHER THAT the remuneration payable to Mr. Raj Kumar Agarwal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule- V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

4. 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 (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 Ramesh Chand Agarwal (Chairman), Raj Kumar Agarwal (Managing Director) and Naresh Kumar Agarwal (Whole-time Director), shall be the maximum remuneration in the event of loss or inadequacy of profits in any financial year during the aforesaid period, and the other terms and conditions of their appointment remaining the same, 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 pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the continuation of payment of remuneration to Ramesh Chand Agarwal (Chairman), Raj Kumar Agarwal (Managing Director) and Naresh Kumar Agarwal (Whole-time Director), who are Executive Directors and Promoters of the Company notwithstanding: i) annual remuneration payable to each of them exceeding Rs.5 Crore or 2.5 per cent of the net profits of the Company calculated as per the provisions of section 198 of the Companies Act, 2013, whichever is higher; or ii) their aggregate annual remuneration exceeding 5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, till the expiry of their current term.

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."

For **Lehar Footwears Limited**

Sd/-

Ramesh Chand Agarwal

Chairman

DIN: 00108287

Dated: 11.08.2021

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 Sunday, September 26, 2021.**

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 Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (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. 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.
 13. 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.
 14. 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.
 15. 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.

16. 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.
17. Members may also note that the notice of 27th Annual General Meeting and Annual Report for the year 2020-21 is also available on the website of the company www.leharfootwear.com for their download.
18. The route map to the venue of the Meeting is included in this notice for easy location.
19. E-VOTING:
 - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 27th Annual General meeting (AGM) by electronic means.
 - II. The facility for voting through ballot paper shall also be made available at the AGM and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on Saturday, September 25, 2021 (09:00 am) and ends on Monday, September 27, 2021 (5:00 pm).

The Board of Directors has appointed Vinod Kumar Naredi, Prop. of M/s. Naredi Vinod & Associates (Membership No. ACS: 20453 CP NO. 7994), Practising Company Secretary as the scrutinizer for e-voting, to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The scrutinizer shall be responsible to conduct e-voting in fair and transparent manner.

Any person who become member of the company after dispatch of Notice of the meeting and holding share as on cut-off date may obtain ID Password by following the procedure mention in the **instructions for members for voting electronically as given below.**

Members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting and that the members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. Voting by Members present at the Meeting shall be done by ballot or polling paper.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at under help section or write and email to helpdesk.evoting@cdslindia.com. Or company secretary, Lehar Footwears Limited A-243 (A) Road No. 6 VKI Area, Jaipur, 302013 email: csco@leharfootwear.com

The instructions for members for voting electronically are as under:-

1. The voting period begins on Saturday, September 25, 2021 (09:00 am) and ends on Monday, September 27, 2021 (5:00 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 Tuesday, September 21, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Log on to the e-voting website www.evotingindia.com
3. Click on Shareholders
4. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
7. If you are a first time user then follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.

Date of Birth	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
Details •	Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 4.

1. After entering these details appropriately, click on “SUBMIT” tab.
2. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
3. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
4. Click on the EVSN for Lehar Footwears Limited.
5. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
6. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
7. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
8. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
9. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
10. If D-mat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
11. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store

respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

12. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

13. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to .

In case of members receiving the physical copy:

- (A) Please follow all steps as mentioned above to cast vote.
- (B) The voting period begins on Saturday, September 25, 2021 (09:00 am) and ends on Monday, September 27, 2021 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 21, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

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

Item No. 3:

The Board of Directors of the Company in their meeting held on June 25, 2021, subject to the approval of the shareholders in the Annual General Meeting under the applicable provisions of the Companies Act, 2013, have sought to re-appoint Mr. Raj Kumar Agarwal as Managing Director of the Company for a period of five years with effect from December 01, 2021. The tenure of present appointment of Mr. Raj Kumar Agarwal as Managing Director will expire on November 30, 2021. The terms and conditions of remuneration as approved by the Nomination and Remuneration Committee and applicable to the Managing Director are as under given below and your directors have confirmed that the proposed remuneration is strictly in conformity with Schedule V, annexed to the Companies Act, 2013.

Remuneration:

(I) **Basic Salary:** Rs. 2,00,000/- per month.

(II) **Perquisites:**

In addition to Basic Salary, the following Perquisites not exceeding the overall ceiling prescribed under Schedule V, annexed to the Companies Act, 2013 will be provided to the Managing Director:

- (i) Provision of Company's car with driver for use on Company's business, Mobile Phone and Telephone at residence will not be considered as perquisites.
- (ii) Personal long distance calls on telephone and use of Car for private purpose shall be billed by the Company to the Managing Director.
- (iii) Reimbursement of entertainment, travelling and all other expenses, actually and properly incurred for the business of the Company.
- (iv) No sitting fees shall be payable to the Managing Director for attending the Meetings of the Board of Directors or Committee thereof.

The terms and conditions, as above, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule V annexed to the Companies Act, 2013 as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard.

Where in any year, the Company has no profits or its profits are inadequate, the total remuneration payable to Mr. Raj Kumar Agarwal, Managing Director, by way of salary/ perquisites, as specified above, shall be limited to the amount laid down under Schedule V annexed to the Companies Act, 2013.

(III) **Other terms & Conditions:**

- (i) Mr. Raj Kumar Agarwal will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.

payable to Executive Director, by way of salary/ perquisites, as specified above, shall be limited to the amount laid down under Schedule V annexed to the Companies Act, 2013.

(III) **Other terms & Conditions:**

- (i) Executive Directors will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.\
- (ii) The agreement may be terminated by either party giving to the other party one-month's prior notice in writing to that effect.

Your Directors recommend the proposed Resolution for your approval.

None of the Directors except Mr. Naresh Agarwal, Mr. Raj Kumar Agarwal and Mr. Ramesh Chand Agarwal, Executive Chairman being relatives are interested in the resolution.

By the order of the Board

By the order of the Board.

For **Lehar Footweares Limited**

Sd/-

Ramesh Chand Agarwal

Chairman

DIN: 00108287

Dated: 11.08.2021

Place: Jaipur

- (ii) The agreement may be terminated by either party giving to the other party one-month's prior notice in writing to that effect.
- (iii) The said re-appointment of Mr. Raj Kumar Agarwal on the terms and conditions as set above is subject to the approval of the shareholders in their General Meeting. Your Directors recommend the proposed Resolution for your approval.

None of the Directors except Mr. Raj Kumar Agarwal, being the appointee and Mr. Naresh Agarwal, Executive Director and Mr. Ramesh Chand Agarwal, Executive Chairman being relatives are interested in the resolution.

Item No. 4:

According to the new Act, director's responsibilities have increased. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties. In order to fulfil 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.

The Board of Directors of the Company have, subject to the approval of members of the Company, proposed to remunerate the executive directors (i.e. the Managing Director, Whole-time Directors, Chairman), may be paid remuneration not exceeding the limits, as computed in the manner laid down in Section 197 together with Schedule V of the Act.

Remuneration:

- (I) **Basic Salary:** Rs. 2,00,000/- per month.
- (II) **Perquisites:**

In addition to Basic Salary, the following Perquisites not exceeding the overall ceiling prescribed under Schedule V, annexed to the Companies Act, 2013 will be provided to the Managing Director:

- (i) Provision of Company's car with driver for use on Company's business, Mobile Phone and Telephone at residence will not be considered as perquisites.
- (ii) Personal long distance calls on telephone and use of Car for private purpose shall be billed by the Company to the Executive Director.
- (iii) Reimbursement of entertainment, travelling and all other expenses, actually and properly incurred for the business of the Company.
- (iv) No sitting fees shall be payable to the Executive Director for attending the Meetings of the Board of Directors or Committee thereof.

The terms and conditions, as above, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule V annexed to the Companies Act, 2013 as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard.

Where in any year, the Company has no profits or its profits are inadequate, the total remuneration

ANNEXURE A

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]

Name of the Director	Mr. Ramesh Chand Agarwal	Mr. Raj Kumar Agarwal
Designation	Executive Director - Chairman	Managing Director
Director Identification Number	00108287	00127215
Date of Birth	January 02, 1952	September 15, 1959
Date of Appointment	May 11, 2009	March 31, 1994
Nationality	Indian	Indian
Qualification	B.COM	B.COM
Experience in specific functional areas	Mr. Ramesh Chand Agarwal has more than 45 years of experience in footwear business and has rich experience in the field of Finance & Accounts and Marketing.	Mr. Raj Kumar Agarwal has rich experience in the field of Finance & Accounts and Marketing and has more than four decades of experience in footwear business.
Directorship held in Other public company	JMR Mobilink Limited	Nil
Chairman/Member of the Audit Committee and Stakeholders Relationship Committee in other public company	Nil	Nil
Number of shares held in the company	2019170	1492618
Relationship with other directors, manager and KMP of the company	Relative of Mr. Raj Kumar Agarwal and Mr. Naresh Kumar Agarwal and other Promoters	Relative of Mr. Ramesh Chand Agarwal and Mr. Naresh Kumar Agarwal and other Promoters

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
CIN: L19201RJ1994PLC008196

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

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:

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 Tuesday, September 28, 2021 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:

Resolution No.

Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ramesh Chand Agrawal (DIN: 00108287), who retires by rotation and being eligible, offers himself for reappointment.

Special Business

3. To re-appoint Mr. Raj Kumar Agarwal as Managing Director of the Company
4. To revise the remuneration payable to Executive Directors

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.

ATTENDANCE SLIP

LEHAR FOOTWEARS 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 27th Annual General Meeting of the company to be held at A-243(A) Road No. 06, V K I Area, Jaipur- 302013(RAJ.) on Tuesday, September 28, 2021 at 10:30 A.M.

Folio No. # _____

DP ID* _____

No. of Shares held _____

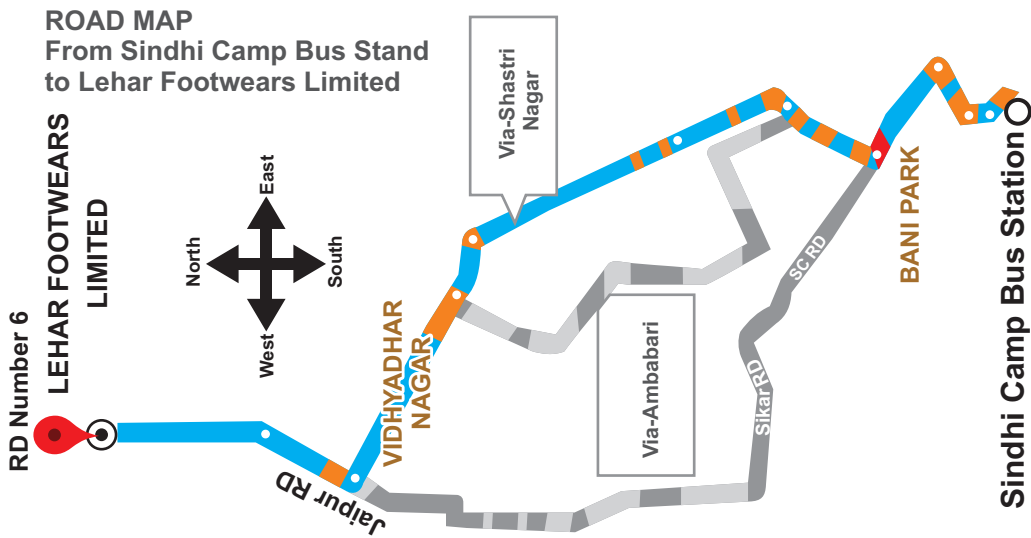
CLIENT ID* _____

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

Applicable for shares held in Physical Form

* Applicable for shares held in Dematerialized Form

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING





चलती चले लहर हर कदम हर सफर



Evawave **ISTUDENT PU BLISS**

LEHAR FOOTWEARS LIMITED

Regd. Office & Works

A-243(A) ROAD NO. 6, V. K. I. AREA, JAIPUR - 302 013

Ph.: 0141-4157777 (30 Lines)

e-mail : info@leharfootwear.com

URL : www.leharfootwear.com