

To,

27/03/2017

The General Manager,

Listing Department,

National Stock Exchange of India Limited,

Exchange plaza, Bandra Kurla Complex, Bandra East,

Mumbai-400051,

NSE Trading Symbol: **LIBAS**,

Subject: Intimation under regulation 30 (4) and events specified in Para B (1) of Part A of Schedule III of Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

With reference to the captioned subject matter we wish to inform you that we are entering into a memorandum of understanding with Roop Square Private Limited for opening a men's wear showroom at the shop owned by Roop Square Private Limited situated at Roop Square - 1st Floor, 3250/- Square feet, Ludhiana, Punjab.

As per the regulation 30 (4) and events specified in Para B(1) of Part A of Schedule III of Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 it shall be considered as commencement of commercial operations of any unit/division.

You are requested to kindly take the note of the same.

Thanking You.

Yours Faithfully,

FOR AND ON BEHALF OF LIBAS DESIGNS LIMITED



GOVIND RAO

COMPANY SECRETARY



पंजाब PUNJAB

L 488748

MEMORANDUM OF UNDERSTANDING

This Memorandum of Undertaking is made on this day, the, 27th February, 2017 between:

LIBAS DESIGNS LIMITED a Public Company incorporated & Registered under Companies Act, 1956 bearing CIN NO.U18101MH2004PLC149489 and having its Registered Office at Gala No.55, Apaki Industrial premises Co-operative Society Limited, Plot No.246, Masrani lane Kurla (W) Mumbai- 400070, Maharashtra, represented by its Director Mr. Riyaz Ganji, duly authorized by the Board of the company, to enter into the agreement hereinafter referred to as "LIBAS" (which expression shall unless repugnant to the context mean and include its successors and assigns) of the ONE PART

AND

ROOP SQUARE PRIVATE LIMITED a private Company incorporated & Registered under Companies Act, 1956 bearing CIN No. U45200PB2004PTC026939 and having its registered office at Ghumar Mandi Chowk, Ludhiana, Punjab-141001, represented by its authorized signatory Mr. Om Prakash Sachdeva, duly authorised by the board and one of the director of the company to enter into the agreement hereinafter referred to as "ROOP SQUARE" (which expression shall unless repugnant to the context mean and include its successors and assigns) of the SECOND PART.

FOR LIBAS DESIGNS LTD

Authorised Sign. / Director

For ROOP SQUARE PRIVATE LIMITED
Director

1. Roop Square Private Limited having shops at Roop Square - 1st Floor 3250/- Square feet, Ludhiana, Punjab.

For ROOP SQUARE PRIVATE LIMITED
Director

WHEREAS IT IS HEREBY AGREED, RECORDED AND CONFIRMED BY AND AMONG THE PARTIES HERETO AS UNDER:-

1. TERMS AND CONDITIONS:

- a. The Libas Designs Limited being incorporated on 10th November, 2004, engaged in the business of in the process of fabrication of fabric into apparels and other products through customization where customers can choose the colours, fabrics and designs and make changes as per their need in India and Abroad with worthwhile goodwill and reputation in the above mentioned business activities under the brands Name "LIBAS RIYAZ GANGJI".
- b. At present, the Authorized share capital of the LIBAS is Rs. 11,00,00,000/- (Rupees Eleven Crore Only) divided into 1,10,00,000 (One Crore ten lakh only) Equity Shares having face value of Rs. 10/- (Rupees Ten only) each, which the Company may increase from time to time.
- c. The issued and paid up capital of LIBAS is Rs. 7,50,00,000/- (Rupees Seven Crore Fifty lakh only) divided into 75,00,000 (Seventy Lakhs only) Equity Shares having face value of Rs. 10/- (Rupees Ten only) each fully paid up.
- d. Roop Square Private Limited being incorporated on 18th March, 2004 which owns and operates shops, for shopping apparels and accessories.
- e. At present, the Authorized share capital of the Roop Square Private Limited is Rs. 6,50,00,000/- (Rupees Six Crore Fifty lakh Only) divided into 65,00,000 (Sixty five lakh only) Equity Shares having face value of Rs. 10/- (Rupees Ten only) each, which the Company may increase from time to time.
- f. The issued and paid up capital of Roop Square Private Limited is Rs. 6,36,03,000/- (Rupees Six Croer Thirty Six Lakh & three thousands only) divided into 63,60,300 (Sixty Three lakh Sixty thousands & Three Hundred only) Equity Shares having face value of Rs. 10/- (Rupees Ten only) each fully paid up.

NOW THEREFORE in consideration of the mutual understanding as set forth in this Memorandum of Understanding and for other good and valuable consideration, the parties hereto have agreed to the terms and conditions as follows:-

1. Roop Square Private Limited having shops at Roop Square - 1st Floor, 3250/- Square feet, Ludhiana, Punjab.

FOR LIBAS DESIGNS LTD

Authorised Sign. / Director

For ROOP SQUARE PRIVATE LIMITED
[Signature]
Direct

2. Libas Designs Limited will manage and Sell Mens Wear Product at Roop Square 1st Floor and
3. Libas Designs Limited will manage, roop square mens wear factory, payments to worker, Vendors etc.
4. Roop Square Private Limited will provide good signage Board on Ground Floor and 1st Floor, Mannequins of Men's Wear on Both the Floor and admeasuring 12 feet and 5 feet, 2 Boards (As per Ludhiana Corporation Rules)
5. Roop Square will provide proper display for Jewellery Section and proper display for Materials of Men's Wear.
6. Current Stock of Men's Wear of Roop Square Private Limited will be taken over by Libas Designs Limited.
7. Libas Designs limited will not pay any taxes such as Vat, Service Tax, or any other Taxes on Products of Roop Square Private Limited.
8. Roop Square Private Limited Will display LIBAS RIYAZ GANGJI at 1st Floor, and sell products of Libas at the same place.
9. Libas will share revenue of 23% on Net Sales, and 15 % on Net Sales on the discounted sale, TDS will be deducted on Payment to Roop Square Private Limited.
10. Sales tax and any other taxes would be paid by Libas Designs Limited on his product sales at Roop square counter.
11. Libas Designs Limited will install a separate billing software, bar-coding will be done by libas and EDC Machine at Roop square for Product Sale.
12. All Mens wear billing will be done from POS Machine and EDC Machine of Libas designs Limited.
13. Accounts: The Accounts will be handled by Roop Square Private Limited and the amount will be deposited on day to day basis.
14. A Separate escrow account to be open in Union of Bank India between Libas Designs Limited and Roop square Private Limited, as below instruction would be given to bank as below :-

23% Sales Amount would be credited to Roop square Private Limited (subject to deduction of TDS).

77% Sales Amount would be credited to Libas Designs Limited

FOR LIBAS DESIGNS

LTD.

Authorised Sign. / Director

For ROOP SQUARE P
[Signature]

15. Setup Cost: All setup cost including interior work, change of lights, repair, etc. will be bear by both the parties in the ratio of 50:50 on the amount of actual spent.

16. Consideration: Libas designs Limited will pay Rs. 28,00,000/- (Rupees Tenty Eight Lacs Only) to Roop Square Private Limited for their existing stock valued at Rs. 28,00,000/- (Rupees Twenty Eight Lakhs only). The above mention consideration will be paid in three instalments in the following manner:

- I Rs. 1,00,000/- (Rupees One Lakh only) Neft Done on 14.02.2017
- II Rs. 9,00,000/- (Rupees Nine Lakh only) at the time of finalization of this MOU. on 27.02.2017
- III Rs. 18,00,000/- (Rupees Eighteen Lakh only) after the signing of Mou

17. Sales staff & Management will be done by Libas Designs Limited. The inward and outward of stock will be managed by Roop Square Private Limited.

18. Roop Square Mens wear factory will be takeover by Libas Designs Limited following terms to clear regarding factory :-

- a) Plant and Machinery at factory will be use by libas, and libas will handover the machinery at the time of termination of agreements
- b) Monthly Rent of Rs 13000/- will be paid by Libas
- c) Production will be handle by Master _____, master will submit the weekly bills for production to libas and libas will clear the Master Payments on weekly basis
- d) Electricity and Advances of Roop square will be paid by Master _____ directly to Roop Square

19. Return of Defective Goods:

Libas Designs Limited at its own expense with regard to shipping, return to Roop Square Private limited any Goods which are defective in materials or performance at the time of delivery and which defect the Libas Designs Limited has notified the Roop Square Private limited to clause for

FOR LIBAS DESIGNS
a) Repair,

Authorized Sign. / Director

FOR ROOP SQUARE PV
[Signature]

b) Replacement, or

c) allowance of a credit equal to the price paid by the Libas Designs Limited in respect of the item of Goods which the Libas Designs Limited is entitled to return; at the Roop Square Private Limited option, however the Roop Square Private Limited reserves the right to inspect and require proof of the defect prior to accepting returns under this provision.

20. Compensation: Monthly compensation of Rs 1,00,000/- (Rupees One Lakh only) would be paid by Libas Designs Limited to Roop Square Private Limited on account of maintenance charges, Utility Charges, Accountant Salary, Housekeeping Charges, Generator Expenses, Parking Charges, valet parking etc. The above mention compensation will be paid on or before 10th of every month and will start from April 2017

21. Insurance: All the Men's stock (Libas designs Limited & Roop Square Private Limited) will be maintained by Roop Square Private Limited. The Roop Square Private Limited is responsible for taking out and maintaining all appropriate insurance cover with respect to the stock of Libas Designs Limited & Roop Square Private Limited.

22. Termination: This Memorandum of understanding can be terminated by either of Parties with an advance notice of 3 Months.

23. Jurisdiction: Jurisdiction of the agreement would be Mumbai.

24. Force Majeure:

In the event of non-fulfilment of the contract terms and conditions due to any reason of force majeure namely fires, wars, riots, strikes, natural calamities, etc., neither the LIBAS DESIGNS LIMITED nor ROOP SQUARE PRIVATE LIMITED shall be held responsible for any loss or consequential loss.

25. Amendment to the Agreement:

Either party may request in writing for a revision of or amendment to this Memorandum of Understanding. Such revision or amendment shall come into effect on such date as may be determined by both the parties and shall form an integral part of this Memorandum of Understanding.

FOR LIBAS DESIGNS LTD.

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Authorized Sign. / Director

FOR ROOP SQUARE PVT. LTD.

Director

26. Period of Validity:

This agreement shall be initially valid for 3 Years from the date of signing of this Memorandum of understanding and to be renewed subsequently by mutual consent of both the parties.

27. Settlement of Dispute:

Any dispute arising out of concerning the interpretation or implementation of this Memorandum of Understanding Shall be settled amicably through consultation and negotiation by the parties.

Subject to above Terms, the agreement would be done in April 2017, above all the terms should be comply in agreement no further point should be added

IN WITNESS WHEREOF that the parties hereto have executed this Agreement on the day and year first hereinabove written.

Done in duplicate at Mumbai on the 23rd Day of February, in the year of 2017, in the English language.

SIGNED SEALED AND DELIVERED for and behalf of

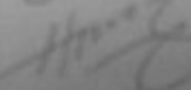
LIBAS DESIGNS LTD

BY RIYAZ GANI
FOR LIBAS DESIGNS LTD
DIRECTOR



Authorized Sign. / Director

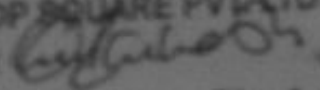
In the Presence of:-

1. 
2. 

SIGNED SEALED AND DELIVERED for and behalf of

ROOP SQUARE PVT LTD

BY OM PRAKASH SACHDEVA
For ROOP SQUARE PVT LTD.
DIRECTOR



Director

In the Presence of:-

1. 

2.