

Annual Report 2015-16

WHAT YOU CAN FIND INSIDE



- **02** Marching Ahead with Confidence
- 04 Mirza International Overview
- **06** Highlights for the Year 2015-16
- 08 20 Years of REDTAPE
- 10 Striding Towards Success
- 14 Chairman's Address
- 16 Q&A with Managing Director
- 20 Awards
- 22 Corporate Social Responsibility
- 24 Corporate Information



- 26 Management Discussion and Analysis Report
- 34 Director's Report
- **46** Report on Corporate Governance
- 70 Independent Auditors' Report



- 76 Balance Sheet
- 77 Statement of Profit and Loss
- 78 Cash Flow Statement
- 80 Notes



100 37th AGM Notice





Annual report site

Visit our online annual report at www.mirza.co.in

Each section of the annual report can be downloaded in pdf format.

GETTING TO THE TOP IS HARD WORK. STAYING THERE TAKES EVEN HARDER WORK.





MIRZA INTERNATIONAL OVERVIEW

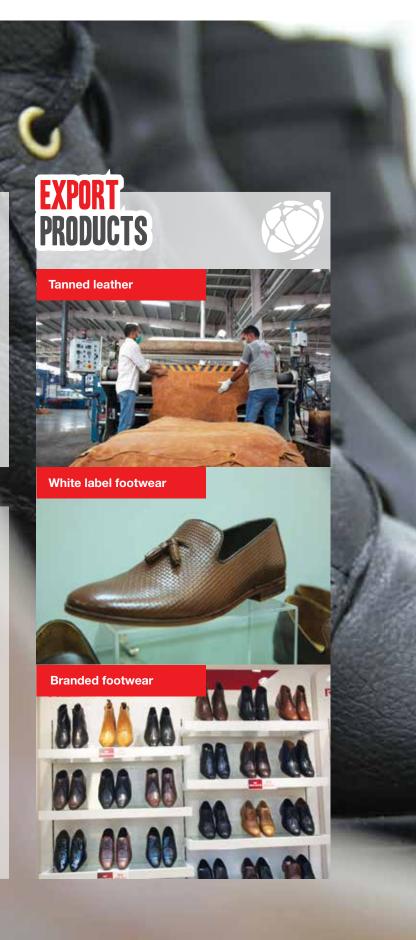
OWN BRANDS





DESIGN & MANUFACTURING

- in-house design studios
- integrated manufacturing facilities (from leather to footwear)
- tannery fully equipped with state-of-the-art effluent treatment plant





HIGHLIGHTS FOR THE YEAR 2015-16

MIRZA INTERNATIONAL'S OVERALL SALES TOUCHED ₹ 928.72 CRORE

WORLDWIDE SALES OF THE FLAGSHIP BRAND REDTAPE WENT UP BY 31.85% TO REACH ₹ 253.49 CRORE

ANNUAL FOOTWEAR
PRODUCTION
CAPACITY WENT
UP TO 6.4 MILLION
PAIRS OF SHOES IN
6 INTEGRATED IN-HOUSE
FACILITIES





TOTAL REVENUE FROM FOOTWEAR SALES IN THE OVERSEAS MARKET STOOD AT ₹ 636.14 CRORE

TOTAL REVENUE
FROM REDTAPE SALES
(FOOTWEAR, GARMENTS
& ACCESSORIES) IN THE
DOMESTIC MARKET WENT
UP BY 26.6% TO REACH
₹ 175.32 CRORE



A STATE-OF-THE-ART 70,000 SQ. FT. WAREHOUSE WAS SET UP IN NOIDA, UP TO SERVE E-COMMERCE CHANNELS





EVERY MAJOR CONSUMER PRODUCT COMPANY HAS ONE BRAND THAT TAKES CENTER STAGE IN THE LIFE OF ITS BUSINESS. FOR US, IT IS REDTAPE.

First launched in 1996, REDTAPE was a unique product from the very beginning – it put world-class lean in men's footwear at a time when international brands were yet to make a beeline for the Indian consumer. Bridging the gap between formal and casual, REDTAPE was for the emerging new generation of world citizens. Like its wearers, REDTAPE design and quality would be at home at any part of the globe.

Over these years, REDTAPE has had exceptional success. It is the only brand by a footwear company headquartered in India to be sold with its own name in the United Kingdom and the United States. These are mature and extremely competitive markets, where buyers have choice of best quality available anywhere. It is quite a feat for Mirza International Ltd. to have had 36 percent of its total sales of REDTAPE footwear in FY 2015-16 coming from these two markets.

In the UK, REDTAPE is sold through the top chain stores and multi-brand outlets. We also maintain a significant online presence, as that is the future.

Apart from this, Mirza International Ltd. is pushing REDTAPE deeper into the high-traction markets of the US and Europe.

The US as a territory we entered three years ago, and the returns from that investment have been high. Now we have tied-up with five major chains of American retailers, each with high number of stores, which means that REDTAPE will be available in many more stores in the US. A big feat by any measure.

During the year under review, the most remarkable aspect of REDTAPE sales was how fast it was growing in India. We have reinforced our marketing initiatives in India and made REDTAPE shoes available on all major online platforms. Our branded REDTAPE footwear sales in India grew by 30 percent during the year under review, an endorsement of the confidence, style and comfort our brand offers in every stride.

As long as value and quality are in demand among consumers, our edge will remain sharp.