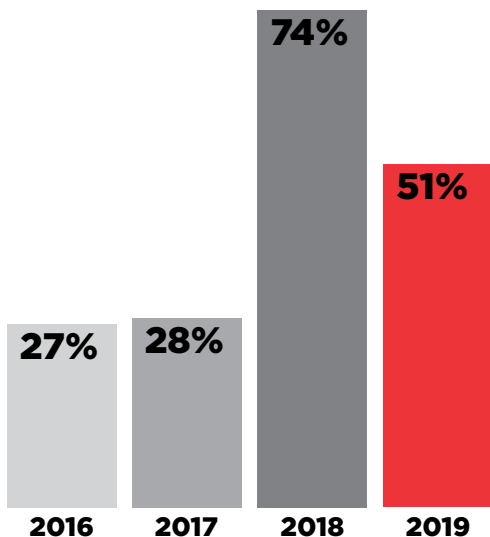




Pursuing



BRANDED DOMESTIC EXPANSION



Corporate Overview

01
05

Theme	01
Pursuing Domestic Expansion	02
Know Us	04

06
07

Mirza in Numbers	06
------------------	----

08
11

Letter from the CMD & CEO	08
Questions and Answers with the CMD & CEO	10

12
17

Stepping Up in Domestic Market	12
Established Position in International Markets	16

Visit to www.mirza.co.in/annual-report.html18
23

Our Business Differentiators	18
Pursuing Responsible Growth	20
Tracking our Financial Highlights	21
Awards	22
Corporate Information	23

24
68

Statutory Reports

Management Discussion and Analysis Report	24
Directors' Report	29

70
149

Financial Statements

Auditor's Report on Standalone Financial Statements	70
Standalone Financial Statements	78
Auditor's Report on Consolidated Financial Statements	112
Consolidated Financial Statements	118
AGM Notice	150
Attendance Slip	
AGM Venue Route Map	
Proxy Form	



It was a busy year for the Company, driven by an ambitious agenda. Our aggressive and proactive pursuit of domestic expansion, executed with incredible pace, has put us on a solid path for accelerating growth.





Pursuing Domestic Expansion

At Mirza International, having established our mark in the most lucrative and fashionable international markets, we are now fast-expanding our presence and portfolio in India. The reasons are not hard to find.

India is one of the world's fastest-growing major economy with an increasing GDP.





India is currently Asia's third-largest retail market and the world's fourth largest after the US, China and Japan.

India is poised to become the third-largest consumer market behind only the US and China, and consumer spending in India is expected to grow from US\$ 1.5 Trillion at present to nearly US\$ 6 Trillion by FY 2030.

India has massive opportunities for consumer markets, owing to its favourable demographics nearly 70% of the country's population falls below the age of 30 years. Steady growth in household earnings is expected to drive consumption growth further.

India's burgeoning middle-income households are likely to drive an increase in discretionary spends and create a shift in consumption patterns towards aspirational and branded products.

India's e-commerce market is on a high growth trajectory powered by high internet penetration that is expected to increase from 30% in 2016 to 59% in 2021.

India's online shoppers are expected to increase from the current 15% of the online population to 50% of the online population by 2026.

India has the world's largest millennial population (age group of 18-35 years) comprising a size of over 440 million. Constituting nearly 34% of the country's total population, the millennials are digitally empowered,

seek quality and stylish products yet have a strong value-for-money orientation, and leverage technology to drive convenience.

It is against this exciting backdrop of a growing economy and rising consumerism that we are matching step with ambitious and aspirational India. Our domestic brands come with the same promise of quality, style and comfort as our exports. Their availability across price points and categories means that we can address the demands of a larger section of the Indian population. We are pursuing an omnichannel strategy, with great emphasis on the online platform, to enhance brand connect and cater to the new-age shoppers. At the same time, we are also investing significantly in growing our physical presence to provide consumers with a personalized shopping experience.

We focused on embracing opportunities to make our brands and products more relevant in global markets. We have achieved outstanding success. The next phase of our growth is centered around the domestic expansion of our brands and business. We are taking big strides and are confident that these strides will set the momentum for accelerated and sustained progress.



Know Us

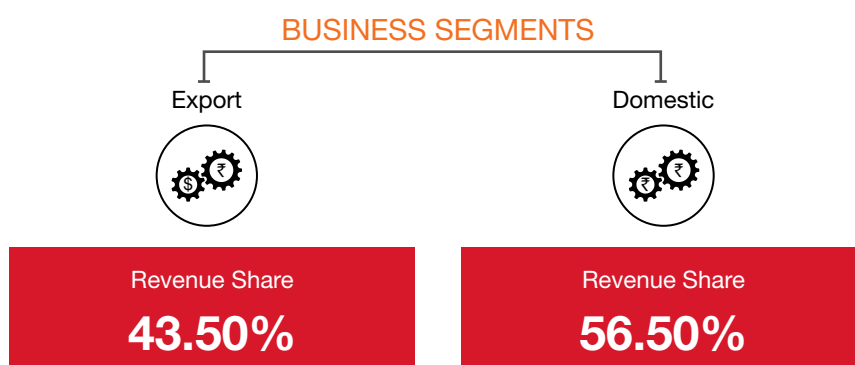


Mirza International Limited is among India's leading leather footwear manufacturer and exporter. We have carved an established market position led by our integrated manufacturing and distribution operations, our strong brand portfolio and industry-leading experience of nearly four decades. We also manufacture and sell processed leather through our tannery unit.

In the international markets, we are among the few Indian footwear companies to sell under our brand name. We are also the preferred supplier of leather footwear to leading international brands.

In the domestic markets, where we are recent entrants, we are aggressively growing the strength and sales of our multiple footwear brands through a well-thought-out market expansion strategy.

Leveraging our strong brand equity and deep understanding of the retail sector, we have also forayed into clothing and accessories segments in both domestic and global markets.



Know our Brands



We have a diverse portfolio of footwear brands:

For men and women. For mid and premium segments. For formal, casual and sportswear.

REDTAPE

REDTAPE is a premium lifestyle brand offering style, quality and comfort at competitive prices. REDTAPE footwear is sold across the global markets and in India. Leveraging the strong brand equity of REDTAPE, the brand offerings have been extended to garments and accessories.



REDTAPE Athleisure offers quality sports shoes for men at attractive prices and is targeted to meet the aspirations of young Indians who are always on-the-go and also those who have embraced sports and fitness as part of their lives.



BOND STREET provides footwear in the polyurethane (PU) segment. The brand seeks to have a mass appeal by providing fashionable footwear at very low price points.



Oaktrak stands for style and comfort and is targeted at the niche consumer base of senior professionals.

MODE

MODE by the house of REDTAPE is an exclusive women's wear brand, covering a range of products from footwear to clothing. An eclectic mix of elegance and sophistication, MODE stands for being effortlessly stylish. Its fashion-forward designs are both clean and uncomplicated, marrying feminine allure with modern strength.



Our multiple footwear brands sold at various price points and our brand extensions in apparels and accessories enable us to reach out to a broad section of consumers.



Mirza in Numbers

Robust infrastructure

6

Integrated manufacturing facilities

2

In-house design studios

1

Tannery equipped with state-of-the-art effluent treatment plant

1

Modern 70,000 sq. ft. warehouse to serve e-commerce channels

3

Distribution branches

Extensive domestic presence

206

Exclusive REDTAPE shops

99

Cities

830

Multi-brand outlets & chain stores

210+

Shop-in-shop

(As on March 31, 2019)

Expansive global reach

28

Countries

5

Continents

1,200+

Multi-brand outlets in UK selling REDTAPE

500+

Multi-brand outlets in the US selling REDTAPE

(As on March 31, 2019)



**Strong
production
capacity**

6.4 million
pairs of footwear per annum

74.42%
footwear capacity utilization in
FY 2018-19

**Vast
industry
experience**

40
years of manufacturing operations

27
years of supplying footwear to
global brands





Letter from the CMD & CEO



“It is a great pleasure to reconnect with you at the end of another successful year for your Company and present its Annual Report. Last year, in my letter to you, I had expressed our firm intent towards enhancing our retail and online presence in the domestic market to maximize the potential of our brands. I am delighted to share that we have acted upon our strategy and this, in turn, has enabled us to deliver an impressive domestic performance.”

Global conditions have been challenging, especially with weak consumer sentiments in Europe, our key export destination. Our prudent strategy of increasing our focus on the domestic market has served us well, enabling us to offset the slowdown in revenue from exports. Powered by robust sales in the domestic market, our total revenue stood at ₹ 1,153.79 Crore in FY 2018-19 as against ₹ 972.50 Crore in the previous year, an increase of 18.64%. Our domestic revenue surged to ₹ 651.92 Crore in FY 2018-19 from ₹ 449.09 Crore in the previous year, a growth of 45%, vindicating our focus in developing and expanding the domestic market. However, Profit before Tax (PBT) declined

to ₹ 75.97 Crore in FY 2018-19 from ₹ 117.84 Crore in the previous year. The decline in profitability was primarily attributable to the rise in the cost of material imports due to adverse movement in foreign exchange, higher finance costs, and discounts offered in the domestic market as a conscious strategy to increase our consumer base.

Entering FY 2018-19, confident in the opportunities ahead of us, we proactively changed gears in the domestic market, pursuing robust and rapid expansion of our retail and online presence. During the year, we added 47 Exclusive Brand Outlets (EBOs), growing our total EBO presence by