MIRZA

MIRZA INTERNATIONAL LIMITED

REDTAPE

The Brand on the Front Foot.

Made in India. Made for the World.

Annual Report 2014-15

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Notice

Fond recall is the essence of brand value.

WHEN CONSUMERS SPEAKING DIFFERENT LANGUAGES, LIVING IN DIFFERENT TIME ZONES, WITH DISTINCT CULTURES REMEMBER ABOUT YOUR BRAND AND THE VALUE IT OFFERS, CHANCES ARE THAT IT WILL CONVERT INTO REVENUES.

MIND-SHARE THEN IS THE ACTUATOR OF MARKET SHARE

QUITE NATURALLY, WE THINK OF IT AS THE BRAND ON THE FRONT FOOT.

Recall comes from differentiation in the product arena and a position of thoughtful leadership. It is the sum total of your efforts in design, manufacturing, supply chain, retail presence and marketing. This distinguishes the brand from the others and offers you the advantage of having your 'own' space in the competitive landscape.

A great brand is one that offers customers a special and well-defined brand experience – one that will make them come back for more.

Mirza International brands are an embodiment of all these virtues. They are brands that are made in India and worn proudly all over the world.

Mirza International – the Company on the front foot.

Being the brand on the front foot begins with leadership

Mirza International is the #1 preferred Indian supplier of leather footwear to global brands since last 15 years. It is also the #1 premium lifestyle Indian brand of footwear to have a major market share in the fashion and design conscious UK market, and it is the #1 preferred supplier of leather footwear to UK from India. Red Tape, the flagship Mirza brand is the leader in the mid segment men's fashion footwear in the UK market.

Mirza International also has India's #1 integrated manufacturing operation spanning the distance from tannery to design studios and state-of-the-art footwear manufacturing. Products and brands of the Company find a place in the hearts and minds of consumers across 30 countries including some of the most fashion and design conscious markets of the world like USA, France, Germany, West Asia and South Africa among others.

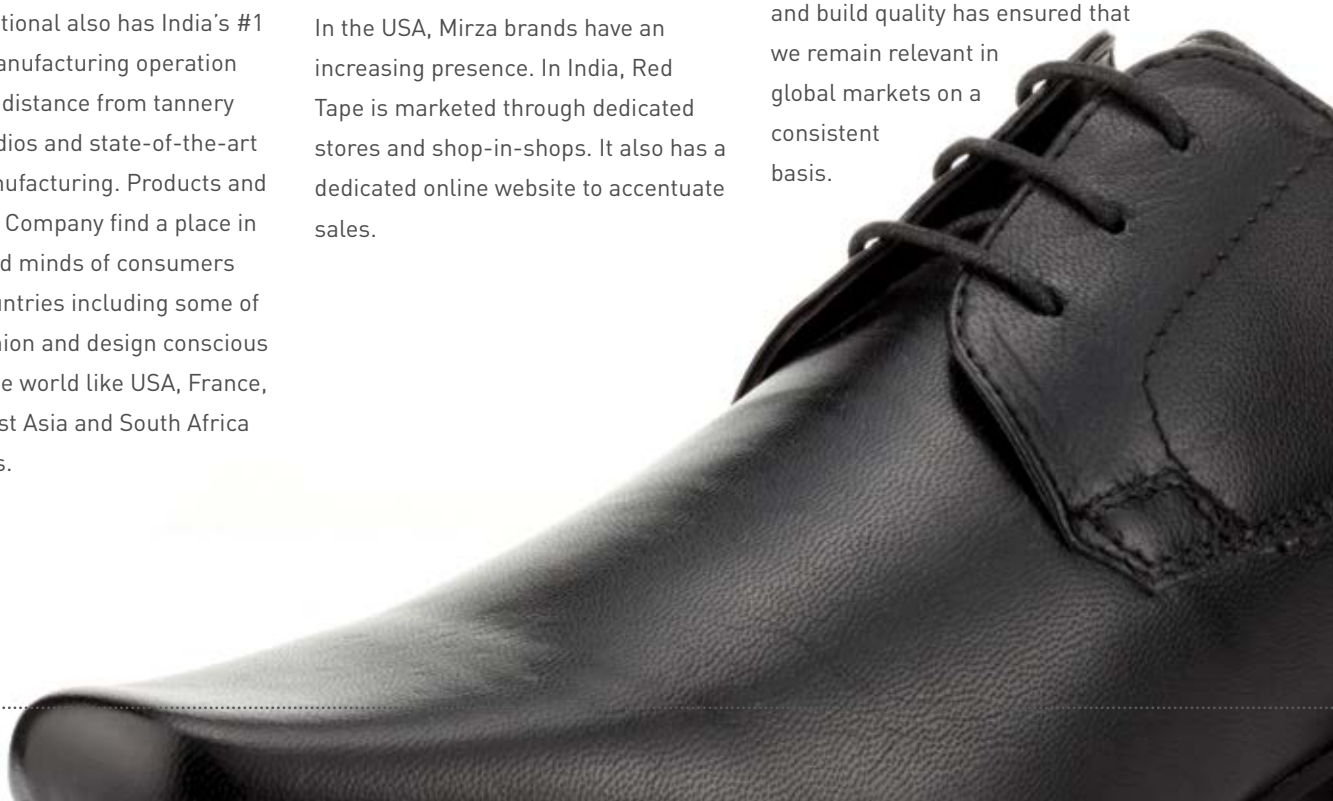
Being the brand on the front foot requires market penetration

As the only Indian company to export footwear under its own brand name to UK, the Company has garnered a 25% share of the men's leather footwear in the mid segment category in UK. Red Tape is present across leading chain stores and Multiple Brand Outlets (MBOs) along with a major online presence that caters to the now emerging and popular cyber sales segment.

In the USA, Mirza brands have an increasing presence. In India, Red Tape is marketed through dedicated stores and shop-in-shops. It also has a dedicated online website to accentuate sales.

Being the brand on the front foot demands design and thought leadership

The international fashion footwear market is driven by design. Brands create their identity in such markets with a clear sense of design and aesthetics along with good build quality. Mirza International has two design studios located in India. Our designers understand changing fashion trends and design footwear that anticipates trends and remain in vogue. Our acute design sensibility and build quality has ensured that we remain relevant in global markets on a consistent basis.



25%

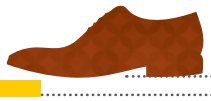
THE ONLY INDIAN COMPANY TO EXPORT FOOTWEAR UNDER ITS OWN BRAND NAME TO UK, THE COMPANY HAS GARNERED A 25% SHARE OF THE MEN'S LEATHER FOOTWEAR IN THE MID SEGMENT CATEGORY IN UK.

#1

MIRZA INTERNATIONAL IS THE #1 PREFERRED INDIAN SUPPLIER OF LEATHER FOOTWEAR TO GLOBAL BRANDS SINCE THE LAST 15 YEARS.

5

WE HAVE 5 FULLY INTEGRATED IN-HOUSE SHOE PRODUCTION FACILITIES AND ARE EQUIPPED WITH AN IN-HOUSE TANNERY. THE PLANTS ARE SUPPORTED BY NUMBER OF DEDICATED ANCILLARY UNITS AND HAVE THE CAPACITY TO PRODUCE 6.0 MILLION PAIRS OF SHOES PER ANNUM.



Being the brand on the front foot requires manufacturing competency

Build quality is only second to design when it comes to fashion footwear. Mirza International is one of the few players in the footwear industry to be completely integrated. We have 5 fully integrated in-house shoe production facilities and are equipped with an in-house tannery. The plants are supported by number of dedicated ancillary units and have the capacity to produce 6.0 million pairs of shoes per annum. Strict quality control ensures that what we produce is truly world class.

The brand on the front foot in the leather business requires environmental consciousness

Mirza International's tannery is the largest in India and is one of the least polluting tanneries in the world. We use production technology that reduces water and electricity consumption, we recycle water after treatment, and all our discharge is treated at our in-house effluent treatment facilities before being evacuated in an environmentally safe manner. Third party certifications prove the fact that in our discharge, we do not add to the pollution, but actually help mitigate it.

The brand on the front foot in the fashion capitals of the world

Footwear, foot where?

When the well turned out man from UK or France wears his Seville row suit, puts on his Versace sunglasses, and straps on his Omega chronograph; chances are that the shoe that he reaches out for is a Red Tape or an Oaktrak!

These brands have become as much a style icon as any of the leading brands that fashionistas prefer.

Underlying this is the fact that 75% of Mirza International's total revenue is derived from overseas sales. One unique fact is that the Company has garnered mindshare and market share for its brands in some of the most fashion conscious markets of the world including UK, USA, France, Middle East, South Africa etc. In UK, there are 1200+ MBO stores selling Red Tape or Oaktrak while in USA, there are 500+ MBO stores selling Red Tape.

Combining competencies beyond design

Global brands require a design sensibility that is truly cross cultural along with an intimate knowledge of changing fashion and design trends in different countries of the world. Fashion footwear is a fickle market with today's bestseller becoming yesterdays "old fashion". This fast changing market requires alacrity in translating design into products and excellent supply chain management to ensure that the designs in demand are in stock. Mirza International's success is a statement of our ability to triumph in each of these parameters.

500+
MBO STORES IN USA

1200+
MBO STORES IN UK

30
COUNTRIES WORLDWIDE

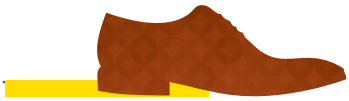
Catering to private labels and other global brands

Apart from its proprietary brands, the Company also supplies quality footwear to international companies that sell them under their own labels. These international labels come to Mirza due to the ability to effect quick deliveries; offer great build quality and maintain economic prices thanks to the integrated nature of our manufacturing facilities.

707.32 Cr

DURING THE PAST YEAR, THE TOTAL REVENUE FROM OVERSEAS SALES AMOUNTED TO ₹ 707.32 CRORES AS COMPARED TO ₹ 505.86 CRORES IN THE PREVIOUS YEAR, SHOWING A GROWTH OF 39.8%.

The brand on the front foot in the 4 P's of product, pricing, positioning and promotions



On the front foot in product

In the fashion conscious markets of footwear, what you wear on your foot is part of your fashion statement. While every one seeks comfort, they are guided by the latest trend in fashion. Mirza International with its two design studios in India keeps abreast of fashion and ensures that the brands are always in vogue, and trending. Our team of 40 skilled designers has intimate knowledge of market trends and fashion and ensures that what we produce is what people seek to possess. Given the fact that consumer preferences change with location, season, and trends, our design and manufacturing units work in tandem to ensure shop level availability of the styles in demand. Our keen sense of design is followed up by our integrated production, which begins with sourcing raw hides, processing them in the world's best-equipped tannery and manufacturing them in a state-of-the-art facility. We combine design with great build quality to create a brand that is an embodiment of desire.

We are on the front foot when it comes to product.

On the front foot in pricing

Mirza brands are priced attractively with a view to offer great value for money. In India, the brand is priced as a Premium Lifestyle brand and is marketed as an aspirational purchase. Our mid market pricing ensures that we have a large market, with surging volumes. In UK, Red Tape is priced in the mid market segment that is the largest single market segment. Oaktrak our other brand is priced as a niche brand of formal footwear designed exclusively for the upwardly mobile executives and businessmen.

WITH A 25% MARKET SHARE IN THE MID MARKET SEGMENT IN MEN'S FOOTWEAR IN UK, MIRZA BRANDS ARE CERTAINLY ON THE FRONT FOOT IN PRICING.

On the front foot in positioning

Our two brands are positioned at different ends of the market. While Red Tape is a mass-market brand that appeals to the seekers of comfort and value for money, Oaktrak is positioned as a niche brand for upwardly mobile executives and businessmen. The range is both casual and urban, with emphasis on comfort with style and its primary markets are UK, USA, France and South Africa. This positioning has worked wonders for the brands, and they have an expanding franchise across diverse markets across the world.

OVER 1.20 MILLION PAIRS OF RED TAPE SHOES ARE MANUFACTURED IN A YEAR, UNDERLINING THE FACT THAT WE ARE ON THE FRONT FOOT IN POSITIONING.

On the front foot in promotions

Brand recall is the measure of the effectiveness of the advertising and promotions. Both Red Tape and Oaktrak are actively promoted in their markets with a mix of in-store publicity, print advertising and television commercials. They are marketed as a lifestyle choice and the advertising creates an aura of desire around the brand. With messaging that speaks of "they are not for everyone", "they will get you", and "fashion for your feet" they emphasize a premium product that is an aspirational choice.

OUR PROMOTIONS ARE ONE OF THE MAJOR REASONS THAT THE BRAND IS ON THE FRONT FOOT.

The brand on the front foot in the domestic market

110

BRAND SHOPS ACROSS

30

CITIES ALONG WITH A PRESENCE IN

175+

SHOP-IN-SHOPS

Catering to the Indian market on the front foot

As the country with the world's second largest demographics in the world with a rising middle class that equals the total population of USA, India is not a market that can be ignored by any brand.

We work in India with the same passion that drives us in global markets.

In India, Red Tape is positioned as a premium lifestyle brand and it is one of the fastest growing footwear brands in the country because of its superior value proposition.

Widespread presence in the domestic market

Red Tape shoes are marketed in India through a network of 110 exclusive Brand shops across 30 cities along with a presence in 175+ shop-in-shops. Mirza International has 10 distribution branches in India and we work with passion to address the huge opportunity for growing our revenues in India, especially amongst the aspirational class of the population. Our efforts on the ground are augmented with a vibrant presence in the online media through a dedicated online website to accentuate sales.

Replicating our framework for success in the domestic market

We apply our learnings from global markets in our domestic play. Our framework for success is a combination of world class design and development, quality products through an integrated manufacturing operation, aggressive marketing and distribution, seamless supply chain management, responsible environment management and conservation along with a focus on excellence.

On the front foot in domestic markets

We have maintained revenue growth at a CAGR of 22.81% over the past 6 years in the domestic market. In FY15, despite a tepid economic environment, revenues from our domestic market stood at ₹ 138.48 crores, levels almost similar to that of the previous year.

On the front foot in brand extensions

Having established Red Tape as a fashion brand with great build quality and a franchise that is global in nature, we have not rested on our laurels. We have extended the brand franchise into garments and accessories with a range of fashion formals, casuals, T-shirts, shirts, jeans, and accessories like belts and socks. Today, the franchise that began with male footwear is now promoted as a lifestyle choice across garments and accessories.

22.81%

WE HAVE MAINTAINED REVENUE GROWTH AT A CAGR OF 22.81% OVER THE PAST 5 YEARS IN THE DOMESTIC MARKET.

The brand on the front foot in supply chain management

OUR SUPPLY CHAIN AND MANUFACTURING CAPABILITIES ENSURE THAT THE RIGHT PRODUCT DESIGN IS AVAILABLE AT THE RIGHT PRICE, AT THE RIGHT TIME, IN THE RIGHT MARKET.

Changing in time with the trends to remain on the front foot

In retail sales of fashion footwear, it is availability that converts into revenues.

You might have the right design and style in the works, but if it is not available at the shop shelf at the time that the consumer wants it, it will be a case of lost revenue.

Trends are changing faster than ever before, and footwear has witnessed the coming and going of fashion fads. In such circumstances, overproduction of out of fashion styles and under production of in trend styles can be seriously damaging. Our Supply Chain Management ensures that the right design is available at the right time, every time and every where.

Ensuring speed to market

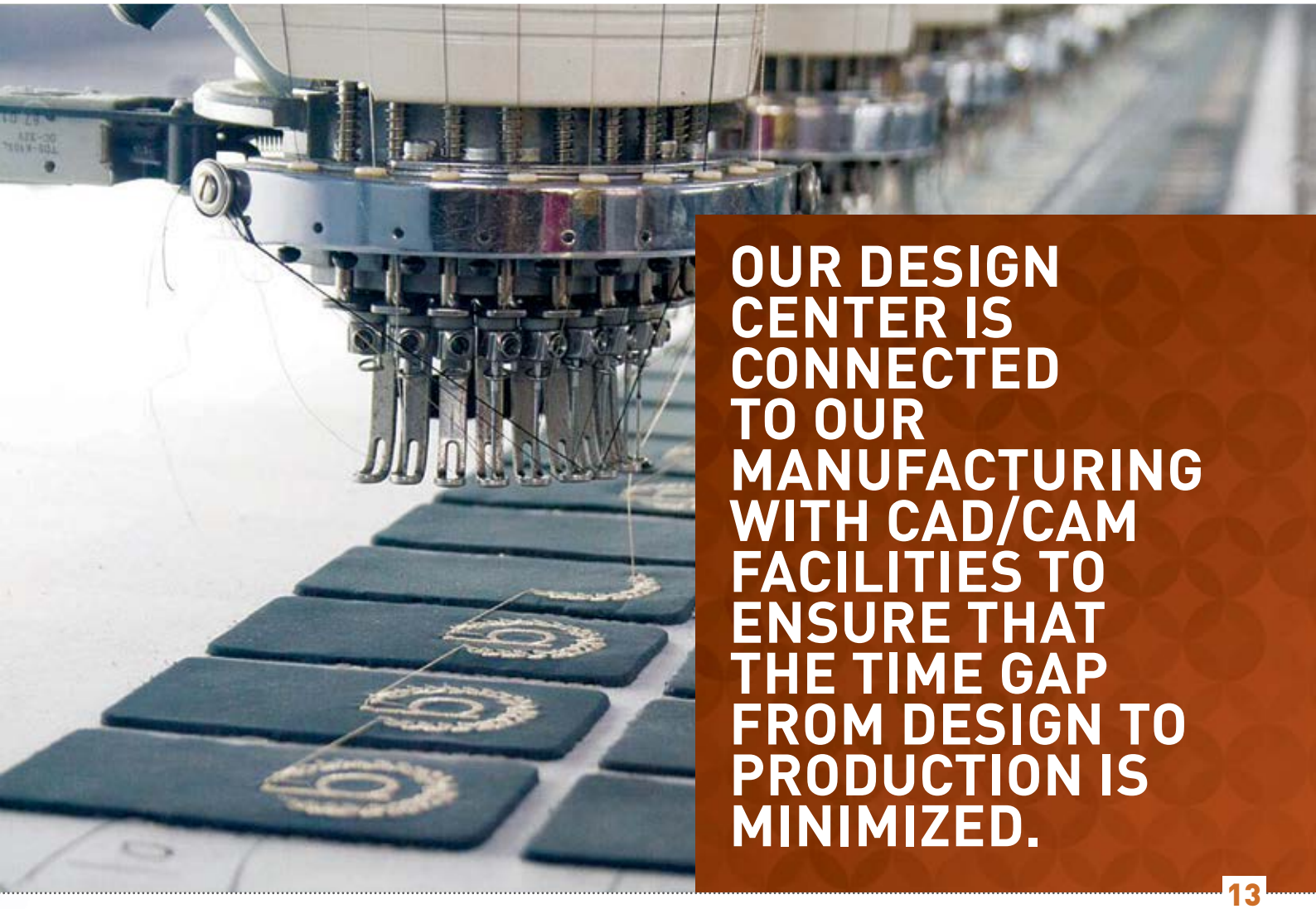
In a market with changing tastes and fashions, it is the 'time to market' of companies that will underlie its ability to cater to fashion trends and clock sales.

With an integrated operation that spans design, tannery, manufacturing and supply chain management, Mirza International is a nimble company that leverages its supply chain capabilities to drive revenues.

Integrating design and production

Our design center is connected to our manufacturing with CAD/CAM facilities to ensure that the time gap from design to production is minimized.

We have marketing offices and warehouses and a distribution network in United Kingdom to ensure availability of stock at all times.



OUR DESIGN CENTER IS CONNECTED TO OUR MANUFACTURING WITH CAD/CAM FACILITIES TO ENSURE THAT THE TIME GAP FROM DESIGN TO PRODUCTION IS MINIMIZED.

The brand on the front foot in achievements over the years

- **2013-14** — First Place in Leather Footwear (above ₹ 300 Cr) — Council for Leather Exports
- **2012-13** — First Place in Leather Footwear (above ₹ 300 Cr) — Council for Leather Exports
- **2012-13** — Second Place in Overall Exports — Council for Leather Exports
- **2011-12** — First Place in Leather Footwear — Council for Leather Exports
- **2010-11** — First Place in Leather Footwear (Above ₹ 100 Cr) — Council for Leather Exports
- **2010-11** — Second Place in Overall Exports — Council for Leather Exports
- **2009-10** — First Place in Leather Footwear (Above ₹ 100 Cr) — Council for Leather Exports
- **2008-09** — Award for Excellence for Outstanding Export Performance — Government of U.P.
- **2008-09** — First Place in Leather Footwear (Above US$ 15 Million) — Council for Leather Exports
- **2007-08** — Doyen of Leather Industry Award to our Chairman, Mr. Irshad Mirza for development of Leather Industry — Council for Leather Exports
- **2007** — Shoppers' Stop Pinnacle Awards — Best Brand Footwear
- **2006-07** — Export Award for Overall Export & Plaque (First Prize) for Footwear Export — Council for Leather Exports
- **2007** — BVMSR III Consumer Awards — Fashion and Specialities - shoes
- **2006** — Dun & Bradstreet American — Dun & Bradstreet
- **2006** — Shoppers' Stop Pinnacle Awards — Best Brand Footwear
- **2005-06** — Best Exporter & Award for Excellence — National Productivity Council
- **2005-06** — Certificate of Merit — Government of U.P.
- **2005** — Excellence Award for Innovative Export Marketing — Merchants' Chamber, UP

The brand on the front foot in enriching lives

MIRZA INTERNATIONAL TRULY BELIEVES THAT GROWTH IN THE REAL SENSE CAN ONLY BE ACHIEVED WHEN BUSINESS GIVES BACK TO THE COMMUNITY WHICH FORMS THE FOUNTAINHEAD OF ITS SUCCESS.

Thus, Corporate Social Responsibility at Mirza embraces the principles of sustainable development and development for all. By putting emphasis on inclusive growth through generous contributions for the rehabilitation and relief of the weaker sections of the society, Mirza has demonstrated its commitment to enriching lives.

Health Care Program

To provide medical facilities to the economically weaker sections of the society, Azad Multi-speciality Hospital & Research Centre Ltd. has been set up at Unnao District in Uttar Pradesh. Healthcare treatments including surgical facilities, diagnostic services,

Mobile Medicare Unit, round the clock ambulance, medicine distribution and medical consultation all available at free of cost are the among the services provided by the hospital.

As part of its initiatives in healthcare, a free eye-camp is organised every year. Financial assistance is also extended to the needy for their medical treatment as and when recommended by District Administration Authorities.

Promotion of Education

The Company has adopted Qaumi Ekta Inter College in Unnao, which provides educational facilities to approximately 400 boys and girls, under its CSR Policy. Over the years, the Company has taken up various projects for improving the college. These include:

- Arrangement for drinking water facilities
- Construction of boundary wall for security purposes and to meet education norms
- Construction of separate toilets for boys and girls
- Leveling of college playground
- College beautification
- Maintenance and upgrade of infrastructure

The Company also provides financial assistance to students from poor families by sponsoring their educational fee to different schools and colleges.

Chairman's Letter

IN THIS ENDEAVOR, WE ARE ON THE FRONT FOOT WITH 60% OF OUR OVERSEAS SALES BEING ROUTED TO UK WHERE THE COMPANY IS A LEADER IN THE MID SEGMENT MEN'S FASHION FOOTWEAR – BOTH BRANDED AND UNBRANDED.

60%

Dear Shareholders,

Being on the front foot and registering success is seldom the result of endeavor alone. There is usually a combination of factors that drives the success of an organization, with the overall market scenario, macro economic trends, demand and supply patterns, currency valuation etc. playing a significant role.

Seen in this perspective, success is a matter of individual or collective endeavor functioning in the right environment.

The year under review saw the installation of a new and stable government in India, with a clear mandate that resulted in a marked improvement in the domestic market sentiment. There was a discernible enhancement in the macroeconomic indicators, with improvement in growth and decline in inflation and current account deficit. The launch of the "Make in India" campaign gave a further impetus to the overall environment, boosting sentiment across industries.

On the export front, performance was weak despite the various positives. However, in overall terms, the markets and the economy of India are expected to perform better, with GDP rising to 7.5% in the FY 2015-16, as per IMF indications.

India is the 2nd largest footwear manufacturer in the world, producing more than 2.5 billion pairs of footwear per annum. It is also the second largest producer of leather, next only to China. Abundant availability of raw material and local talent, and competitive wage levels make India an ideal base for manufacturing leather goods. In terms of exports too, the leather industry is among the top ten foreign exchange contributors to the country's global trade.

Your Company is India's leading manufacturer and marketer of leather and leather footwear. Our operations span the complete value chain – from sourcing and processing of raw leather, designing and manufacturing of footwear and its marketing across 30 countries of the world. Our overseas major markets for our brands – Red Tape and Oaktrak – are UK and the USA, traditionally the most fashion and quality conscious markets for footwear in the world. Mirza International is among the few manufacturers in India to design its products in-house with its own design studios in India. Our state-of-the-art tannery and footwear manufacturing units with high levels of automation deliver exemplary quality.

Our distribution and marketing infrastructure are second to none, with the Company having a market presence through our own marketing offices, branded stores, shop-in-shop and agents/distributors and an expanding online presence. We have a lively brand led campaign that reinforces our brand values and enhances the desirability of our products.

A combination of these factors, in tandem with the favorable environment, has enabled us to declare sterling results during the year. Our total revenues touched ₹ 918 crores in FY15 as compared to ₹ 707 crores in the previous year, an increase of 29.8%. Our PBT increased to ₹ 78.72 crores and our PAT stood at ₹ 51.16 crores during the year.

Our claim to be the brand on the front foot is based on our #1 position on different counts. We are #1 manufacturer of leather footwear in India, the #1 supplier to global footwear brands since the past 15 years, the #1 and only Indian leather footwear manufacturer to sell under our own brand name in the UK market and the #1 and only manufacturer to design our product range in-house. We are also #1 in integrated manufacturing operations and in environment stewardship.

Our leadership position across each of these parameters is the result of our management strategy to leverage technology, expand our markets, use design and build quality as a differentiator, and reach out to more people with our brands. Our endeavor is to leverage India's position as one of the major suppliers of leather footwear to achieve our ambitions of being a leading brand led manufacturer and marketer of quality leather footwear in the world.

In this endeavor, we are on the front foot with 60% of our overseas sales being routed to UK where the Company is a leader in the mid segment men's fashion footwear – both branded and unbranded. We command a market share of 25% in this market. In USA, our sales have expanded from 3 lac pairs in FY14 to 7 lac pairs in FY15.

Our brands are also becoming increasingly popular in the local market, where a younger and more aspirational population seeks to transition from unbranded to branded and to premium footwear that is trendy and fashionable.

We have also forayed into garments and accessories to expand our brand ambit, where our combination of design excellence as well as marketing competency helps us establish our brand franchise.

We are traditional believers in the "Make in India" movement and we work towards making in India for the world. A robust export market with regions like European Union and the USA dominating in terms of offtake; coupled with a vibrant local market for leather footwear, augur well for the Company.

I believe that in the near future we will cross a significant milestone by clocking over ₹ 1,000 crores, and add value to each of our stakeholders, employees, partners and our communities.

I take this opportunity to thank our Board members, members of our team, our bankers and the legion of our brand followers for their continued support, and assure you that with improved competency and an upbeat market, we shall achieve greater heights in the coming years.

Thanking you,

Yours truly
IRSHAD MIRZA
Chairman

Q&A with the Managing Director

Q: What has driven the performance of the Company during the year?

MD: We have two segments from which we derive revenues – the tannery division and the footwear division. In terms of markets, we are present across domestic and overseas markets. Both our divisions performed well during the year, with the footwear division clocking ₹ 796.47 crores and tannery contributing ₹ 121.88 crores, an increase of 27.7% and 46.5% respectively over the previous year. Overseas revenues rose to ₹ 707.32 crores, enabling us to deliver a total turnover of ₹ 918.99 crores, which represents a rise of 29.8% over the previous year's ₹ 707.35 crores. I would say that our performance is an indication of our competencies - our design and build quality, as well as our strong brand led marketing.

Q: How do you view the opportunities in the domestic sector?

MD: I think that the India Story for Mirza brands is very exciting. The market is growing, with a young population seeking to upgrade their lifestyle and moving from commodity to brands. This aspirational section of the market is now reaching even Tier 2 and Tier 3 cities. There is huge demand for quality brands that offer the best in terms of design and build quality. We have a presence in India with Red Tape, which is positioned as an aspirational brand for the young at heart. Our brands are marketed through 110 exclusive Red Tape shops across 30 cities of India along with 175+ shop-in-shops, and 10 distribution branches. We now seek to expand our presence across smaller cities and towns with significant demand pockets.

Q: How has the Company performed in the international business?

MD: A full 75% of our total turnover comes from global sales. Our products are now marketed in 30 countries, with UK and USA dominating in terms of sales and market presence. Other global markets include France, Germany, South Africa, UAE and New Zealand. In the UK market, where we have a market share of 25% in the mid market men's footwear, sales under the Red Tape and Oaktrak brands have

grown at an average CAGR of 16.37% over the last 5 years. During the year under review, we clocked a total of ₹ 423.05 crores in revenue from the UK market, an increase of 22.40% over the previous year. In countries other than UK, our revenues have been increasing at a CAGR of 37.62% over the past 5 years. It is in the USA, where our revenues have gained the greatest traction, having more than doubled – from ₹ 34.02 crores in the previous year to ₹ 84.03 crores in FY15.

Q: How do you envisage increasing your overseas revenues?

We seek a mix of horizontal expansion into new markets and vertical penetration in markets where we are already present. With footwear purchase trending towards online e-commerce, we are also seeking to augment our digital marketing initiatives and increase our presence across multiple platforms for easy accessibility and visibility.

Q: What role does the macroeconomic initiatives of the government play in your performance?

MD: The macroeconomic initiatives of the government have an impact not just on us, but on the leather footwear industry as a whole. Leather footwear is now one of the focus industries for the "Make in India" program and the government has adopted and announced several measures to boost the revenues and growth of this industry. The Department of Industrial Policy and Promotion (DIPP) is implementing the Indian Leather Development Programme, comprising six sub schemes aimed at improving skill sets, supporting artisans and creating Mega Leather Clusters along with technology led interventions. The government is also providing financial assistance to increase the share of Indian leather products in existing markets under the Market Access Initiatives Schemes. As a result, the industry is benefiting with quality improvements, increased technology inputs and greater market access. As a leading player in the footwear industry, we leverage these advantages and back them with our own marketing initiatives to expand our presence overseas.

Q: How do you think that Mirza International is uniquely positioned to take on emerging opportunities?

MD: Firstly, we are one of the major integrated players in the leather footwear market, which ensures control over quality right from the raw material sourcing stage. We have some of the most advanced and automated manufacturing units and the industry's leading effluent treatment facilities to ensure environment-friendly processing of leather. Our design strengths make us unique as one of the only footwear majors to have in-house design studios in India. Our brands are well accepted and have top of the mind recall. Our build quality is universally recognized and our lead time from design to manufacturing and delivery is one of the shortest in the industry. Each of these factors works to our advantage, as we are able to leverage our competencies to capture markets.

Q: What is your rationale in entering garments and accessories?

MD: Footwear is increasingly seen as a lifestyle choice, rather than a commodity. Having established ourselves as a preferred lifestyle choice in leading markets of the world, it was natural that we sought to increase our share of this market by diversifying into garments and accessories. This is an industry we understand, where design skills as well as marketing competency drives market share.

Q: What is your outlook for the coming years?

MD: I am quite bullish for the near future. India has shrugged off policy paralysis, and the economy is showing signs of getting back to high gear. With commodity prices and inflation at a low, the economy will benefit with lower current account deficit and increased foreign exchange reserves. So the Indian customer will start spending more on lifestyle choices, and out of that basket of demand, our brands will benefit in a big way. Internationally, we have proven our competence in two of the toughest markets, and are set for lateral expansion into new markets and territories. Our expanded manufacturing capacities leave us headroom to ramp up utilization and this will translate into higher revenues. Overall I think the future augurs well for our brands and our business.

Yours truly
Rashid Ahmed Mirza
Managing Director

Management Discussion & Analysis

7.5%

THE INTERNATIONAL MONETARY FUND (IMF) PROJECTS INDIA'S ECONOMIC GROWTH TO RISE TO 7.5% IN FY16.

WITH AN ANNUAL PRODUCTION OF 2 BILLION SQ. FT. OF LEATHER, ACCOUNTING FOR 10% OF THE WORLD LEATHER REQUIREMENTS, INDIA IS THE SECOND LARGEST PRODUCER OF LEATHER NEXT TO CHINA.

Economic Overview

The formation of the stable government with a clear mandate in May 2014 had a major positive impact on overall sentiment in the country. The announcement of several reforms measures and policy initiatives taken during the year led to recovery in a number of macroeconomic indicators - economic growth improved, inflation moderated, current account deficit declined and interest rates came down. In addition, the launch of the 'Make in India' campaign has further boosted manufacturing sentiment.

The new government changed the base year for calculation of economic growth from FY05 to FY12 and also introduced the concept of Gross Value Added at the aggregate and sector levels apart from revising industry groups. As per the Central Statistical Office (CSO), based on the new series, real GDP growth rate for FY15 is 7.3% as against the revised FY14 GDP growth of 6.9% (from 4.7% as per the old series).

Inflation, measured by the Consumer Price Index (CPI), eased from 8.3% in March 2014 to 5.2% in March 2015. Fiscal consolidation efforts, well supported by lower commodity prices especially crude oil, have narrowed the fiscal deficit in India to 3.99% of GDP in FY15 to ₹ 5.01 lac crores. Going forward, this moderation in commodity prices could drive improved growth prospects and ease inflation pressures increasing disposable incomes for consumers and lower current account deficit, among others.

However, during FY15, exports remained weak. The rupee depreciated by 4.2% during the year from ₹ 60.1 per US dollar as against ₹ 62.6 per US dollar towards the end of March 2015 as the US dollar strengthened against major currencies.

Barring this, initiation of economic reforms, enhanced investments in key sectors and efforts to revive manufacturing growth augur well for the Indian economy. Driven by these positives, FY15 is expected to be a turnaround year for the Indian economy. The International Monetary Fund (IMF) projects India's economic growth to rise to 7.5% in FY16. It also forecasts that India will emerge as the fastest growing large economy in the world at the end of the same financial year.

Leather Industry

Overview

The Indian leather industry has established itself as a prominent industry both in international as well as in the domestic market. With an annual production of 2 billion sq. ft. of leather, accounting for 10% of the world leather requirements, India is the second largest producer of leather next to China. It also has the distinction of being one of the oldest manufacturing industries catering to the global markets. From being a mere raw material supplier, the industry has undergone a positive metamorphosis to emerge as an established exporter of value-added and finished leather products, contributing significantly to export earnings.

A dominant share of the manufacture of leather is controlled by the small and household units which account for almost 80% of total leather production. Large and medium units are either tanneries or shoe manufacturing companies.

Playing a vital role in the national economy in terms of employment generation, employing nearly 2.5 million people with 30% being women, the industry offers tremendous potential for employment opportunities driven by the growth in global demand for leather products, especially in footwear, furniture, interior design and in the automotive industry, among others.

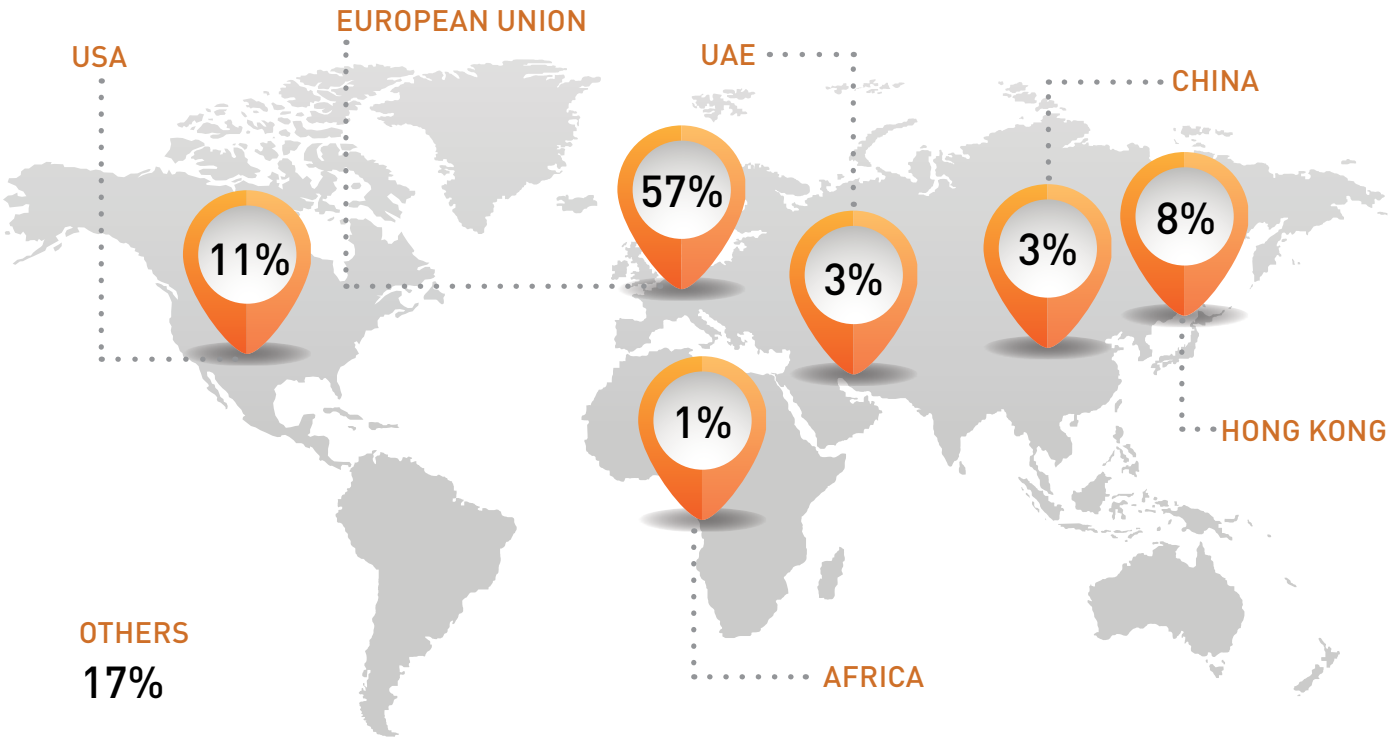
Leather Exports

The leather industry holds a significant place in the Indian economy because of its consistent contribution to the Indian exchequer. In fact, the industry is among the top ten foreign exchange earners for the country. In FY15, exports of leather and leather products touched US$ 6494.41 mn as against US$ 5937.97 mn in the corresponding period of last year, recording a positive growth of 9.37% and a CAGR of about 13.10% in the last five years.

Source: *Directorate General of Commercial Intelligence and Statistics (DGCI&S)*

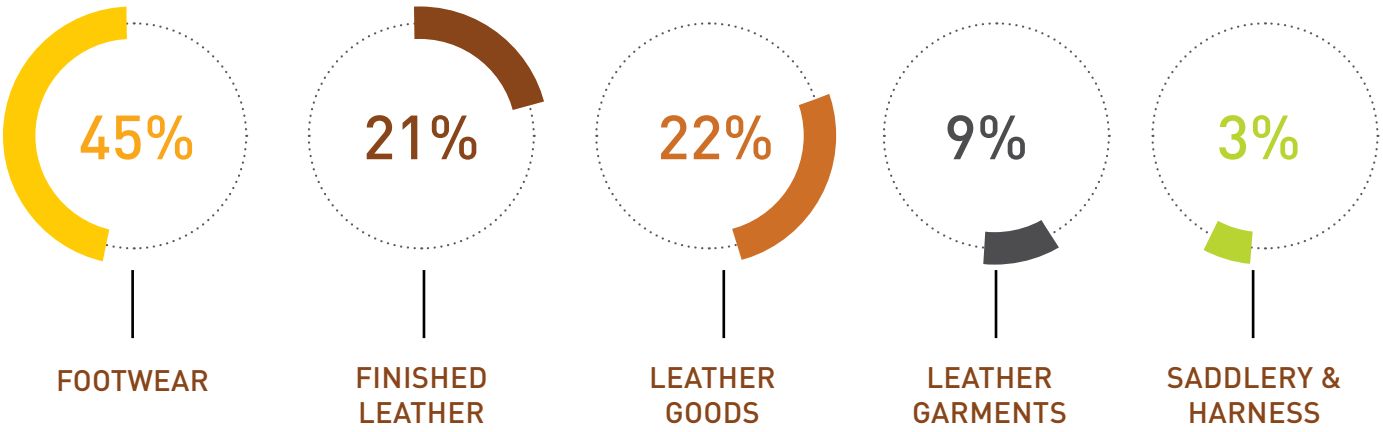
Major Markets: Countries in the European Union account for nearly 56% of India's total export of leather and leather products, Germany, UK, Italy and France being the prime markets. USA is the other major market for Indian leather exports.

% SHARE OF VARIOUS COUNTRIES IN INDIA'S LEATHER & LEATHER PRODUCT EXPORTS (2014-15)



Product-wise Percentage Share in Total Exports

Footwear sector is a very significant segment of the leather industry. Footwear holds a major share of about 45% in India's total leather & leather product exports with an export value of US$ 2945.15 mn.



55%

THE INDIAN FOOTWEAR MARKET IS DOMINATED BY MEN'S SEGMENT WHICH ACCOUNTS FOR ABOUT 55 PERCENT FOLLOWED BY LADIES' AND KIDS' SEGMENT WHICH ACCOUNT FOR AROUND 30 AND 15 PERCENT, RESPECTIVELY.

Growth Drivers

Abundant availability of raw materials: Endowed with 21% of the world's cattle and buffalo and 11% of the world's goat and sheep, abundant raw material availability is the key driver to the growth of the leather industry, enabling production of ~235 million pieces of hides and skins. The annual average rate of the growth of cattle is around 1.5% in India, helping it to maintain its leading position in leather production. Further, growth shown by the associated industries such as leather footwear, leather garments, etc. has spurred the growth of the Indian leather industry.

Source: *http://www.aishtma.com/aboutindustry.html*

Focus Sector: The Government is providing various incentives to the leather industry in Foreign Trade Policy and allowing concessional Duty for import of Machinery. Department of Industrial Policy and Promotion (DIPP) is implementing 'Indian Leather Development Programme (ILDP)' consisting of six sub-schemes viz. (Human Resource Development, Support to Artisan, Mega Leather Cluster, Integrated Development of Leather Sector, Leather Technology-Innovation and Environmental Issues and Establishment of Institutional Facilities) for the overall development of leather sector. Financial assistance is being provided to organize overseas marketing activities to promote exports from the country under Marketing Development Assistance (MDA) scheme and for enhancement of export through accessing new markets or through increasing the share in existing markets under Market Access Initiatives Scheme (MAIS).

Recently, the leather industry has also been notified as a focus sector in the Make in India program. It is expected that this renewed thrust will transpire in the form of increased allocation of funds to this sector and development of new and improved industry-friendly policies with a view to augmenting tanning capacity, infrastructure modernization, skill development and exports. This will lead to enhanced production, quality products and market competitiveness.

Besides this, the industry also benefits from availability of skilled labor, competencies to assimilate new technologies and handle large projects, and continued emphasis on product development and design capabilities.

Challenges

Bottlenecks which are hindering the growth process of leather industry include product designs not aligned to international requirements, lack of warehousing support from the government, tanneries not conforming to environmental regulations resulting in closures, and fluctuation in international prices of leather. Unawareness of international standards, inability to mobilize funds at favorable rates, inadequate skill development of the workforce and low capacity utilization are issues especially affecting the growth of the small and unorganized sector.

Footwear Industry

Industry Structure & Development

The Indian footwear industry, comprising leather and non-leather segment, is pegged at ₹ 25,000 crores with a CAGR of 15%. India is the second largest global producer of footwear in the world, next only to China, producing more than 2.5 billion pairs of footwear per annum. This represents 12% of the global production of approx.16 billion pairs of footwear every year. The Indian footwear market is dominated by men's segment which accounts for about 55% followed by ladies' and kids' segment which account for around 30% and 15%, respectively.

Presently, unorganized players account for nearly 85% of the total footwear industry in India. However, in recent years, the organized footwear industry is registering good growth driven by growing fashion consciousness together with increased disposable income among India's urban middle class, penetration of the organized players into Tier 3 and Tier 4 markets and tapping consumers' growing preference for branded footwear. The organized footwear segment is expected to increase by 27% per year. The huge market potential in India has attracted many International brands to commence operations in India while domestic manufacturers are now aggressively expanding their presence pan India.

Growth Drivers

As the footwear industry has strong linkages with the leather industry, it stands to benefit from the strengths and capabilities of the latter. This includes abundant availability of raw material and large pool of skilled and unskilled labor. Further, the footwear manufacturing sector in India can generate 100% Foreign Direct Investment (FDI) through Automatic Route. The Indian Government is also providing incentives to the footwear industry by reducing excise duty on certain category of footwear and encouraging skill development. These steps in the right direction by the Government shall go a long way in creating an environment which is conducive for the expansion of the Indian footwear industry.

Business Overview

Mirza International is India's leading manufacturer and marketer of leather and leather footwear. The primary source of revenue accrues from the footwear business division through marketing of its own brands and by being the preferred supplier to international footwear brands. The in-house brands of the Company include Red Tape and Oaktrak. Red Tape and Oaktrak are well-established and successful brands having international presence, including the prime markets of UK and USA.

The Company's strong differentiators are its integrated manufacturing facilities which are equipped with a state-of-the-art tannery and supported by number of dedicated ancillary units, seamless supply chain and strong distribution network. Mirza International is also among the only manufacturers in India to design the products in-house through maintaining its own design and development team.

Despite a muted market environment wherein discretionary spending was impacted, the Company continued its track record of growth. Total revenue for FY15 stood at ₹ 918.99 crores as against ₹ 707.35 crores in FY14, clocking a rise of 29.8%. Net profit for FY15 stood at ₹ 51.16 crores against ₹ 43.37 crores for FY14.

Segment Wise Performance

The Company's business segments are primarily Footwear Division and Tannery Division. During the year under review, revenue from the Footwear Division increased to ₹ 796.47 crores as against ₹ 623.78 crores in the previous year. The growth in revenue accrued chiefly due to greater market penetration in the existing international markets. Revenue from the Tannery Division stood at ₹ 121.88 crores for the year as against ₹ 83.19 crores in the previous year.

Overseas Revenue

The Company continued to strengthen its position in the international markets. Revenue from overseas sales stood at ₹ 707.32 crores as against ₹ 505.86 crores in the previous year, a growth of 39.8%. This stellar performance can be attributed to the Company's strong emphasis on high quality and well-designed products. The Company increased its revenue in both its main markets of UK and USA. While revenue from UK operations increased from ₹ 345.62 crores to ₹ 423.05 crores in FY15, showing a growth of 22.40%, operations in USA have also increased manifold reflected in the revenue going up from ₹ 34.02 crores in the previous year to ₹ 84.03 crores in the year under review.

THE INDIAN LEATHER INDUSTRY HAS SUBSTANTIAL POTENTIAL FOR HIGHER GROWTH DUE TO ITS INHERENT STRENGTHS AND EMERGING MARKET OPPORTUNITIES.

796.47 Cr

DURING THE YEAR UNDER REVIEW, REVENUE FROM THE FOOTWEAR DIVISION INCREASED TO ₹ 796.47 CRORES AS AGAINST ₹ 623.78 CRORES IN THE PREVIOUS YEAR.

Domestic Sales

During the year under review, domestic sales of Red Tape clocked ₹ 138.48 crores, levels fairly similar to that clocked in the previous year when domestic Red Tape revenue stood at ₹ 139.91 crores. Cautious consumer spends in the context of the economy still not attaining high growth level impacted sales volume. However, the Company believes that this was a momentary phase and discretionary spends will bounce back as the economy returns to a high growth trajectory. Further, leveraging the learning from its international operations, the Company is well-positioned to unlock the full value of its brands in the domestic market.

Threats & Opportunities

High competition from other Asian countries like China, Vietnam and Indonesia pose a risk to the growth prospects of the Indian leather industry. Further, these countries are meeting customer preferences by providing innovative leather products having great design and quality at lower prices.

Notwithstanding these threats, the Indian leather industry has substantial potential for higher growth due to its inherent strengths and emerging market opportunities. Supported by Government incentives, leather exports are projected to grow at 24% per annum over the next five years. Among the European countries, UK (high capita consumption of footwear) and Germany (size of population) have shown very high rate of imports from developing countries. Mirza International which already has a strong presence in these markets will be looking at exploiting this opportunity further.

Opportunities exist plentiful in India too with the domestic market expected to double in the next five years.

Source: http://makeinindia.com/sector/leather.

The key drivers to the rise in demand are increasing fashion consciousness, growing disposable income and population in India and the popularity of the e-commerce platform. Also, the per capita consumption of footwear in India is estimated to be 2 - 3 pairs per year, whereas such consumption in the Western Countries is higher.

Further, the footwear market is witnessing a steady shift from non-brands to brands. In the branded segment, the shift from low/mid value leather footwear to premium/ aspirational leather footwear products is witnessing fastest growth. Mirza International with its strong brand positioning of Red Tape as a premium brand will be looking at leveraging this opportunity to the fullest.

With strict laws and enforcements, small tanneries and unorganized shoe-making units face the danger of closure, benefiting larger and modernized units.

Apart from its use in the footwear and garment industry, leather now serves as a vital constituent for many more end-uses. It is gaining in popularity as a medium of upholstery in home décor and automobile segment. This product diversification also offers exciting new growth prospects.

Risk Review

The Company recognizes that the manner in which potential business risks are analyzed and time-critical responses are formulated could have considerable bearing on its performance. The Company believes that risks that are well-managed can create opportunities, whereas risks that are incorrectly managed could lead to financial and reputation loss. Appropriate steps are taken in consultations with all concerned to mitigate such risks.

The following are some of the key risks as perceived by the Company:

Economic Uncertainty: Slow economic growth in the international or national economies and uncertainties regarding future economic prospects, among other things, could affect consumer discretionary spending and therefore can impact business. Through brand strengthening and expanding presence across the globe the Company endeavors to mitigate the impact of this risk as far as possible.

Competition: The footwear industry is highly competitive and this competitive pressure may impact sales and profitability. To mitigate this risk, the Company is strengthening brand image through effective manufacturing, marketing and advertising. By providing footwear and other products with fashionable designs, high quality and which is good value for money, the Company has built a favorable brand image for its products. Further, the Company concentrates on ensuring a fast manufacturing turnaround to ensure that the products reach the customers at the onset of demand cycle. The Company is also increasing its retail presence in a systematic and carefully weighed manner. This reduces the threat of competition to a considerable extent.

Constantly Changing Fashion Trends and Consumer Demands: Demand for the Company products may be adversely affected by changing consumer trends. In the footwear industry, success depends upon the ability to anticipate and respond to changing consumer preferences in a timely manner. Misjudgments in understanding consumer demand and preferences may result in excess inventories for some products and missed opportunities as to others. To mitigate this risk, the Company has a talented design and development teams to understand the pulse of consumers' demand. Through fast product development and lead time management, the Company aims that the products are aligned to consumer preferences.

Input Cost: Availability or change in the prices of raw materials could impact business and profitability. Leveraging its industry experience of almost four decades, the Company effectively supervises the availability of raw materials thus keeping the cost escalation risk to a minimum.

Changes in Laws and Regulations: Compliance with current and future environmental laws and regulations could restrict ability to expand facilities or require acquisition of additional expensive equipment or modification of manufacturing processes. The Company has equipped its tannery with an Effluent Treatment Plant to ensure conformity to present environmental regulations. In fact as per a certified study, there is no environmental pollution caused by the Company's tannery. To shield itself from any such future risk, the Company has a strong regulatory mechanism in place which enables it to stay abreast of all government regulations relating to the industry and act suitably to meet norms.

Exchange Rate: The operations are subject to risk arising from fluctuation in exchange rates with reference to currencies in which the Company operates.

To mitigate this risk, the Company uses Foreign Exchange Forward Contracts to hedge its exposure to movements in foreign exchange rates.

Labor Activism: Increased labor activism across the country may pose a challenge to the Company's operations. To mitigate this risk, the Company continually engages with the workforce to build their trust and strengthen the labor relations at its manufacturing facilities.

Internal Control Systems

The Company has an established internal control system commensurate with its size and the nature of operations. These have been designed to provide reasonable assurance with regards to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. Through instituting Budgetary Control Mechanism, the management regularly reviews actual performance with reference to budget and forecasts. The Company also conducts regular internal audits to test the adequacy and efficacy of its internal control processes and bring out any deviation to internal control procedures. The same is reported to the management along with suggestions to strengthen the internal controls.

Human Resources

The Company makes substantive and sustained efforts towards building an eco-system which promotes the development and advancement of all its employees. All HR policies and practices are aligned with the overall organizational strategy. In order to achieve operational excellence and maintain a competitive edge, the Company invests in building and nurturing a strong talented pool by instituting best practices with respect to its employees. During the year, industrial relations remained cordial at all the manufacturing units. The Company employed a total of 368 employees during the year.

Outlook

The Company products are well-accepted by leading brands in overseas markets. The focus will be to expand geographic presence to new countries and deeper penetration in existing markets through aggressive marketing and distribution.

For their in-house brands, after entrenching its position in UK, the Company is now focused at replicating the UK success in the markets of USA. The performance in the last few years in US for Red Tape has been very encouraging and the thrust now will be to drive higher sales by reaching out to more consumers through online and retail presence. Apart from the USA, the Company will also be looking at expanding its retail presence in France and Germany.

In the domestic markets, the Company is optimistic that the economy will recover and return to a higher growth trajectory sooner rather than later. This strong belief is founded on the recent initiatives pursued by the new government to revive economic growth. Expected changes in the macro environment would boost consumer sentiment and drive increased spending. Also, the expanding middle class segment offers tremendous growth prospects for the organized footwear industry. The Company is planning to leverage this exciting market opportunity by increasing its retail presence through the setting up of more exclusive showrooms and through multiple brand outlets. The Company will be also looking at tapping this demand potential through volume growth by entry in Tier 3 & 4 cities.

Online platforms now offer a new growth engine for retail companies. Cognizant of this, the Company will be looking at engaging with more customers through a well-thought digital strategy.

In conclusion, with the footwear industry being highly market driven, there are sustained opportunities for driving growth. Leveraging its leadership position in manufacture and marketing of leather and leather goods, the focus shall be on creation of long-term value for all stakeholders.

Cautionary Statement

Statements in the Management Discussion and Analysis relating to projections, estimates, expectations or predictions are based on certain assumptions. The Company cannot guarantee that these assumptions are accurate or will be realized. The actual results, performance or achievements of the Company could thus differ materially from those projected or estimated.

MIRZA INTERNATIONAL LIMITED
Registered Office : 14/6, Civil Lines, Kanpur
Tel. No. : 0512-2530775 Fax No. 0512-2530166
Corporate Identification No. : L19129UP1979PLC004821
Website : www.mirza.co.in E-mail ID : mirzaknp@redtapeindia.com

BOARD OF DIRECTORS

Mr. Irshad Mirza, Chairman & Chief Financial Officer
Mr. Rashid Ahmed Mirza, Managing Director & Chief Executive Officer
Mr. Shahid Ahmad Mirza, Whole-time Director
Mr. Tauseef Ahmad Mirza, Whole-time Director
Mr. Tasneef Ahmad Mirza, Whole-time Director
Mr. N.P. Upadhyay, Whole-time Director
Dr. Yashvir Singh
Mr. Pashupati Nath Kapoor
Mr. Qazi Noorus Salam
Mr. Sudhindra Jain
Mr. Subhash Sapra
Mr. Islamul Haq
Mrs. Vinita Kejriwal

COMPANY SECRETARY

Mr. D.C. Pandey, Vice President (Accounts) & Company Secretary

AUDITORS

M/s. Khamesra Bhatia & Mehrotra
Chartered Accountants

BANKERS

Punjab National Bank, Mall Road, Kanpur - 208001

CORPORATE & MARKETING OFFICE

A-7, Mohan Co-operative Industrial Estate, Mathura Road,
New Delhi – 110 044

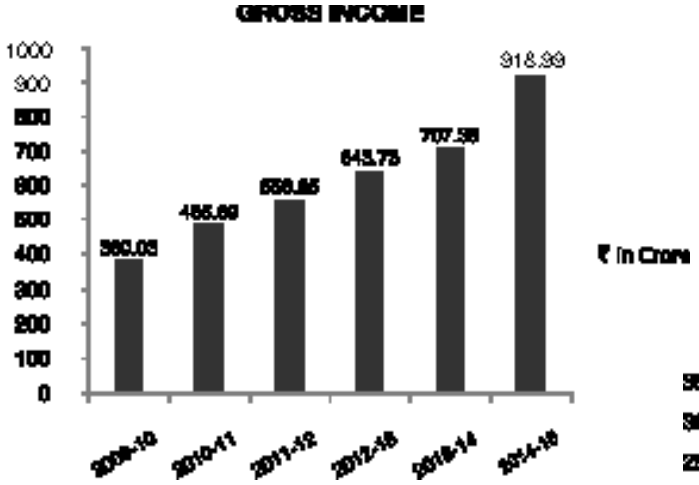
WORKS

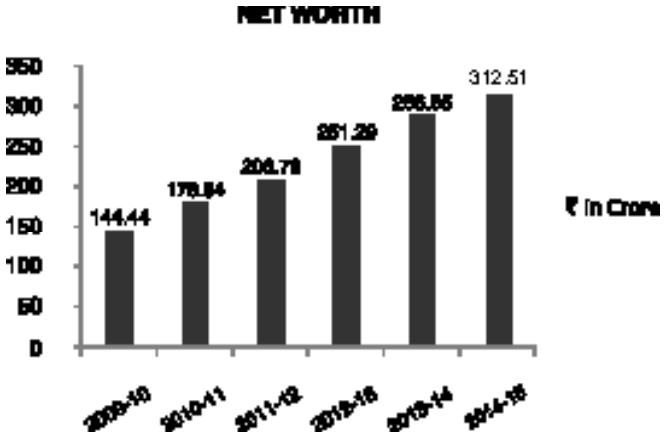
- Kanpur – Unnao Link Road, Magarwara, Unnao – 209 801
- UPSIDC Industrial Area, Site II, Unnao – 209 801
- Kanpur – Unnao Link Road, Sahjani, Unnao – 209 801
- 1A, Sector Ecotech – I, Extension – I, Greater Noida – 201 308
- C-4, 5, 36 & 37, Sector – 59, Noida – 201 303

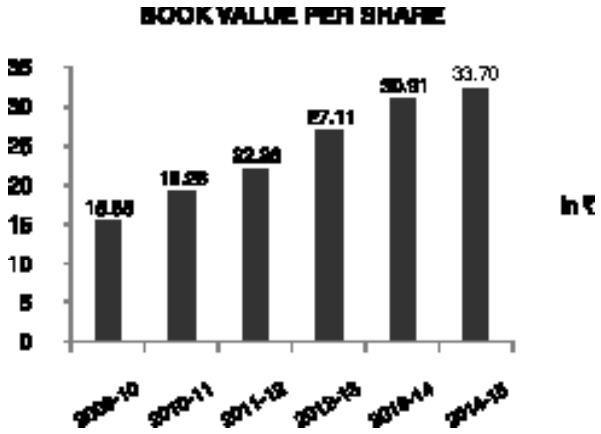
REGISTRAR & TRANSFER AGENTS

KARVY COMPUTERESHARE PVT. LTD.
Karvy Selenium Tower B, 6th Floor
Plot No. 31-32 Gachibowli Financial District,
Nanakaramguda, Hyderabad-500 032
Tel.: +91-40-67161563, Fax: +91-40-23114087

CONSISTENT PERFORMANCE







AWARDS & CERTIFICATIONS

NAME OF AWARD		YEAR	PRESENTED BY
1.	First Place in Leather Footwear	2013-14	Council for Leather Exports
2.	Excellent Export Performance in Leather Footwear	2012-13	Council for Leather Exports
3.	First Place in Leather Footwear	2011-12	Council for Leather Exports
4.	First Place in Leather Footwear (Above ` 100 Crores)	2010-11	Council for Leather Exports
5.	Second Place in Overall Exports	2010-11	Council for Leather Exports
6.	First Place in Leather Footwear (Above ` 100 Crores)	2009-10	Council for Leather Exports
7.	Award for Excellence for Outstanding Export Performance	2008-09	Government of U.P.
8.	First Place in Leather Footwear (Above US$ 15 Million)	2008-09	Council for Leather Exports
9.	Doyen of Leather Industry Award to Mr. Irshad Mirza for development of Leather Industry	2007-08	Council for Leather Exports
10.	Export Award for Overall Export & Plaque (First Prize) for Footwear Export	2006-07	Council for Leather Exports
11.	Shoppers' Stop Pinnacle Awards	2007	Best Brand – Footwear
12.	BVMSR III Consumer Awards	2007	Category : Fashion & Specialities – Shoes
13.	Shoppers' Stop Pinnacle Awards	2006	Best Brand – Footwear
14.	Dun & Bradstreet American Express Corporate Award	2006	Dun & Bradstreet American Express
15.	Best Exporter & Award for Excellence	2005-06	Government of U.P.
16.	Certificate of Merit	2005-06	National Productivity Council
17.	Excellence Award for Innovative Export Marketing	2005	Merchants' Chamber Uttar Pradesh
18.	Award for Excellence	2004-05	Government of U.P.
19.	Best Overall Export Award Gold Trophy	2004-05	Council for Leather Exports
20.	Best Export Performance Award in Leather Footwear (Above $ 15 Million)	2004-05	Council for Leather Exports
21.	Best Export Award	2004-05	Indian Footwear Components Manufacturers Assn.
22.	Export Promotion Award	2004-05	Export Promotion Bureau, Govt. of U.P.
23.	Brand Promotion Award for "Red Tape & Oaktrak" Brand	2004-05	Council for Leather Exports
24.	IFCOMA Excellence Award for greatest contribution towards Indian Footwear Industry	2004	Indian Footwear Compnents Manufacturer Assn.
25.	PNB Expo Gold Card Award in recognition of outstanding Export performance	2004 for 3 years	Punjab National Bank
26.	Award for Best Performance Silver Trophy (Overall Export)	2003-04	Council for Leather Exports
27.	Export Award (1st Prize)	2002-03	Export Promotion Bureau, Govt. of U.P.
28.	National Integration Award	2001	Janyog Newspaper
29.	State Export Award (1st Prize)	1999-2000	Export Promotion Bureau, Govt. of U.P.

BOARD'S REPORT

To,

The Members of

MIRZA INTERNATIONAL LIMITED

Your Directors have pleasure in presenting their Thirty-sixth Annual Report on the business and operations of the Company and the audited accounts for the Financial Year ended March 31, 2015.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/ PERFORMANCE OF THE COMPANY

(` in Crore)

Particulars	2014-15	2013-14
TOTAL REVENUE	**918.99**	707.35
Earning before Finance Costs, Depreciation and amortization Expenses and Taxes	**142.64**	121.82
Less: Finance Charges	**39.29**	32.00
Depreciation & Amortization Expenses	**24.62**	22.04
Profit Before Tax	**78.73**	67.78
Less: Provision for Taxes	**27.57**	24.41
Profit After Taxes	**51.16**	43.37
Add: Balance of profit brought forward	**182.64**	150.55
	233.80	193.92
Less: Appropriations		
Transfer to General Reserve	**5.50**	5.00
Dividend on Equity Shares	**4.64**	4.64
Tax on proposed Dividend	**0.94**	0.79
Income Tax	**2.55**	0.85
Adjustment on account of Depreciation, net of Deferred Tax Liability [Refer Note 3b (c) (a)]	**20.68**	_
Balance at end of the Year	**199.49**	182.64

2. MAJOR HIGHLIGHTS OF FINANCIAL PERFORMANCE:

Your Company's performance during the year under report has been Commendable.

The Financial Year 2014-15 has been a successful year as your Company has added capacities in Tannery as well as in Shoe Divisions.

The major highlights are as given below:

- The Revenue from operation increased to ` 918.99 Crore from ` 707.35 Crore and thus showing growth of about 30%.
- The Profit Before Tax is ` 78.73 Crore as compared to ` 67.78 Crore for the previous year and thereby showing the growth of about 16%.
- The EBITDA increased to ` 142.64 Crore from ` 121.82 Crore in the previous year and thus showing an increase of about 17%.
- Export increased to ` 585.32 Crore from ` 450.20 Crore showing a growth of about 30%.
- Revenue from Domestic Market increased to ` 258.52 Crore from ` 199.89 Crore showing a growth of about 29%.
- Cash Profit increased to ` 75.78 Crore from ` 65.41 Crore showing an increase of about 16%.

3. GROWTH STRATEGY

The Board of Directors, in its meeting held on 11th March, 2015 has approved, in- principle, the Scheme of Merger / Amalgamation of Genesisfootwear Enterprises Pvt. Ltd. (A Company under the same management and engaged in same line of business) and submitted the Scheme to the Stock Exchanges and Securities & Exchange Board of India (SEBI) for their approval. The copies of the documents in connection with the above have been posted at the Website of the Company. The proposed Merger will lead to an increased value generation for the Merged Company.

4. SUBSIDIARY / ASSOCIATE COMPANY

Company does not have any Subsidiary Company. However, Azad Multispeciality Hospital & Research Centre Ltd. (A Company registered U/s 8 of the Companies Act, 2013) is an Associate Company in which Company has Subscribed & Paid up Capital of 200000 Equity Shares of ` 10/- each, making 41.66% of the Paid up Capital. The Financial Statement of the Associate Company has not been consolidated in view of the Notification dated 14th October, 2014 of the Ministry of Corporate Affairs.

5. DIVIDEND

After considering the Company's profitability, cash flow and overall financial performance, your Directors are pleased to recommend a Dividend of ` 0.50 (25%) per Equity Shares of face value of ` 2/- each. The total outflow on account of dividend, if approved by Members, will be of about ` 5.43 Crore including about ` 0.94 Crore payable towards Dividend Distribution Tax, Surcharge and Cess on the same.

The Company paid the same dividend for the year ended 31st March 2014 also.

The Register of Members and Share Transfer Books will remain closed from 22nd September, 2015 to 29th September, 2015 (both days inclusive) for the purpose of ascertaining entitlement for the said dividend. The Thirty-sixth Annual General Meeting of the Company is to be held on Tuesday, 29th September, 2015.

6. RESERVES

The Board proposes to transfer the amount of ` 5.50 Crore to Reserve, as compared to ` 5.00 Crore transferred in the previous year.

7. SHARE CAPITAL

During the year under review, your Company's Authorised Share Capital remained unchanged at ` 45 Crore (Forty Five Crore only) comprising 225000000 Equity Shares of ` 2 each. The Paid Up Equity Capital as at 31st March, 2015 remained at ` 18.54 Crore.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment:

During the year under report in compliance of the provisions of Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, Mrs. Vinita Kejriwal (DIN 06952088) was appointed as an Independent Director for a term of 5 years pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and clause 49 of the Listing Agreement.

Retirement by Rotation:

In accordance with the provisions of Companies Act, 2013, Mr. Shahid Ahmad Mirza and Mr. Tauseef Ahmad Mirza, Whole Time Directors of the Company, are liable to retire by rotation at ensuing Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment.

Independent Directors

With coming into the force of the Companies Act, 2013 the Board appointed all the existing Independent Directors viz. Mr. P.N Kapoor , Dr. Yashveer Singh, Mr. Subhash Sapra, Mr. Q. N. Salam, Mr. Islamul Haq, Mr. Sudhindra Jain and Mrs. Vinita Kejriwal as Independent Directors under Section 149 of the Companies Act, 2013, for a term upto 5 years. The shareholders at their Annual General Meeting held on 20th September, 2014 have approved their appointment.

9. EVALUATION OF BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013, and Clause 49 of the Listing Agreement, the performance evaluation of the Board, its Committees and individual Directors, was carried out during the year under review. Questionnaire Approach was adopted for said evaluations.

The Nominations and Remuneration Committee at its meeting carried out a separate exercise for evaluating every Director's performance. The evaluation of Independent Directors was carried out without the presence of that Director. A separate meeting of the Independent Directors was convened which reviewed the performance of the Board (as a whole), the non Independent Directors and the Chairman.

Some of the key criteria's for performance evaluation were as follows:

Performance evaluation of Board and Committees.

1. Degree of fulfilment of key responsibilities.
2. Board structure and composition.
3. Effectiveness of Board processes, information and functioning.
4. Board culture and dynamics.
5. Quality of relationship between the Board and the Management.
6. Establishment and delineation of responsibilities to Committees.

Performance evaluation of Directors

1. Provide meaningful and constructive contribution and inputs in meetings.
2. Display a good degree of understanding of the Company, Industry Sector, Geography.
3. Display independence of judgement.

10. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company are persons of integrity, possessing rich experience and expertise in the field of corporate management, finance, capital market, economic and business information. The Company has issued appointment letters to the Independent Directors, setting out in detail, the terms of appointment, duties, roles, responsibilities and expectations from the appointed Director. Presentations are regularly made to the Board of Directors /Audit Committee /Nomination & Remuneration Committee/ Corporate social responsibilities Committee /Stake holder relationship Committee on various related matters, where Directors have interactive sessions with the Management.

11. REMUNERATION POLICY

The Company follows a policy on remuneration of Directors, Key Managerial Personnel (KMP), Senior Management personnel (SMP) and other employees of the Company. The Policy is approved by the Nomination & Remuneration Committee of the Company.

The Independent Directors of the Company shall be entitled to receive remuneration by way of sitting fees for attending meeting of Board. The Managing Director of the Company shall be paid remuneration as approved by the shareholders on the recommendation of the Board and Nomination & Remuneration Committee.

The Remuneration Policy of the Company is given as Annexure I to the Board's Report.

12. RISK MANAGEMENT POLICY

Risks are an integral part of business and it is imperative to manage these risks at acceptable levels in order to achieve business objectives. The risks to which the Company is exposed are both external and internal.

Your Company has formulated a Risk Management Policy to provide an integrated and standardized approach in managing all aspects of risk to which your Company is exposed. Audit Committee monitors the Enterprise Risk Management Policy with participation

from officers responsible for risk management and to take appropriate steps to ensure that these risks are at acceptable levels.

13. WHISTLE BLOWER POLICY & VIGIL MECHANISM

Your Company has laid down a Vigil Mechanism and formulated a Whistle Blower Policy in order to provide a framework for responsible and secure Whistle Blowing Mechanism. The Policy aims to provide an avenue for Employees and Directors to raise their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and it also empowers the Audit Committee of Board of Directors to investigate the concerns raised by them. The Policy is also posted on the Website of the Company.

All Directors and Employees of the Company are eligible to make protected disclosures under the Policy addressed to Vigilance Officer of the Company in relation to matters concerning the Company. During the year under review, no employee of the Company was denied access to the Audit Committee.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any Loans or Guarantees covered under the provisions of Section186 of the Companies Act, 2013. The details of the investment made by the Company is given in the notes to financial statements.

15. INTERNAL CONTROL SYSTEM

The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information complying with applicable status, safeguarding of assets of the Company and ensuring Compliance with Corporate Policies.

The Company has a dedicated Internal Audit team headed by a Qualified Chartered Accountant with skills commensurate with size, nature and complexity of operations of the Company. Internal Auditor reports functionally to the Audit Committee of Board which reviews and approves risk based annual internal audit plan. Audit Committee periodically review the performance of internal audit function. During the year, the Audit Committee met regularly to review reports submitted by the internal audit department. All significant audit observations and follow-up actions there on were reported to the Audit Committee.

The Company has a rigorous business planning system to set targets and parameters for operations which are reviewed with the actual performance to ensure timely action, if required.

The Audit Committee reviews adherence to internal control systems, Internal Audit Reports and legal compliances. The Committee reviews all quarterly and yearly results of the Company and recommends the same to Board for its approval.

16. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013 money transferred to the Unpaid Dividend Account of the Company and which has remained unpaid or unclaimed for a period of seven years from the date of transfer by the Company has been deposited to the Investor Education Protection Fund (IEPF) established by Central Government.

17. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is given separately and forms part of Annual Report.

18. INSIDER TRADING REGULATIONS

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 (UPSI) in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head of Compliance is responsible for implementation of the Code.

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

19. CODE OF CONDUCT FOR DIRECTORS & SENIOR OFFICERS

The Board at its Meeting has adopted a Code of Conduct for Directors & Senior Management in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement. The Code also incorporates the duties of Independent Directors. All the Board Members and Senior Management Personnel have confirmed compliance with the Code. A declaration to that effect signed by the Managing Director forms part of the Corporate Governance Report. A copy of the Code has been put on the Company's website.

20. HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets. During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. Your Company's thrust is on the promotion of talent internally through job rotation and job enlargement. The Company has strength of 2791 employees as on 31st March, 2015.

21. CORPORATE SOCIAL RESPONSIBILITY(CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating

activities to be undertaken by the Company, which has been approved by the Board.

The Company has identified Education and Health as key focus areas of engagement for CSR activities. The Company would also undertake other initiatives in compliance with the Schedule VII of the Companies Act 2013. The Annual Report on CSR activities is annexed herewith and marked as Annexure II to this Report.

22. PARTICULARS OF EMPLOYEES

Particulars of employees covered by the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure III to this Report.

23. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013;

(a) That in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed along with proper explanation relating to material departures;

(b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date ;

(c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) That the annual financial statements have been prepared on a going concern basis;

(e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

(f) That systems to ensure compliance with the provisions of all applicable laws were in place were adequate and operating effectively.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

MIL has always been a frontrunner in continually improving its operational performance in all areas, like productivity, yield, utilization and host of other operating metrics, while reducing the consumption of fuel, power, stores and others. While undertaking the modernization and technology up-gradation of production facilities, due consideration is also given in selection of Plant and Equipment which conforms to the benchmarking standards in terms of energy conservation methodologies.

The key initiatives for conservation of energy taken by the Company were:

(a) Installation of new multi-fuel (Coal/Wood Chips fired) Boiler has replaced consumption of Coal and Diesel by usage of wood chips which is more cost effective and efficient and resulted into lower cost of fuel per sqft of leather. These are more environment friendly also.

(b) Installation of High Tech Leather Drying Machine has reduced considerably the Leather Drying Process and thus, resulting to reduced processing hours and saving of Power.

(c) Increased use of CFL/LED lighting solutions to replace the conventional lighting systems which paves the way for substantially reduced energy consumption.

(d) Company has taken up various Water Management Plans for optimum use of water resources, like treatment of process generated water and planned reuse of treated water for Green-Belt development, equipment, floor, road washing and some specified process activities before its final discharge.

(e) Installation of rain water tanks having dual plumbing for its re use of rain water and/or treated water for toilets, flushing and gardening purposes.

(f) The options for installing solar lights and solar panels for plant lighting are evaluated for using renewable energy.

RESEARCH AND DEVELOPMENT (R&D)

Research and Development (R&D) activities at **MIL** are focused mainly on process improvements, development of new designs, processes and products, energy optimization, waste utilization and use of low quality raw materials. Company keeps itself abreast of the technological up-gradation at all stages of production.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The Company absorbs and adapts the technologies on a continuous basis to meet its specific products needs from time to time. Innovation in process control, product development, cost reduction and quality improvement are being made on a continuous basis looking to the market requirements.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the Foreign Exchange earned was ` 585.32 Crore mainly on account of Exports. The Foreign Exchange outgo was ` 128.75 Crore.

25. CORPORATE GOVERNANCE CERTIFICATE

Your Company has complied with the Corporate Governance requirements under Companies Act, 2013 and as stipulated under the provisions of the Listing Agreement entered into with the Stock Exchanges. A detailed Report on Corporate Governance is given as Annexure IV to this Report. A certificate of Statutory Auditors, confirming compliance of the Corporate Governance requirements by the Company, is attached to the Report on Corporate Governance.

26. AUDITORS

a) STATUTORY AUDITORS

M/s. Khamesra Bhatia & Mehrotra, Chartered Accountants, (ICAI Registration No. 001410C) were appointed as Statutory Auditors of your Company to conduct the audit of accounts for the year ended 31st March, 2015. Their term of appointment expires at the conclusion of the forthcoming Annual General Meeting.

M/s. Khamesra Bhatia & Mehrotra have expressed their willingness to get re-appointed as the Statutory Auditors of the Company and have furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013, and the rules framed thereunder. In terms of the Listing Agreement, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. The Board, based on the recommendation of the Audit Committee, recommends the re-appointment of M/s. Khamesra Bhatia & Mehrotra as the Statutory Auditors of the Company.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

b) SECTRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. A S T O & Co. LLP, a firm of Company Secretaries in practice were appointed to undertake the Secretarial Audit of the Company for the year ended 31st March, 2015. There are no adverse remarks or observations made in their Secretarial Audit Report. The Report of Secretarial Auditors is given in Annexure V to this Report, which is attached herewith and forms a part of Board's Report.

c) COST AUDITORS

The Board of Directors have appointed Mr. A. K. Srivastava, Cost Accountant, for conducting the Cost Audit of Company's cost records in respect of PVC / TPR Soles and Rubber Sole for the year ended 31st March, 2015. The Cost Audit Report for the financial year 2013-14 was filed within stipulated time. The Cost Audit Report for the financial year 2014-15 shall also be filed within prescribed time.

27. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 forms a part of this Annual Report as ANNEXURE VI .

28. NUMBER OF BOARD MEETINGS

During the Year 2014-15, Board met 8 times (on 24th May, 2014, 24th July 2014, 8th November, 2014, 23rd January, 2015, 3rd February, 2015, 20th February, 2015, 03rd March, 2015 and 11th March, 2015). The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

29. COMPOSITION OF AUDIT COMMITTEE

The Company has an Audit Committee comprising of 5 Members namely Mr. Sudhindra Jain, Chairman of the Committee and Mr. P. N. Kapoor, Mr. Subhash Sapra, Mr. Qazi Noorus Salam, Mr. Irshad Mirza as members. Other details about the said Committee are given in Corporate Governance Report. All the recommendations made by Audit Committee were accepted by the Board.

30. RELATED PARTIES TRANSACTIONS

All Related Party Transactions entered into during the financial year under review by the Company were on arm's length basis and in ordinary course of business. All related party transactions are placed before the meeting(s) of Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the financial year for the transactions which are of a foreseen and repetitive in nature. The Company's Policy on Related Party Transaction has been posted on Company's Website.

The web link to access the said policy is http://mirza.co.in/party_transactions.html

31. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

32. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

33. CREDIT RATING

CRISIL has given rating to the Company as 'CRISIL A / Stable/CRISIL'A1 from 'CRISIL A-/Stable/CRISIL A2+'. The rating reflects your Company's strength supported by the cost optimisation initiative and expansion in the higher margin domestic retail business. CRISIL believes that MIL will continue to benefit from its integrated operation and promoters' extensive industry experience.

ICRA Limited has also Reaffirmed the Long Term Rating at [ICRA] A and has assigned a "Stable" outlook on the Long Term Rating.

34. DETAILS OF SHAREHOLDERS SUSPENSE ACCOUNT:

Aggregate Number of Shareholders in the Suspense Account lying as at 1st April, 2014	58
Aggregate Outstanding Shares in the Suspense Account lying as at 1st April, 2014	116000
Number of Shareholders who approached issuer for transfer of shares from Suspense Account during the year ended 31st March, 2015	2
Number of Shareholders to whom shares were transferred from Suspense Account during the year ended 31st March, 2015	2
Aggregate Number of Shareholders in the Suspense Account lying as at 31st March, 2015	56
Aggregate Outstanding Shares in the Suspense Account lying at 31st March, 2015	112000

Note: Voting Rights on these Shares shall remain frozen till the rightful owner of such shares claim the shares.

35. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

a. Details relating to deposits covered under Chapter V of the Companies Act, 2013.

b. Issue of equity shares with differential right as to dividend, voting or otherwise

c. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

36. ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their sincere thanks to the Banks and various Government Authorities for the support and co-operation extended to the Company and place on record their appreciation for the sincere and devoted services rendered by all employees of the Company at all levels. Your Directors are especially grateful to the shareholders for reposing their trust and confidence in the Company.

For and on behalf of the Board

Place: Kanpur
Date: 30th July, 2015

IRSHAD MIRZA
Chairman

ANNEXURE-I

REMUNERATION POLICY OF MIRZA INTERNATIONAL LIMITED

OBJECTIVE

This Policy is formulated in compliance of Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Policy are:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and means appropriate performance benchmark
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

DEFINITIONS

- '**Act**' means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- '**Board**' means Board of Directors of the Company.
- '**Directors**' mean Directors of the Company.
- '**Key Managerial Personnel**' means
  - Chief Executive Officer or the Managing Director or the Manager;
  - Company Secretary;
  - Whole-Time Director;
  - Chief Financial Officer; and such other Officer as may be prescribed.
- '**Senior Management**' means Personnel of the Company who are members of its core management team excluding the Board of Directors and including Functional Heads.

NOMINATION AND REMUNERATION COMMITTEE

The Committee constituted by the Board of Directors consists of four independent Non-Executive Directors namely:

Mr. P.N Kapoor	Chairman
Mr. Sudhindra Jain	Member
Mr. Q.N Salam	Member
Mr. Yashvir Singh	Member

ROLE OF COMMITTEE

The Role and Powers of the Committee are as under:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) To formulate criteria for evaluation of Independent Directors and the Board.

c) To identify persons who qualify to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy.

d) To carry out evaluation of every Director's performance.

e) To recommend to the Board for the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

f) To recommend to the Board Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

g) To ensure that level and composition of remuneration is reasonable and sufficient, Relationship of remuneration to performance is clear and meet appropriate performance benchmarks.

h) To carry out any other function as is mandated by the Board from time to time and /or enforced by the statutory notification, amendment or modification, as may be applicable.

i) To devise a Policy on Board Diversity.

j) To formulate the Nomination and Remuneration Policy of the Company and propose any amendments.

k) To assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board, Key Managerial Personnel and to Senior Management.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the Committee authorised by him, shall be present at the General Meetings of the Company, to answer the shareholders queries, if any.

The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and /or Officers of the Company, as deemed necessary for proper and expeditious execution.

APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

The criteria for the appointment and removal of Directors, Key Managerial Persons (KMPs) and Senior Management and qualifications are mentioned below:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMPs or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Term / Tenure

a) Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing Policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

REMUNERATION OF DIRECTORS, KMPs AND SENIOR MANAGEMENT

a) The Remuneration / Compensation / Profit linked Incentive etc. to Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force.

c) Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

d) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

e) If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

f) Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.

REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:

a) Remuneration / Profit Linked Commission: The remuneration / profit linked commission shall be in accordance with the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force.

b) Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board, provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Limit of Remuneration /Profit Linked Commission: Remuneration /profit linked Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1%/3% of the net profits of the Company respectively.

MONITORING, EVALUATION AND REMOVAL:

a) Evaluation: The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.

b) Removal: The Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013 and all other applicable Acts, Rules and Regulations, if any.

c) Minutes of Committee Meeting: Proceedings of all meetings must be minuted and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

AMENDMENT TO THE POLICY:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification, circular(s) etc.

Annexure - II

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2014-15.

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to we link to the CSR Policy and projects or programmes.

   The Company has framed a Policy in compliance with the provisions of Companies Act, 2013 and the same is placed on Company's website and web link for the same is http://mirza.co.in/csr.html

2. **Composition of the CSR Committee:**

Mr. Irshad Mirza	Chairman
Mr. Tasneef Ahmad Mirza	Whole-Time Director
Mr. Sudhindra Jain	Independent Director

3. **Average net profit of the Company for last three financial years**

   Averege Net Profit – ` 6106 lacs

4. Prescribed CSR Expenditure (two percent of amount as in item 3 above):

   The Company is required to spend ` 122.12 lacs

5. Details of CSR spend for the financial year:

   a. Total amount spent for the financial year : ` 63.33 lacs

   b. Amount unspent, if any: ` 58.79 lacs

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2014-15

S. No.	Particulars	(1)	(2)	(3)	(4)	TOTAL (` in lacs)
(1)	CSR project or activity identified	Education and other initiative	Empowerment of Education and Scholarship	Health Promotion	Charity	
(2)	Sector in which the project is covered	Schedule VII(i)	Schedule VII(ii)	Schedule VII(x)	Schedule VII (viii)	
(3)	Projects or Programme					
	(1) Local area or other					
	(2) Specify the state and district where projects or programs was undertaken	Renovation of Qaumi Ekta School of Village, Maswasi, Magarwara, Unnao				
(4)	Amount outlay (budget) project or Programme wise	–	–	–	–	
(5)	Amount spent on the project or Programme Sub Heads;	14.97	4.45	32.21	11.70	63.33
	(1) Direct expenditure on projects or programmes					
	(2) Overheads					
(6)	Cumulative expenditure up to the reporting period	14.97	4.45	32.21	11.70	63.33
(7)	Amount spent direct or through implementing agency	Direct	Direct	Agency	Agency	

The amount spent is slightly lower than the amount to be spent as the Company has been working on identifying the Projects for carrying out CSR activities, this has taken more time than estimated. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-
Tasneef Ahmad Mirza
(Director)

Sd/-
Irshad Mirza
(Chairman)

Annexure:III

a) Information as per Section 197(12) read with Rules 5(1) of Chapter XII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i)	The ratio remuneration of each Director to the median remuneration of the employees of the Company for the financial year	**Name of Director**	**Ratio to the Median remuneration**	
		Executive Director		
		Irshad Mirza	1.99	
		Rashid Ahmed Mirza	102.47	
		Shahid Ahmad Mirza	82.79	
		Tauseef Ahmad Mirza	97.74	
		Tasneef Ahmad Mirza	75.97	
		N.P. Upadhyay	23.35	
(ii)	the percentage increase in remuneration of each Director, Chief Financial officer, Company Secretary(CS) or Manager, if any, in the financial year	**Name of Director**	**% Increase in remuneration**	
		Executive Director		
		Irshad Mirza	-	
		Rashid Ahmed Mirza	0.9	
		Shahid Ahmad Mirza	0.2	
		Tauseef Ahmad Mirza	0.8	
		Tasneef Ahmad Mirza	0.4	
		N.P. Upadhyay	4.54	
		D.C. Pandey	2.94	
(iii)	the percentage increase in the median remuneration of employees in the financial year	The percentage increase in median remuneration during the financial year is 26%.		
(iv)	the number of permanent employees in the rolls of the Company	The total number of employees as on 31 March , 2015 was 2791 .		
(v)	the explanation on the relationship between average increase in remuneration and company performance	On average, employees received an increase of 26% and increase in revenue from operation of 30% for the financial year 2014-15 over 2013-14. The increase in remuneration is in line with market trends.		
(vi)	Comparison of remuneration of Key Managerial Personnel against the performance of the Company	Aggregate Remuneration of KMP in F.Y 2014-15 (` Crore)	5.60	
		Revenue (` Crore)	918.99	
		Remuneration of KMP (% of Revenue)	0.61	
		Profit Before Tax	78.72	
		Remuneration of KMP(% OF P.B.T)	7.11	
(vii)	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;	**Particular**	**2014**	**2015**
		Share price at March (in `)	28.10	86.80
		No. of Equity Shares	92706000	92706000
		Earnings Per Share	4.68	5.52
		P/E Ratio	6.00	15.72
		Market Capitalization (In `)	2605038600	8046880800

(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Needs no comment as percentile increase in Managerial Remuneration is not significant as compared to percentile increase in salaries of employees in the last year.

(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;

Particulars	Remuneration (` in Lacs)	Revenue (` in Lacs)	Remuneration as% of Revenue	Profit Before Tax (` in Lacs)	% of Remuneration of PBT
Mr. Irshad Mirza	2.84	91899	0.002	7872	0.03
Mr. Rashid A. Mirza	146.38		0.15		1.85
Mr. Shahid A.Mirza	118.27		0.12		1.49
Mr. Tauseef A.Mirza	139.62		0.15		1.76
Mr. Tasneef A. Mirza	108.52		0.11		1.37
Mr. N.P.Upadhyay	33.36		0.03		0.41
Mr. D.C.Pandey	11.88		0.01		0.13

(x)	the key parameters for any variable component of remuneration availed by the Directors;	Not Applicable.
(xi)	the ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year	Not Applicable.
(xii)	affirmation that the remuneration is as per the Remuneration Policy of the Company.	YES: The remuneration is as per the Remuneration Policy of the Company.

Annexure- IV

REPORT ON CORPORATE GOVERNANCE

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its Business. As a part of its growth strategy, the Company believes in adopting the "best practices" that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its Stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges.

2. Board of Directors:

Category	No. of Directors
Non-Executive & Independent Directors	7
Other Non-Executive Directors	-
Executive Director	6
Total	13

As required under Section 149(3) of the Companies Act, 2013, & Clause 49 of Listing Agreement, Ms Vinita Kejriwal, a Woman Director, was appointed as an Independent Director on the Board.

Other relevant details of Directors are as follows :

Name of Director	DIN No.	Date of Appointment	Category	No. of Directorship(S) Held In Other Public Company	Committee(S) Position
					Member
Mr. Irshad Mirza	00048946	05/09/1979	Chairman (Executive)/ Promoter	4	1
Mr. Rashid Ahmed Mirza	00049009	05/09/1979	Managing Director/ Promoter	1	-
Mr. Shahid Ahmad Mirza	00048990	06/09/1979	Executive Director/ Promoter	_	-
Mr. Tauseef Ahmad Mirza	00049037	06/09/1989	Executive Director/ Promoter	_	-
Mr. Tasneef Ahmad Mirza	00049066	01/01/1997	Executive Director/ Promoter	3	1
Mr. N.P Upadhyaya	00049196	01/04/1997	Executive Director	_	_
Mr. Q.N Salam	00051645	08/07/1994	Non-Executive/ Independent Director	_	3
Mr. Islamul Haq	02121287	28/03/2008	Non-Executive/ Independent Director	_	-
Mr. P.N Kapoor	00058126	08/07/1994	Non-Executive/ Independent Director	_	1
Dr. Yashveer Singh	01479900	06/02/2012	Non-Executive/ Independent Director	_	1
Mr. Subhash Sapra	00049243	08/03/2002	Non-Executive/ Independent Director	_	1
Mr. Sudhindra Jain	00189602	30/07/2008	Non-Executive/ Independent Director	_	2
Mrs. Vinita Kejriwal	06952088	19/08/2014	Non-Executive/ Independent Director	_	-

Notes:

1. Mr. Irshad Mirza, Chairman is father of Mr. Rashid Ahmed Mirza, Managing Director, Mr. Shahid Ahmad Mirza, Mr. Tauseef Ahmad Mirza & Mr. Tasneef Ahmad Mirza, Whole-Time Directors of the Company.
2. No. of equity shares held by Non-Executive Directors as on 31st March, 2015 are : Mr. Subhash Sapra- 1000; Mr. P.N. Kapoor – Nil; Mr. Islamul Haq – Nil; Mr. Sudhindra Jain – Nil; Mr. Q.N. Salam – Nil; Dr. Yashveer Singh – 1000, Mrs. Vinita Kejriwal - Nil
3. For the purpose of the above, directorship in other Public Limited Companies only are considered.
4. For the purpose of the above, membership / chairmanship in the Audit Committee, Shareholders' Grievance Committee and Nomination and Remuneration Committee are considered.

Disclosures regarding appointment/re-appointment of Directors:

As per section 152(6)(a) Companies Act, 2013, two-third of the Directors should retire by rotation. One-third of these Directors are required to retire every year and if eligible, they can offer themselves for re-appointment. Accordingly, Directors of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A brief resume of the Directors to be appointed /eligible for re-appointment is separately annexed and forms part of the report.

DIRECTORS ATTENDANCE RECORDS:

Name of Director	Attendance at the Board Meetings held on								Attend-ance at the AGM held on 20th Sept'14
	24/05/14	24/07/14	08/11/14	23/01/15	03/02/15	20/02/15	03/03/15	11/03/15	
Mr. Irshad Mirza	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Rashid Ahmed Mirza	Y	Y	N	N	Y	N	N	Y	N
Mr. Shahid Ahmad Mirza	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Tauseef Ahmad Mirza	Y	Y	N	N	N	N	N	N	Y
Mr. Tasneef Ahmad Mirza	Y	Y	N	Y	Y	Y	Y	Y	Y
Mr. N.P. Upadhayay	Y	Y	Y	Y	Y	N	N	Y	Y
Mr. Sudhindra Jain	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Islam Ul Haq	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Q.N.Salam	Y	Y	Y	Y	Y	N	Y	Y	Y
Mr. P.N. Kapoor	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Yashveer Singh	N	Y	Y	Y	N	N	Y	Y	Y
Mr. Subhash Sapra	N	Y	Y	N	N	N	N	N	Y
Mrs. Vinita Kejriwal	-	-	Y	Y	N	N	Y	Y	Y

NUMBER OF BOARD MEETING

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
24th May, 2014	12	10
24th July, 2014	12	12
8th November, 2014	13	10
23rd January, 2015	13	10
3rd February, 2015	13	10
20th February, 2015	13	6
3rd March, 2015	13	9
11th March, 2015	13	11

3. COMMITTEES OF THE BOARD:

(a) AUDIT COMMITTEE

The Audit Committee continued working under Chairmanship of Mr.Sudhindra Jain with Mr. P.N. Kapoor, Mr. Q.N. Salam, Mr Subhash Sapra, Mr.Irshad Mirza as members.

During the year Mr. Q.N. Salam was also inducted as Member of the Committee w.e.f. 20th February, 2015.

All the members of Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of Finance, Accounting Practices and Internal Controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Internal Auditor to get their inputs on significant matters relating to their areas of audit.

The composition of the Audit Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

Name of Member	Category	Attendance at the Audit Committee Meeting held on							
		24/05/14	24/07/14	08/11/14	23/01/15	03/02/15	20/02/15	03/03/15	11/03/15
Mr. Sudhindra Jain	(Chairman) Non- Executive/ Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. P.N. Kapoor	(Member) Non- Executive/ Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Subhash Sapra	(Member) Non- Executive/ Independent Director	No	Yes	Yes	No	No	No	No	No
Mr. Irshad Mirza	(Member) Executive/ Promoter	Yes	Yes	Yes	Yes	No	No	Yes	Yes
Mr. Q.N Salam	(Member) Non- Executive/ Independent Director	-	-	-	-	-	No	Yes	Yes

The Chairman of the Committee attended the Annual General Meeting of the Company.

Mr. D.C. Pandey, Company Secretary is acting as the Secretary of Audit Committee:

(b) NOMINATION AND REMUNERATION COMMITTEE:

The role of Remuneration Committee which is comprising of Independent Directors is to recommend to the Board, the compensation terms of Executive Directors. The present composition of the Committee consists of four Directors and Mr. P.N. Kapoor, Independent Director heads the Committee as Chairman. During the year, the Committee met on 24th July, 2014 and 11th March, 2015. The constitution of the Committee and attendance at its Meetings are as under:

Name of Member	Category	Attendance at the Nomination and Remuneration Committee Meeting held on	
		24/07/2014	11/03/2015
P.N Kapoor	(Chairman) Non- Executive/ Independent Director	Yes	Yes
Q.N Salam	(Member)Non- Executive/ Independent Director	Yes	Yes
Yashveer Singh	(Member)Non- Executive/ Independent Director	Yes	Yes
Sudhindra Jain	(Member)Non- Executive/ Independent Director	Yes	Yes

(c) SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE :

The Share Transfer & Investors' Grievance Committee, as a sub-committee of the Board, inter alia, review shareholder / investor grievances. The Committee met 4 times during the year. The constitution and functioning of the Committee is as given below:

Name of Director	Category	Attendance at the Board Meetings held on			
		24/05/2014	24/07/2014	08/11/2014	23/01/2015
P.N Kapoor	(Chairman) Non- Executive/ Independent Director	Yes	Yes	Yes	Yes
Sudhindra Jain	(Member)Non- Executive/ Independent Director	Yes	Yes	Yes	Yes
Q.N Salam	(Member)Non- Executive/ Independent Director	Yes	Yes	Yes	Yes
Tasneef Ahmad Mirza	(Member) Executive/ Promoter	Yes	Yes	No	No

During the year under review, Company received 45 complaints all of which were resolved to the satisfaction of the shareholders.

Mr. D.C. Pandey, Company Secretary of the Company acts as the Compliance Officer of all the Committee.

4. REMUNERATION POLICY:

The remuneration paid to the Executive Directors of the Company is decided by the Board of Directors on the recommendation of the Remuneration Committee subject to the approval of Shareholders / Central Government, wherever required. The existing Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The Remuneration Policy is in consonance with the existing industry practice:

A. Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending the meetings of the Board of Directors within the prescribed limits. The sitting fees paid to them for the year ended 31st March, 2015 is ` 4,20,000 detailed as : 1) Mr. Q.N. Salam - ` 70,000/-; 2) Mr. P.N. Kapoor - ` 80,000/-; 3) Dr. Yashveer Singh - ` 50,000/-; 4) Mr. Subhash Sapra - ` 20,000/-; 5) Mr. Islamul Haq - ` 80,000/-; 6) Mr. Sudhindra Jain - ` 80,000/-.; 7) Mrs. Vinita Kejriwal – ` 40,000/-.

B. Executive Directors

The Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation and recommends the remuneration payable to them, within the parameters approved by the shareholders and the Central Government, to the Board for their approval.

As per terms of appointment, remuneration paid to the Directors during the year and approved by the Remuneration Committee is as under:

Name of the Directors	Designation	Salary (`)	Perquisites (`)	TOTAL (`)
Mr. Irshad Mirza*	Chairman (Executive)	NIL	284304	284304
Mr. Rashid Ahmed Mirza	Managing Director	14400000	238288	14638288
Mr. Shahid Ahmad Mirza	Whole-Time Director	11700000	127130	11827130
Mr. Tauseef Ahmad Mirza	Whole-Time Director	13500000	462247	13962247
Mr. Tasneef Ahmad Mirza	Whole-Time Director	10800000	52278	10852278
Mr. N.P Upadhyay	Whole-Time Director	3300000	35685	3335685
	TOTAL	**53700000**	**1199932**	**54899932**

*Mr. Irshad Mirza, Chairman of the Company has not drawn any salary.

5. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Year	Date	Type of Meeting	Venue	Time
2011-12	29.09.2012	Annual General Meeting	Auditorium of Council for Leather Exports, Nawabganj, HBTI Campus, Kanpur.	01:00 P.M.
2012-13	28.09.2013	Annual General Meeting	--do--	01:00 P.M.
2013-14	20.09.2014	Annual General Meeting	--do--	12.00 Noon

Details of **Special Resolution** passed in the last three Annual General Meetings is given hereunder:

Date of Annual General Meeting	Particulars of Special Resolutions passed In the last Three Annual General Meetings
29th September, 2012	Appointment of Dr. Yashvir Singh as Independent Director of the Company
20th September, 2014	Re-appointment of Mr. Irshad Mirza as Executive Chairman of the Company for the period of 3 years w.e.f. 01.10.2014. Re-appointment of Mr. Rashid Ahmed Mirza as Managing Director of the Company on increased remuneration for a period of 3 years w.e.f. 01.10.2014. Re-appointment of Mr. Shahid Ahmad Mirza, Mr. Tauseef Ahmad Mirza, Mr. Tasneef Ahmad Mirza, Mr. N.P. Upadhyay as Whole-Time Directors of the Company on increased remuneration for the period of 3 years w.e.f. 01.10.2014. Re-appointment of Mr. Shuja Mirza as President (Marketing) of the Company for a period of 3 years w.e.f. 01.10.2014. Re-appointment of Mr. Faraz Mirza as President (Production) of the Company for a period of 3 years w.e.f. 01.10.2014. Increase in Borrowing powers and Creation of Charge on Company's Properties. Adoption of New Articles of Association of the Company. Keeping of Register of Members together with Index of Members at the office of Registrar and Share Transfer Agents of the Company. Entering into Related Party Transactions upto the maximum per annum amounts.

DETAILS OF RESOLUTION PASSED THROUGH POSTAL BALLOT PROCESS:

Following Resolutions were passed through Postal Ballot during the past financial year.

- Increase in the Borrowing Powers of the Board.
- To hypothecate / mortgage and / or charge all or any part of the movable and / or immovable properties of the Company.

6. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

The Independent Directors held a meeting without the attendance of Non-Independent Directors and members of the management. The matters considered in the Meeting were : a) review the performance of Non-Independent Directors and the Board as a whole; b) review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the Year, the Independent Directors met on March 11, 2015. The name of the Independent Directors and attendance at its Meetings are as under:

Name of Directors	Nature of Directorship in the Company	Total meetings held during the tenure of the member	Meeting attended
Mr. P.N. Kapoor (Chairman)	Independent	1	1
Mr. Sudhindra Jain (Member)	Independent	1	1
Mr. Islamul Haq	Independent	1	1
Mr. Qazi Noorus Salam	Independent	1	1
Dr. Yashvir Singh	Independent	1	1
Mr. Subhash Sapra	Independent	1	-
Mrs. Vinita Kejriwal	Independent	1	1

7. DISCLOSURES:

There are no materially significant transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have a potential conflict with the interest of the Company at large. Transactions with the Related Parties are disclosed in Notes to the Accounts in the Annual Report.

During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets.

The Code of Conduct for Prevention of Insider Trading, Related Party Transaction Policy & Corporate Social Responsibility Policy adopted by the Company have been posted on the website of the Company. The members of the Board and senior Management of the Company have submitted their affirmation on the compliance with the Code of Conduct for Prevention of Insider Trading and Policies of the Company for the effective period.

The Company has complied with all the mandatory requirements and adopted part of the non-mandatory requirements of Clause 49 of the Listing Agreement.

8. CODE OF CONDUCT:

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in “Zero Tolerance” to bribery and corruption in any form .

9. GENERAL SHAREHOLDER INFORMATION:

Company Registration details: The Company is registered in the state of Uttar Pradesh, India.

The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L19129UP1979PLC004821

- Annual General Meeting :
  Date : 29th September, 2015, Tuesday
  Time: 1.00 PM.
  Venue : Council for Leather Exports, HBTI Complex, Nawabganj, Kanpur - 208002
- Financial Calendar: April – March
- Board Meetings (Tentative)

Quarter	Date of Board Meeting
1st Quarter	Fourth week of July, 2015
2nd Quarter	Fourth week of October, 2015
3rd Quarter	Fourth week of January, 2016
4th Quarter	Fourth week of May, 2016

- Book Closure Date: From 23rd September, 2015 to 29th September, 2015 (Both Days inclusive)

  Dividend Payment (if any) Date : 3rd October, 2015

Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code/Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised share)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	526642	INE771A01026
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	MIRZAINT	INE771A01026

MARKET PRICE DATA:

The Closing Market Price of Equity Share on 31st March, 2015 (last trading day of the year) was ` 86.85 on NSE & ` 86.80 on BSE.

	NATIONAL STOCK EXCHANGE			BOMBAY STOCK EXCHANGE		
MONTH	HIGH	LOW	TOTAL NO. MONTHLY OF SHARES VOLUME	HIGH	LOW	TOTAL NO. MONTHLY VOLUME OF SHARES
April' 14	32.70	27.40	3823380	32.6	27.5	899791
May' 14	34.45	25.00	6690963	34.4	26	2185439
June' 14	38.00	27.70	16548072	36.1	27.75	5374755
July' 14	40.70	31.30	21990155	40.9	31.1	7221578
August.' 14	38.90	30.30	11513937	38.8	30.45	4418032
September' 14	48.10	35.35	30545435	48	35.35	10018408
October' 14	44.70	39.10	11436857	44.7	39.1	3541195
November'14	47.50	41.10	11988356	47.5	41.05	3530643
December' 14	46.95	38.10	8198286	46.9	39.15	2439995
January' 15	88.35	42.70	49631745	88.2	42.7	16089651
February' 15	101.50	66.00	37870518	101.8	66.2	12481502
March' 15	94.50	71.60	21842962	94.4	71.6	6165748

10. CEO / CFO CERTIFICATION:

In terms of the requirements of Clause 49(IX) of the Listing Agreement, the CEO and CFO have submitted necessary certificate to the Board at its meeting held on stating the particulars specified under the said clause.

11. MEANS OF COMMUNICATION:

- The Quarterly and Annual results are published in widely circulating national & local dailies such as Financial Express and Dainik Aaj (in Hindi). These are not sent individually to the shareholders.
- The Company's results and other related information are displayed on the Company's web site- www.mirza.co.in.
- Management Discussion and Analysis Report forms part of Board' Report.

12. REGISTRAR & TRANSFER AGENTS :

KARVY COMPUTERSHARE PVT. LTD.
Karvy Selenium Tower B, 6th Floor
Plot no. 31-32 Gachibowli Financial District,
Nanakaramguda , Hyderabad-500 032
Tel: +91-40-67161563
Fax: +91-40-23114087

13. SHAREHOLDING PATTERN & DISTRIBUTION SCHEDULE AS ON 31ST MARCH 2015:

Category			Number of Shares	% of Shares
1.	**Promoters Holding**			
	a)	Indian Promoters	61155981	65.97
	b)	Foreign Promoters	0	0
	Sub Total		**61155981**	**65.97**
2.	**Non Promoters Holding**			
	a)	Mutual Funds & UTI	5500	0.01
	b)	Banks, FIs, Insurance Cos	132222	0.14
	c)	FII 's	0	0
	Sub Total		**137722**	**0.15**
1.	**Others**			
	a)	Private Corporate Bodies	9658418	10.42
	b)	Individual/ HUF	20038007	21.61
	c)	NRI 's / OCBs	934974	1.01
	d)	Clearing Members / Trust	780898	0.84
	Sub Total		**31412297**	**33.88**

Distribution Schedule as on 31/03/2015:

Category		Shareholders		Nominal Value	
From	**To**	**Number**	**% of Cases**	**Amount (`)**	**Amount (%)**
1	5000	21937	94.15	18737518	10.11%
5001	10000	695	2.98	5235160	2.82%
10001	20000	328	1.41	4903394	2.64%
20001	30000	99	0.42	2490562	1.34%
30001	40000	55	0.24	2007326	1.08%
40001	50000	33	0.14	1513548	0.82%
50001	100000	65	0.28	4934848	2.66%
100001 & Above		89	0.38	145589644	78.52%
Total		**23301**	**100.00**	**185412000.00**	**100.00**

14. SHARE TRANSFER SYSTEM :

The Company is providing facilities of common agency for all the work related to share registry in terms of both physical and electronic at a single point by our Registrar & Share Transfer Agent i.e. Karvy Computershare Pvt. Ltd., Hyderabad. Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects.

15. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2015, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	943367	1.02
Demat Segment		
NSDL	80736694	87.09
CDSL	11025939	11.89
Total	92706000	100

16. ADDRESS FOR CORRESPONDENCE:

Shareholders correspondence should be addressed to our Registrar & Share Transfer Agents at the address mentioned above. Contact Persons: Mr. P. Ravi Shanker Manager. Ph. No. 040-44655190, 09177401115 Email id.: ravishanker.p@karvy.com. Shareholders may also contact Mr. D.C. Pandey, Company Secretary at the Registered Office of the Company for any assistance Ph . 0512-2530775 Email id: dcpandey@redtapeindia.com.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

17. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

In compliance of SEBI circular, the Company has engaged Mrs. Savita Jyoti, Practising Company Secretary to certify and conduct audit relating to reconciliation of total capital held in Depositories, viz, NSDL and CDSL and in physical form with the total Issued/ Paid Up Capital. The certificate given by her is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days of the end of each quarter. The Company also obtains from a Practising Company Secretary half yearly certificate of compliance as required under Clause 47 (c) of Listing Agreement and files the same immediately with Stock Exchanges.

18. OUTSTANDING GDRS /ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS CONVERSION DATE AND LIKELY IMPACT ON EQUITY: Not applicable.

19. WORKS LOCATIONS OF THE COMPANY:

- Kanpur- Unnao Link Road, Magarwara, Unnao- 209 801
- Kanpur- Unnao Link Road, Shajani, Unnao- 209 801
- Plot No. C-4, 5, 36 & 37, Sector-59, NOIDA-201 303
- UPSIDC Industrial Area , Site II, Unnao- 209 801
- Plot No. 1A, Ecotech-1, Extn. 1, Greater Noida

20. UNPAID DIVIDEND:

Pursuant to Section 125 of the Companies Act, 2013, the Company had transferred unpaid final dividend for the year 2006-07 to the Investor Education & Protection Fund of the Central Government during the year.

21. ELECTRONIC CLEARING SERVICE:

The Company has availed ECS facility for distribution of dividend to the shareholders.

DECLARATION

As per Clause 49 of the Listing Agreements with Stock Exchanges, this is to confirm that all Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company for the financial year 2014-2015.

Place: Kanpur
Date : 29th May, 2015

Rashid Ahmed Mirza
(Managing Director)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Board of Directors,

Mirza International Limited.

We have examined the compliance of conditions of Corporate Governance by Mirza International Limited ("the Company") for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to 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 opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month as per the records maintained by the Share Transfer and investor grievance committee.

We further state that such compliance is neither an assurance to future viability of the Company nor efficiency of effectiveness with which Management has conducted affairs of the Company.

For Khamesra Bhatia & Mehrotra
Chartered Accountants
(Firm Registration No. 001410C)

Place : Kanpur
Date : May 29, 2015

ANAND SAXENA
Partner
M. No. 075801

Annexure- V

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015

[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,
MIRZA INTERNATIONAL LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mirza International 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.

In our opinion as based on the information provided to us by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and our verification of the books, papers, minute books, forms and returns filed and other records maintained and made available to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2015 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mirza International Limited ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:
   - The Companies Act, 1956/2013 (the Act) and the rules made thereunder;
   - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   - The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   - Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Director Investment and External Commercial Borrowings;
   - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
     a.) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
     b.) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
     c.) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
     d.) Environmental Protection Laws, Economic and Labour laws applicable on Company

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Stock Exchange.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive, Independent and Women Director. 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.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 ensure compliance with applicable laws, rules, regulations and guidelines and

a.) The Directors have complied with requirement as to disclosure of interest and concerning contracts and arrangements, shareholding/ debenture holdings and directorships in other Companies and interest in other entities;

b.) The Directors have complied with the disclosure requirements as to disclosure requirements in respect of their eligibility for appointment, their being independent and compliance with the code of business conduct & Ethics for Directors and Management Personnel;

c.) The Company has obtained all necessary approvals under the various provisions of the act;

We further report that during the audit period the Board of Directors of Company at their meeting held on 11th March, 2015 approved the Scheme of Merger of Genesisfootwear Enterprises Private Limited and the said scheme has been forwarded to SEBI for their in-principle approval in compliance with the requirement of Listing Agreement.

Place : Kanpur
Date : 30th July, 2015

ASTO & CO. LLP:
(CS Abhishek Shukla)
Partner
ACS : 27253
CP No. 14769

Annexure VI

FORM MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L19129UP1979PLC004821
2	Registration Date	5th September, 1979
3	Name of the Company	Mirza International Limited
4	Category/Sub-category of the Company	Public Company/ Limited by Shares
5	Address of the Registered office & contact details	14/6, Civil Lines, Kanpur-208001 Website: www.mirza.co.in E-mail: mirzaknp@redtapeindia.com Phone: 0512-2530775
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B Plot No. 31-32 Gachibowli, Financial District Nanakranguda, Hyderabad- 500032 Tell:+914067161700 Toll Free No.:1800 425 8998 Fax:+914023114087

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Finished Leather From Raw Hides And Wet Blue	191	13.3%
2	Finished Leather Shoes	192	86.7%

III. PARTICULARS OF HOLDING/SUBSIDIARY/ASSOCIATE COMPANY

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	%of Shares held	Applicable Section
1	Azad Multispeciality Hospitals and Research Centre Limited, 14/6, Civil Lines, Kanpur	U85191UP2009PTC038346	Associate	41.66 %	2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year [As on 1st April, 2014]				No. of Shares held at the end of the year [As on 31st March, 2015]				% change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
(I)	**Indian**									
a)	Individual/ HUF	60155981	0	60155981	64.89	61155981	0	61155981	65.97	1.08
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders		No. of Shares held at the beginning of the year [As on 1st April, 2014]				No. of Shares held at the end of the year [As on 31st March, 2015]				% change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any other									
Sub Total (A)(1)		60155981	0	60155981	64.89	61155981	0	61155981	65.97	1.08
(2)	**Foreign**									
(a)	NRIs-Individual	1000000	0	1000000	1.08	0	0	0	0.00	0.00
(b)	Other-Individual	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)(1)+(A)(2)		61155981	0	61155981	65.97	61155981	0	61155981	65.97	0.00
B.	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds	4500	1000	5500	0.01	4500	1000	5500	0.01	0.00
b)	Banks / FI	103740	0	103740	0.11	132222	0	132222	0.14	0.00
c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify)	_	_	_	_	_	_	_	_	_
Sub-total (B)(1):-		108240	1000	109240	0.12	136722	1000	137722	0.15	.03
2.	**Non-Institutions**									
a)	Bodies Corp.									
i)	Indian	4193796	8500	4202296	4.53	9649918	8500	9658418	10.42	5.89
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals	-	-	-	-	-	-	-	-	-
i)	Individual shareholders holding nominal share capital up to ` 1 lakh	18633945	965367	19599312	21.14	15394843	933867	16328710	17.61	3.03
ii)	Individual shareholders holding nominal share capital in excess of ` 1 lakh	6513768	0	6513768	7.03	3709297	0	3709297	4.00	3.03
c)	Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-		30466912	973867	31440779	33.91	30469930	942367	31412297		
Total Public Shareholding (B)=(B)(1)+ (B)(2)		30575152	974867	31550019	34.03	30606652	943367	31550019		
C.	**Shares held by Custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		91731133	974867	92706000	100	91762633	943367	92706000	100.00	0.00

B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year As on 01.04.2014			Shareholding at the end of the year As on 01.04.2015			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Yasmin Mirza	11300850	12.19	0	11300850	12.19%	0	_
2	Tasneef Ahmad Mirza	7728650	8.34	0	7728650	8.34%	0	_
3	Tauseef Ahmed Mirza	6944000	7.49	0	6944000	7.49%	0	_
4	Irshad Mirza	6793541	7.32	0	7793541	8.4%	0	+ 1.08
5	Rashid Ahmad Mirza	4413200	4.76	0	4413200	4.76%	0	_
6	Shahid Ahmad Mirza	4295750	4.63	0	4295750	4.63%	0	_
7	Faraz Mirza	3418940	3.69	0	3418940	3.69%	0	_
8	Jamil Ara Begum	3397450	3.66	0	3397450	3.66%	0	_
9	Fauzia Mirza	3008450	3.25	0	3008450	3.25%	0	_
10	Huma Mirza	2079800	2.24	0	2079800	2.24%	0	_
11	Mariya Tarannum	1000000	1.08	0	1000000	1.08%	0	_
12	Sabiha Hussian	1000000	1.08	0	_	_	_	-1.08
13	Wasia Urooj	1000000	1.08	0	1000000	1.08%	0	_
14	Iram Mirza	939500	1.01	0	939500	1.01%	0	_
15	Hiba Mirza	750000	0.81	0	750000	0.81%	0	_
16	Sara Mirza	750000	0.81	0	750000	0.81%	0	_
17	Faiza Mirza	566850	0.61	0	566850	0.61%	0	_
18	Master Farzan Mirza	500000	0.54	0	500000	0.54%	0	_
19	Master Mustafa Mirza	500000	0.54	0	500000	0.54%	0	_
20	Amaan Mirza	447000	0.48	0	447000	0.48%	0	_
21	Yusra Mirza	322000	0.35	0	322000	0.35%	0	_

iii) Change in Promoters' Shareholding

S N	Shareholders name	Shareholding at the beginning of the year (as on 1st April, 2014)			Shareholding at the end of the year (as on 31st March, 2015)			
		No. of shares	% of total shares of the Company	No. of shares Pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	No. of shares Pledged/ encumbered to total shares	% change in shareholding during the year
	At the beginning of the year	61155981	65.96	_	61155981	65.96	_	_
	At the end of the year	61155981	65.96	_	61155981	65.96	_	_

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase or Decrease in shareholding	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of shares	% of total shares of Company			No. of Shares	% of total shares of the Company
1.	Wallfort Financial Services Limited	2,00,000	0.215	01/04/2014			
				23/05/2014	-1,00,000	1,00,000	0.107
				30/05/2014	-1,00,000	0	-
				01/08/2014	1,00,000	1,00,000	0.107
				08/08/2014	1,00,000	2,00,000	0.215
				12/09/2014	-2,00,000	0	-
				10/10/2014	2,00,000	2,00,000	0.215
				17/10/2014	2,00,000	4,00,000	0.431
				31/10/2014	-2,00,000	2,00,000	0.215
				23/01/2015	-200000	0	-
				20/03/2015	1,00,000	1,00,000	0.107
				31/03/2015	-50,000	50,000	0.054
2.	Rajesh Seth (20600)	2,30,025	0.248	01/04/2014			
				30/06/2014	-25000	2,05,025	0.221
				11/07/2014	-74553	1,30,472	0.140
				18/07/2014	-130472	0	_
				08/08/2014	35,000	35,000	0.037
				23/01/2015	-35000	0	_
				31/03/2015	0	0	_
3.	Lohia Corp Ltd	3,65,000	0.393	01/04/2014			
				17/10/2014	-2,80,000	85,000	0.091
				31/03/2015		85,000	0.091
4.	Lekha Teresa Kuruvilla	2,07,076	0.223	01/04/2014			
				25/04/2014	-50,000	1,57,076	0.0169
				22/08/2014	-60,000	97,076	0.104
				12/12/2014	-50,000	47,076	0.050
				31/03/2015		47,076	0.050
5.	Manu Mathew Kuruvilla	2,05,100	0.221	01/04/2014			
				16/01/2015	-1,00,000	1,05,100	0.113
				23/01/2015	-1,00,000	5,100	0.005
				31/03/2015		20,850	0.022
6.	Rajesh Seth (IN300239)	5,30,000	0.571	01/04/2014			
				04/07/2014	-51,000	4,79,000	0.516
				11/07/2014	-89,000	3,90,000	0.420
				18/07/2014	-60,000	3,30,000	0.355
				25/07/2014	-1,12,620	2,17,380	0.234

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase or Decrease in shareholding	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of shares	% of total shares of Company			No. of Shares	% of total shares of the Company
				01/08/2014	-70,638	1,46,742	0.158
				08/08/2014	-1,26,742	20,000	0.021
				21/11/2014	-20,000	0	_
				31/03/2015	0	0	_
7.	Chander Bhatia	15,75,000	1.69	01/04/2014			
				04/07/2014	-1,00,000	14,75,000	1.59
				11/07/2014	-6,25,000	8,50,000	0.916
				18/07/2014	-2,00,000	6,50,000	0.701
				25/07/2014	-2,40,000	4,10,000	0.442
				01/08/2014	-1,60,000	2,50,000	0.269
				08/08/2014	-2,00,000	50,000	0.053
				15/08/2014	-50,000	0	_
				14/11/2014	25,000	25,000	0.026
				28/11/2014	-25,000	0	_
				31/03/2015	0	0	_
8.	Master Capital Services Ltd	5,50,400	0.59	01/04/2014			
				04/04/2014	3,43,343	5,84,753	0.630
				11/04/2014	-12,571	5,72,172	0.617
				18/04/2014	-12,864	5,59,308	0.603
				25/04/2014	-9,821	5,49,487	0.592
				02/05/2014	-64,938	4,84,549	0.522
				09/05/2014	7,729	4,92,278	0.531
				16/05/2014	12,546	5,04,824	0.544
				23/05/2014	-2,674	5,02,150	0.541
				30/05/2014	-61,105	4,41,045	0.475
				06/06/2014	-1,07,566	3,33,479	0.359
				13/06/2014	-24,638	3,08,841	0.33
				20/06/2014	14,069	3,22,910	0.348
				30/06/2014	86,950	4,09,860	0.442
				04/07/2014	-4,363	4,05,497	0.437
				11/07/2014	23,172	4,28,669	0.462
				18/07/2014	10,4819	5,33,488	0.575
				25/07/2014	-1,65,412	3,68,076	0.397
				01/08/2014	-98,067	2,70,009	0.291
				08/08/2014	-52,621	2,17,388	0.234
				15/08/2014	-18,340	1,990,48	0.214
				22/08/2014	-1,14,038	85,010	0.091
				29/08/2014	-23,310	61,700	0.066
				05/09/2014	17,639	79,339	0.085

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase or Decrease in shareholding	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of shares	% of total shares of Company			No. of Shares	% of total shares of the Company
				12/09/2014	-8,286	71,053	0.076
				19/09/2014	-54,093	16,960	0.018
				30/09/2014	-3,264	13,696	0.014
				03/10/2014	-1,922	11,774	0.012
				10/10/2014	-1,914	9,860	0.010
				17/10/2014	38,370	48,230	0.052
				24/10/2014	13,114	61,344	0.066
				31/10/2014	31,957	93,301	0.100
				07/11/2014	649	93,950	0.101
				14/11/2014	-45,071	48,879	0.052
				21/11/2014	-10,053	38,826	0.041
				28/11/2014	-14,395	24,431	0.026
				05/12/2014	-20,825	3,606	0.003
				12/12/2014	10,426	14,032	0.015
				19/12/2014	11,908	25,940	0.027
				31/12/2014	47,960	73,900	0.079
				02/01/2015	4,525	78,425	0.084
				09/01/2015	-16,533	61,892	0.066
				16/01/2015	35,962	67,854	0.105
				23/01/2015	-30,861	66,993	0.072
				30/01/2015	-28,000	38,993	0.042
				06/02/2015	2,200	41,193	0.045
				13/02/2015	-3,537	37,656	0.040
				20/02/2015	722	38,378	0.041
				27/02/2015	21,371	59,749	0.064
				06/03/2015	6,218	65,967	0.071
				13/03/2015	16,798	82,765	0.089
				20/03/2015	-23,191	59,574	0.064
				27/03/2015	-3,264	56,310	0.060
				31/03/2015	-	58,940	0.063
9.	IL And FS Securities Services Ltd.	3,53,455	0.381	01/04/2014			
				25/04/2014	-52,000	3,01,455	0.325
				02/05/2014	-4,000	2,97,455	0.320
				06/06/2014	1,20,000	4,17,455	0.450
				30/06/2014	-1,000	4,16,455	0.449
				25/07/2014	-1,50,000	2,66,455	0.287
				01/08/2014	-1,88,862	77,593	0.083
				29/08/2014	1,95,000	2,72,593	0.294
				30/09/2014	-63,500	2,09,093	0.225

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase or Decrease in shareholding	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of shares	% of total shares of Company			No. of Shares	% of total shares of the Company
				03/10//2014	-50,000	1,59,093	0.171
				07/11/2014	1,44,000	3,03,093	0.326
				14/11/2014	-3,000	3,00,093	0.323
				28/11/2014	2,06,000	5,06,093	0.545
				05/12/2014	-26,000	4,80,093	0.517
				12/12/2014	-48,000	4,32,093	0.466
				09/01/2015	-2,84,000	1,48,093	0.159
				16/01/2015	-18,000	1,30,093	0.140
				23/01/2015	3,41,500	4,71,393	0.508
				27/02/2015	85,000	5,56,593	0.600
				13/03/2015	-2,000	5,54,593	0.598
				31/03/2015	-	1,09,593	0.118
10.	Sushmita Ashish Kacholia	8,00,000	0.86	01/04/2014			
				06/06/2014	-4,00,000	4,00,000	0.431
				13/06/2014	-3,78,900	21,100	0.022
				20/06/2014	-21,100	0	_
				31/03/2015	0	0	_

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year (01-04-14 to 31-03-15)			
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in shareholding	No. of shares	% of total shares of the Company
1.	Irshad Mirza (Chairman)	6793541	7.35	13/02/2015	+ 1000000 (Transfer)	7793541	8.41
2.	Rashid Ahmed Mirza (Managing Director)	4413200	4.76	-	-	4413200	4.76
3.	Shahid Ahmad Mirza (Whole Time Director)	4295750	4.63	-	-	4295750	4.63
4.	Tauseef Ahmad Mirza (Whole Time Director)	6944000	7.49	-	-	6944000	7.49
5.	Tasneef Ahmad Mirza (Whole Time Director)	7728650	8.34	-	-	7728650	8.34
6.	N.P. Upadhyay (Whole Time Director)	-		-	-	-	
7.	D.C Pandey (Company Secretary)	-		-	-	-	

F) INDEBTEDNESS - 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	68,41,95,028	-	-	68,41,95,028
ii)	Interest due but not paid	64,35,522	-	-	64,35,522
iii)	Interest accrued but not due				
Total (i+ii+iii)		69,06,30,550	-	-	69,06,30,550
Change in Indebtedness during the financial year					
* Addition		201,825,437	-	-	201,825,437
* Reduction		234,975,469	-	-	234,975,469
Net Change		(3,31,50,032)			(3,31,50,032)
Indebtedness at the end of the financial year					
i)	Principal Amount	65,17,12,553	-	-	65,17,12,553
ii)	Interest due but not paid	57,67,965	-	-	57,67,965
iii)	Interest accrued but not due				
Total (i+ii+iii)		65,74,80,518	-	-	65,74,80,518

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Chairman & CFO, Managing Director & Whole-time Directors :

S. No.	Particulars of Remuneration		Name of MD/WTD/ Manager				
		Mr. Irshad Mirza (Chairman & CFO)	Mr. Rashid Ahmed Mirza (Managing Director)	Mr. Shahid Ahmad Mirza (Whole Time Director)	Mr. Tauseef Ahmad Mirza (Whole Time Director)	Mr. Tasneef Ahmad Mirza (Whole Time Director)	Mr. N.P Upadhyaya (Whole Time Director)
1	Gross salary (` in Lacs)						
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	144.00	117.00	135.00	108.00	33.00
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	2.84	2.38	1.27	4.62	0.52	0.36
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	_	_	_	_	_	_
2	Stock Option	_	_	_	_	_	_
3	Sweat Equity	_	_	_	_	_	_
4	Commission - as % of profit - others, specify…	_	_	_	_	_	_
5	Others, please specify	_	_	_	_	_	_
	Total (A)	**2.84**	**146.38**	**118.27**	**139.62**	**108.52**	**33.36**
	Ceiling as per the Act (` in Lacs)	(Being 10% of the net profits of the Company calculated as per Section 198 of Companies Act, 2013) ` 858.00 Lacs i.e. overall Managerial Remuneration is within limit prescribed U/s 198 of the Companies Act, 2013.					

B. REMUNERATION TO OTHER DIRECTORS (` in Lacs)

S. No.	Particulars of Remuneration	Name of Directors						
		Mr. Sudhindra Jain	Mr. Islamul Haq	Mr. Q. N. Salam	Mr. P. N. Kapoor	Dr. Yashveer Singh	Mr. Subhash Sapra	Mrs.Vinita Kejriwal
1	**Independent Directors**							
	Fee for attending board committee meetings	0.80	0.80	0.70	0.80	0.50	0.20	0.40
	Commission	_	_	_	_	_	_	_
	Others, please specify	_	_	_	_	_	_	_
	Total (1) (` in Lacs)	0.80	0.80	0.70	0.80	0.50	0.20	0.40
2	**Other Non-Executive Directors**							
	Fee for attending board committee meetings	_	_	_	_	_	_	_
	Commission	_	_	_	_	_	_	_
	Others, please specify	_	_	_	_	_	_	_
	Total (2)	_	_	_	_	_	_	_
	Total (B)=(1+2)	0.80	0.80	0.70	0.80	0.50	0.20	0.40
	Total Managerial Remuneration (` in Lacs)	553.19						
	Overall Ceiling as per the Act (` in Lacs)	(Being 1% of the net profit of the Company calculated as per sec 198 of the Companies Act, 2013) 944.57						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL (OTHER THAN MD/MANAGER/WTD)

S. No.	Particulars of Remuneration	Key Managerial Personnel D. C. Pandey, Company Secretary
1	Gross salary (` in Lacs)	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8.40
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.48
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	_
2	Stock Option	_
3	Sweat Equity	_
4	Commission	
	- as % of profit	_
	others, specify…	_
5	Others, please specify	_
	Total	**11.88**

XII. 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					
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment					
	Compounding					

NIL

INDEPENDENT AUDITORS' REPORT

To the Members of Mirza International Limited.

Report on the Financial Statement

We have audited the accompanying financial statements of Mirza International Limited("the Company"), which comprise the Balance Sheet as at March 31,2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility For The Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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 March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 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, we report 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 purposes 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 28 to the financial statements.
      (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long–term contracts including derivative contracts.
      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Khamesra Bhatia & Mehrotra.
Chartered Accountants
FRN:001410C

CA. Anand Saxena
(Partner)
M No. :075801

Place: Kanpur
Date: 29/05/2015

The Annexure to Independent Auditors' Report

Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements of the Our Report of even date

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

(i) (a) The Company has maintained proper records to show full particulars including quantitative details and situations of its fixed assets.

(b) Fixed assets of the Company have been physically verified by the management using a regular programme of verification by rotation, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

(ii) (a) Inventories have been physically verified during the year by the management at reasonable intervals.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of inventories by the management as compared to records.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clause iii of para 3 of the order are not applicable to the Company.

(iv) There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and for the sale of goods and services. No instance of continuing failure to correct any major weakness in the internal controls has been noticed.

(v) The Company has not accepted deposits from the public .

(vi) Cost records prescribed by the Central Government in terms of provisions of clause (1) of section 148 of the Companies Act, 2013 are being maintained by the Company. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There is no undisputed arrears of outstanding statutory dues as at 31.3.2015 for a period of more than six months from the date they became payable.

(b) There were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, which has not been deposited on account of any dispute, except the followings:

Related To	Authority where Case is pending	Financial Year	Disputed Amount remaining unpaid (` in Lacs)
Entry Tax	Hon'able High Court Allahabad	1999-2000	4.06
Entry Tax	Hon'able Supreme Court	2000-2001 2003-2004 2004-2005	9.85
Income Tax	Commissioner of Income Tax (Appeals), Kanpur	2009-2010 2012-2013	62.81
Service Tax	Commissioner (Appeals) Central Excise & Service Tax, Kanpur	2004-2005 2005-2006	2.77
Service Tax	Joint Commissioner of Service Tax, Kanpur	2009-2010	17.05
Value Added Tax	Deputy Commissioner (Appeal), Ahmedabad	2010-2011	32.7
Value Added Tax	West Bengal Commercial Apellant Revision Board, Kolkata	2011-2012	2.48
Value Added Tax	Deputy Commissioner (Appeals-II) Ernakulam, Kerala	2012-2013	4.91
	TOTAL		**136.63**

(c) The amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Act and rules there under has been transferred to such fund within time.

(viii) The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

(ix) The Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.

(x) The Company has not given any guarantees for loan taken by others from a bank or financial institution

(xi) The term loans raised by the Company during the year has been applied for the purpose for which they were raised.

(xii) No fraud on or by the Company has been noticed or reported during the year.

For Khamesra Bhatia & Mehrotra.
Chartered Accountants
FRN:001410C

CA Anand Saxena
(Partner)
M No. : 075801

Place: Kanpur
Date: 29/05/2015

BALANCE SHEET AS AT 31ST MARCH

(₹ in Lacs)

Particulars	Note No.	2015	2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	**1854**	1854
(b) Reserves and surplus	2	**29397**	26801
2 Non-current liabilities			
(a) Long-term borrowings	3	**3097**	4544
(b) Deferred tax liabilities (Net)	4	**1172**	2058
(c) Other Long term liabilities	5	**427**	300
(d) Long-term provisions	6	**787**	537
3 Current liabilities			
(a) Short-term borrowings	7	**15253**	14354
(b) Trade payables	8	**8278**	6692
(c) Other current liabilities	9	**4627**	3684
(d) Short-term provisions	10	**799**	751
TOTAL		**65691**	61575
II. ASSETS			
Non-current assets			
1 (a) **Fixed assets**	11		
(i) Tangible assets		**30766**	30784
(ii) Capital work-in-progress		**278**	746
(b) Non-current investments	12	**70**	70
(c) Long-term loans and advances	13	**463**	346
2 Current assets			
(a) Inventories	14	**22521**	19155
(b) Trade receivables	15	**4333**	4202
(c) Cash and cash equivalents	16	**576**	635
(d) Short-term loans and advances	17	**572**	240
(e) Other current assets	18	**6112**	5397
TOTAL		**65691**	61575
Notes on Financial Statements	1-35		
Significant Accounting Policies	36		

The Notes referred to above form an integral part of the Financial Statements.
This is the Balance Sheet referred to in our Report of even date attached.

For Khamesra Bhatia & Mehrotra
Chartered Accountants
(FRN 001410C)

CA Anand Saxena
Partner
M.No. 075801

Place : Kanpur
Date : May 29, 2015

IRSHAD MIRZA
Chairman &
Chief Financial Officer
(DIN 00048946)

D.C. Pandey
Vice President (Accounts) &
Company Secretary

RASHID AHMED MIRZA
Managing Director &
Chief Executive Officer
(DIN 00049009)

N.P. UPADHYAY
TASNEEF AHMAD MIRZA
SHAHID AHMAD MIRZA
TAUSEEF AHMAD MIRZA
Q.N. SALAM
P.N. KAPOOR
ISLAM-UL-HAQUE
SUDHINDRA JAIN
YASHVEER SINGH
SUBHASH SAPRA
VINITA KEJRIWAL

Directors

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH

(₹ in Lacs)

	Particulars	Note No.	2015	2014
I.	**Revenue from operations**	19	**91834**	70697
II.	Other income	20	**65**	38
III.	**Total Revenue (I + II)**		**91899**	70735
IV.	Expenses:			
	Cost of materials consumed	21	**36705**	25972
	Purchases of Stock-in-Trade		**20830**	18346
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	**(2711)**	(3904)
	Employee benefits expense	23	**4573**	3656
	Finance costs	24	**3929**	3200
	Depreciation and amortization expense	25	**2462**	2204
	Other expenses	26	**18239**	14483
	Total Expenses		**84027**	63957
V.	**Profit before tax (III- IV)**		**7872**	6778
VI.	Tax expense:			
	(1) Current tax		**2573**	2281
	(2) Deferred tax		**183**	160
VII	**Profit for the Year (V - VI)**		**5116**	4337
VIII	**Earnings per equity share (₹):**	27	**5.52**	4.68
	(Basic & Diluted)			
	Notes on Financial Statements	1-35		
	Significant Accounting Policies	36		

The Notes referred to above form an integral part of the Financial Statements.
This is the Statement of Profit & Loss referred to in our Report of even date attached.

For Khamesra Bhatia & Mehrotra
Chartered Accountants
(FRN 001410C)

CA Anand Saxena
Partner
M.No. 075801

Place : Kanpur
Date : May 29, 2015

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SUBHASH SAPRA
VINITA KEJRIWAL

Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH

(₹ in Lacs)

	Particulars	2015	2014
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax & Extra-ordinary Items	**7872**	6778
	Adjustments For		
	Add :		
	Loss on sale of Fixed Assets	**145**	357
	Depreciation	**2462**	2204
	Interest	**3929**	3200
		6536	5761
	Less :		
	Interest Income	**21**	25
	Income from Govt. Grant	**20**	13
	Operating Profit before Working Capital Changes	**14367**	12501
	Adjustments For		
	Trade & other Receivables	**(131)**	(947)
	Inventories	**(3366)**	(5325)
	Trade Payables	**1296**	1766
	Others	**330**	(336)
	Cash Generated from Operations	**12496**	7659
	Direct Taxes Paid	**(2762)**	(2821)
	Net Cash generated from Operating Activity	**9734**	4838
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	**(6154)**	(5593)
	Sales of Fixed Assets	**202**	163
	Interest Received	**21**	25
	Government Grant Received	**38**	38
	Net Cash used in Investing Activities	**(5893)**	(5367)
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Dividend Paid	**(459)**	(463)
	Dividend Tax Paid	**(79)**	(79)
	Short Term Borrowing	**898**	4002
	Proceeds from Long Term Borrowings	**2012**	1768
	Repayment of Long Term Borrowings	**(2343)**	(1250)
	Interest paid	**(3929)**	(3200)
	Net cash used in financing activities	**(3900)**	778
	Net Increase/(Decrease) in Cash & Equivalents	**(59)**	249
	Cash & Equivalents as on 01.04.2014 (Opening Balance)	**635**	386
	Cash & Equivalents as on 31.03.2015 (Closing Balance)	**576**	635

Notes on Financial Statements: Note No. 1-35 ; Significant Accounting Policies Note No. 36

The Notes referred to above form an integral part of the Financial Statements.
This is the Cash Flow Statement referred to in our Report of even date attached.

For Khamesra Bhatia & Mehrotra
Chartered Accountants
(FRN 001410C)

CA Anand Saxena
Partner
M.No. 075801

Place : Kanpur
Date : May 29, 2015

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SUDHINDRA JAIN
YASHVEER SINGH
SUBHASH SAPRA
VINITA KEJRIWAL

Directors

Note 1 : SHARE CAPITAL

Share Capital	As at 31 March, 2015		As at 31 March, 2014	
	Number	**₹ in Lacs**	Number	₹ in Lacs
Authorised				
Equity Shares of ₹ 2/- each	**225000000**	**4500**	225000000	4500
	225000000	**4500**	225000000	4500
Issued, Subscribed & Paid up				
Equity Shares of ₹ 2/- each fully paid up	**92706000**	**1854**	92706000	1854
Total	**92706000**	**1854**	92706000	1854

Note 1.1 : The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares		Preference Shares	
	Number	**₹ in Lacs**	Number	₹ in Lacs
Shares outstanding at the beginning of the year	**92706000**	**1854**	NIL	NIL
Shares Issued during the year	**NIL**	**NIL**	NIL	NIL
Shares bought back during the year	**NIL**	**NIL**	NIL	NIL
Shares outstanding at the end of the year	**92706000**	**1854**	NIL	NIL

Note 1.2 : The details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
IRSHAD MIRZA	**7793541**	**8.41%**	6793541	7.33%
TAUSEEF AHMAD MIRZA	**6944000**	**7.49%**	6944000	7.49%
TASNEEF AHMAD MIRZA	**7728650**	**8.34%**	7728650	8.34%
YASMIN MIRZA	**11300850**	**12.19%**	11300850	12.19%

Note 1.3 : Details of shares allotted/bought back during the previous five years immediately preceding the date of Balance Sheet

Particulars	Year (Aggregate No. of Shares)				
	2014-15	2013-14	2012-13	2011-12	2010-11
Fully paid up pursuant to Contract(s) without payment being received in cash	**-**	-	-	-	-
Fully paid up by way of Bonus Shares	**-**	-	-	-	-
Shares bought back	**-**	-	-	-	-

Company has not issued any shares as fully paid up pursuant to contracts without payment being received in cash or by way of shares allotted as fully paid up as by way of Bonus Shares and has not bought back any shares during the period of five years immediately preceding the date of this Balance Sheet.

Note 1.4 : Details of Calls Unpaid

Unpaid Calls	2015	2014
By Directors	**-**	-
By Officers	**-**	-
By Others	**-**	-

The Company has only one class of Equity Shares having a par value of ` 2/- each. Each shareholder is entitled to one vote per share held. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation of the Company, the Equity Shareholders are eligible to receive remaining assets of the Company, after distributing all the preferential amounts, in the proportion of their Shareholding.

Note 1.5 : Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	₹ in Lacs	**Per share ₹**	₹ in Lacs	Per share ₹
Dividends proposed to be distributed to equity shareholders	**464**	**0.50**	464	0.50

Note 2 : RESERVES AND SURPLUS

(₹ in Lacs)

		As at 31 March, 2015	As at 31 March, 2014
a.	**Securities Premium Reserve**		
	Balance at the beginning of the year	**5**	5
	Add : Securities premium credited on Share issue	**-**	-
	Balance at the end of the year	**5**	5
b.	**IDLS Fund**		
	Balance at the beginning of the year	**193**	206
	(+) Accrued During the Year	**200**	-
	(-) Transferred to Profit & Loss Account	**47**	13
	Balance at the end of the year	**346**	193
c.	**Hedging Reserve**		
	Balance at the beginning of the year	**264**	434
	(+) Additions/(-) Deductions during the year (Net)	**208**	(170)
	Balance at the end of the year	**472**	264
d.	**General Reserve**		
	Balance at the beginning of the year	**8075**	7575
	(+) Additions during the year (Net)	**550**	500
	Balance at the end of the year	**8625**	8075
e.	**Profit & Loss Reserve**		
	Balance at the beginning of the year	**18264**	15055
	(+) Net Profit for the current year	**5116**	4337
	(-) Proposed Dividends	**464**	464
	(-) Tax on Dividend	**94**	79
	(-) Transfer to Reserves	**550**	500
	(-) Income Tax Adjustment (Net)	**255**	85
	(-) Adjustment relation to Depreciation Transition (Refer Note 36(C)(a))	**(3138)**	-
	(+) Reversal of Deferred Tax Liability due to Dep. Transition	**1070**	-
	Balance at the end of the year	**19949**	18264
	Total Reserve and Surplus	**29397**	26801

Note 3 : LONG TERM BORROWINGS

	As at 31 March, 2015		As at 31 March, 2014	
	Non-Current	**Current**	Non-Current	Current
Term loans				
Secured *				
From Banks	**2978**	**3350**	4518	2250
From Banks (Auto Loan)#	**119**	**70**	26	33
From Others (Auto Loan)#	**0**	**0**	0	15
Total	**3097**	**3420**	4544	2298

* Secured by 1st Charge on Fixed Assets, created out of various Term Loans and block of assets charged to the bank from time to time for Term Loans and extension of charge on all current assets. Equitable mortgage of Land, Building, Plant & Machinery at Co's Unit No.1 & 2, Magarwara, Unnao, Unit No.3 (Plot No. C-4,5, 36 & 37) Sector 59, NOIDA, Unit No.6 at Plot No.1A Sector Ecotech-1, Greater NOIDA Industrial Area, Gautam Budh Nagar, U.P.

All the above secured Loans are guaranteed by some of the Directors.

\# Secured against the assets purchased under the arrangements.

Maturity Profile

(₹ in Lacs)

	1 - 2 years	2 - 3 years	3 - 4 years
Term Loans from Banks			
Secured			
P.N.B. Term Loan	1325	968	685
Auto Loan	72	47	0
Total	1397	1015	685

Note 4 : DEFERRED TAX LIABILITIES

(₹ in Lacs)

	As at 31 March 2015	As at 31 March 2014
A. Liabilities:		
Depreciation	**1469**	2264
B. Assets:		
Provision for employee benefits	**297**	206
Total (A - B)	**1172**	2058

Note 5 : OTHER LONG TERM LIABILITIES

Deposits (Security Deposit From Franchises)	**427**	300
Total	**427**	300

Note 6 : LONG TERM PROVISIONS

Provision for employee benefits		
Gratuity (unfunded)	**787**	537
Total	**787**	537

Note 7 : SHORT TERM BORROWINGS

Secured*		
Loans repayable on demand		
From Banks	**15253**	14354
Total	**15253**	14354

* Secured By 1st Charge by way of Hypothecation on entire current assets, present & future including entire stocks of raw materials, stock in process, finished goods, stock-in-transit, domestic Book Debts , Loans and advances or any other security required for the purpose of execution of export orders received, lying in the Company's godowns, warehouses or shipping agents' custody waiting dispatch / shipment / and / or in transit etc.

All the above Secured Loans are guaranteed by some of the Directors.

Note 8 : TRADE PAYABLE

Micro, Small and Medium Enterprises *	**87**	80
Others	**8191**	6612
Total	**8278**	6692

* The Company does not owe any dues outstanding for more than the period specified in Micro, Small & Medium Enterprises Development Act, 2006 as at 31st March 2015, to any Micro, Small & Medium Enterprises. This information is based on data available with the Company.

Note 9 : OTHER CURRENT LIABILITIES

(a) Current maturities of long-term debt (Refer Note No. 3)		
Term Loans from banks	**3420**	2283
Term Loans from Others	**-**	15
(b) Interest accrued and due on borrowings	**58**	65
(c) Unpaid dividends *	**33**	28
(d) Other payables		
Commission Payable on Inland Sales	**63**	61
Outstanding Liabilities #	**244**	178
Salary Payable	**205**	174
Bonus Payable	**170**	162
Unpaid Commission on Foreign Sales	**367**	228
Duties & Taxes	**198**	119
Notional dues to bankers on account of outstanding forward contract	**(472)**	(264)
Guarantee Commission payable	**289**	152
Installment Payable (On Land Acquisition's)	**-**	463
Sundry Debtors (Advance Received From Customers)	**52**	20
Total	**4627**	3684

* These Figures do not include any amounts due and outstanding, to be credited to Investor, Education & Protection Fund.

\# Outstanding Liabilities include Employee Benefits payable of ` 53.97 lacs (Previous Year ` 42.33 Lacs), Export Expenses payable ` 50.59 Lacs ( Previous Year ` 55.74 lacs) & Power & Electricity charges of ` 93.60 Lacs (Previous Year NIL).

Note 10 : SHORT TERM PROVISIONS

(₹ in Lacs)

	As at 31 March 2015	As at 31 March 2014
(a) Provision for employee benefits		
Gratuity (Unfunded)	**75**	57
(b) Others		
Proposed Dividend	**464**	464
Tax on Dividend	**94**	79
Excise Duty on Finished Goods (CL)	**157**	142
Audit Fees Payable	**9**	9
Total	**799**	751

Note 11 : FIXED ASSETS

(₹ in Lacs)

Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1st April 2014	Additions/ (Disposals)	Deductions/ Adjustments	Balance as at 31th March 2015	Balance as at 1st April 2014	Depreciation charge for the year	Adjustment	On disposals	Balance as at 31th March 2015	Balance as at 31th March 2015	Balance as at 31st March 2014
a Tangible Assets											
Land Freehold	735	-	-	**735**	-	-	-	-	**-**	**735**	735
Land Leasehold	3299	0	-	**3299**	200	40	0	-	**240**	**3059**	3099
Buildings	13079	142	-	**13221**	1912	406	0	-	**2318**	**10903**	11167
Machinery	19486	3457	758	**22185**	6580	1286	2215	606	**9475**	**12710**	12906
Effluent Treatment Plant	92	984	-	**1076**	44	38	7	-	**89**	**987**	48
Tools & Shoe Lasts	2884	399	73	**3210**	2205	337	680	56	**3166**	**44**	679
Furniture Fixtures, Office Equipments & Electrical Installation	2432	468	27	**2873**	1176	181	194	8	**1543**	**1330**	1256
Vehicles	1048	445	260	**1233**	263	134	60	101	**356**	**877**	785
Computers	1025	34	0	**1059**	916	40	(18)	0	**938**	**121**	109
Total	**44080**	**5929**	**1118**	**48891**	**13296**	**2462**	**3,138**	**771**	**18,125**	**30766**	**30784**
b Capital Work In Progress										**278**	746
Previous Year :											
Tangible Assets	(37106)	(8346)	(1372)	**(44080)**	(11945)	(2203)	(-)	(852)	**(13296)**	**(30784)**	(25161)
Capital W.I.P.										**(746)**	(2984)

Note 11.1 Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II, Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The written down value of fixed assets whose lives have expired at 1st april 2014 have been adjusted (3138 Lacs)-net of tax (1070 Lacs), in the opening balance of profit and loss account amounting to ` 2068 Lacs.

Note 12 : NON CURRENT INVESTMENTS

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade Investments (Refer A below)		
Investment in Equity instruments	**49**	49
Other Investments (Refer B below)		
Other non-current investments	**21**	21
Total	**70**	70

Particulars	As at 31 March, 2015	As at 31 March, 2014
Aggregate amount of quoted investments	**1**	1
Aggregate Market Value of Quoted Investments	**1**	1
Aggregate amount of unquoted investments	**69**	69

A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹)		Whether stated at Cost Yes / No
			2015	2014			**2015**	2014	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Investment in Equity Instruments								
	Industrial Infrastructure Services (India) Ltd.	Others	**240000**	240000	Unquoted	Fully paid	**2400000**	2400000	Yes
	Kanpur Unnao Leather Cluster Development Co. Ltd.	Others	**250000**	250000	Unquoted	Fully paid	**2500000**	2500000	Yes
	Total						**4900000**	4900000	

B. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹)		Whether stated at Cost Yes / No
			2015	2014			**2015**	2014	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Other non-current investments								
	Shares of J.P.Associates Ltd.	Others	**2000**	2000	Quoted	Fully paid	**49600**	27283	Yes
	Shares of Sarup Tannery Ltd.	Others	**500**	500	Quoted	Fully paid	**44950**	30900	Yes
	Shares of Super House Ltd.	Others	**150**	150	Quoted	Fully paid	**31245**	9425	Yes
	Shares of Super Tannery Ltd.	Others	**1000**	1000	Quoted	Fully paid	**5450**	6200	Yes
	Azad Multi Specialty Hospital & Research Centre (Sec.8 Co.)	Associate…	**200000**	200000	Unquoted	Fully paid	**2000000**	2000000	Yes
	Total						**2131245**	2073808	

Note 13 : LONG TERM LOANS AND ADVANCES

(₹ in Lacs)

	As at 31 March, 2015		As at 31 March, 2014	
Unsecured, considered good				
a. Capital Advances				
Advance for Capital Goods		**138**		39
b. Security Deposits				
Security Deposit - Rent	**153**		169	
Security Deposit - Others	**172**	**325**	138	307
Total		**463**		346

Note 14 : INVENTORIES *

a. Raw Materials and components		**6060**		5404
b. Work-in-progress		**6453**		5092
c. Finished goods	**9416**		8075	
Goods-in transit	**17**	**9433**	8	8083
d. Stores and spares		**339**		350
e. Others				
Excise Duty on Finished Goods	**157**		142	
Cenvat Credit Receivable	**79**	**236**	84	226
Total		**22521**		19155

* For mode of valuation refer Significant Accounting Policies (H).

Note 15 : TRADE RECEIVABLES

(₹ in Lacs)

	As at 31 March 2015	As at 31 March 2014
Unsecured, considered good		
Trade Receivables outstanding for a period less than six months from the date they are due for payment	**4306**	4163
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	**27**	39
Total	**4333**	4202
Trade Receivable stated above include debts due by:		
A Company in which Directors are members	**453**	310

Note 16 : CASH AND CASH EQUIVALENTS

(₹ in Lacs)

		As at 31 March, 2015		As at 31 March, 2014
a. Balances with Banks		491		555
This includes:				
Earmarked Balances (Unpaid Dividend Accounts)	33		28	
Fixed Deposits	108		167	
b. Cash in hand		85		80
Total		576		635

Note 17 : SHORT-TERM LOANS AND ADVANCES

Others (Unsecured, considered good)		
IDLS Subsidy Receivable	200	37
Duties & Taxes	11	14
Sundry Creditors (Advances to Suppliers)	361	189
Total	572	240

Note 18 : OTHER CURRENT ASSETS

Incentive Receivable (Export)	1983	1617
Advance Income Tax (Net of Provision)	1132	1279
Duty Drawback Receivable	1447	1486
Prepaid Expenses	405	245
Vat Refundable	833	589
Focus Product License	162	48
Loans & Advances to Employees	102	85
Others	48	48
Total	6112	5397

Note 19 : REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Sale of Products	84384	65009
Other operating revenues	7463	5753
Less:		
Excise duty	13	65
Total	91834	70697

Note 19.1 : EARNING IN FOREIGN EXCHANGE

FOB value of exports	58532	45020

Note 20 : OTHER INCOME

Interest Income	20	25
Other Non-Operating Income		
Other Income	25	-
Income from Govt. Grant	20	13
Total	65	38

Note 21 : COST OF MATERIALS CONSUMED

Hides & Finished Leather	16772	10685
Chemicals	6314	4641
Others	13130	10265
Stores & Spares	489	381
Total	36705	25972

Note 21.1 : VALUE OF RAW MATERIAL CONSUMED

(₹ in Lacs)

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
Imported	**23.36%**	**8574**	23.81%	6183
Indigenous	**76.64%**	**28131**	76.19%	19789
Total		**36705**		25972

Note 21.2 : VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

Raw Materials and Stock-in-Trade		**6790**		4828
Stores, Chemicals and Packing Materials		**2037**		1573
Capital Goods		**2863**		2505
Total		**11690**		8906

Note 22 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-PROCESS

Inventories (at close)				
Finished Goods	**9433**		8083	
Stock-in-Process	**6453**	**15886**	5092	13175
Inventories (at commencement)				
Finished Goods	**8083**		5796	
Stock-in-Process	**5092**	**13175**	3475	9271
Total		**(2711)**		(3904)

Note 23 : EMPLOYEE BENEFIT EXPENSES

Salaries and Wages		**3670**		3067
Contribution to Provident and Other Funds		**319**		262
Gratuity to Employees		**307**		89
Staff Welfare Expenses		**277**		238
Total		**4573**		3656

Note 23.1 : Employee benefits :

The Company is providing the following benefits to their employees :

a) Gratuity

b) Provident Fund

c) Leave encashment

Actuarial valuation of gratuity has been done with the following assumptions.

Particulars	Gratuity (Unfunded) March 31, 2015	Gratuity (Unfunded) March 31, 2014
Discount Rate	**7.78%**	9.00%
Rate of increase in compensation levels	**7.00%**	7.00%
Expected average remaining working lives of employees (years)	**19.16**	19.53

Net Asset/(liability) recognized in the Balance Sheet as on 1st April,

(₹ in Lacs)

	Particulars	2015	2014
A	**Funded Status**		
1	Present value of Defined Benefit Obligation	**593**	536
2	Fair value of Plan assets	**-**	-
3	Funded status (Deficit)	**(593)**	(536)
4	Effect of balance Sheet asset limit	**-**	-
5	Unrecognized Past Service Cost	**-**	-
6	**Net Asset/(liability) recognized in Balance Sheet**	**(593)**	(536)

Total Expense recognized in the Statement of Profit & Loss for the year ended 31st March

(₹ in Lacs)

	Particulars	2015	2014
A	**Components of employer expense**		
1	Current Service Cost	**53**	42
2	Interest Cost	**53**	48
3	Expected return on plan assets	**-**	-
4	Curtailment cost/(credit)	**-**	-
5	Settlement cost/(credit)	**-**	-
6	Amortization of Past Service cost	**-**	-
7	Actuarial Losses/(Gains)	**200**	(2)
8	**Total expense recognized in the Statement of Profit & Loss**	**306**	88
B	**Actual Contribution and Benefits Payments for period ended 31 March**		
1	Actual benefit payment	**38**	31
2	Actual Contributions	**38**	31

Net Asset/(liability) recognized in Balance Sheet 31st March

		2015	2014
A	**Funded Status**		
1	Present value of Defined Benefit Obligation	**862**	593
2	Fair value of Plan Assets	**-**	-
3	Funded Status (Surplus/(Deficit)	**(862)**	(593)
4	Effect of Balance Sheet asset limit	**-**	-
5	Unrecognized Past Service Cost	**-**	-
6	**Net Asset/(liability) recognized in Balance Sheet**	**(862)**	(593)
1	Net Assets/(liability) recognized in Balance Sheet at beginning of period	**(593)**	(536)
2	Employer expense	**307**	89
3	Employer Contribution	**38**	31
4	Net Asset/(Liability) recognized in Balance Sheet at end of the period	**(862)**	(593)

Reconciliation of Defined Benefit Obligation and Fair Value of Assets Over the year ending 31st March

(₹ in Lacs)

		2015	2014
A	**Change in Defined Benefit Obligations**		
1	Present Value of DBO at beginning of Period	**593**	536
2	Current Service Cost	**54**	42
3	Interest Cost	**53**	48
4	Curtailment cost/(credit)	**-**	-
5	Settlement cost/(credit)	**-**	-
6	Employee Contribution	**-**	-
7	Plan amendments	**-**	-
8	Acquisitions	**-**	-
9	Actuarial (gains)/losses	**200**	(2)
10	Benefits paid	**(38)**	(31)
11	Present Value of DBO at the end of period	**862**	593
B	**Change in Fair value of Assets**		
1	Plan Assets at beginning of period		
2	Actual return on Plan Assets		
3	Actual Company Contribution	**38**	31
4	Employee Contribution	**-**	-
5	Benefits paid	**(38)**	(31)
6	Plan Assets at the end of period	**-**	-

Figures of previous year have been regrouped/rearranged wherever necessary to make them comparable with the figures of current year.

Note 24 : FINANCE COST

(₹ in Lacs)

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest & Bank Charges	**3929**	3200
Total	**3929**	3200

Note 25 : DEPRECIATION AND AMORTISATION EXPENSES

Depreciation Expenses	**2422**	2164
Leasehold Land Amortisation	**40**	40
Total	**2462**	2204

Note 26 : OTHER EXPENSES

Processing Charges	**5391**	4351
Commission	**3119**	2041
Freight and Transport	**2298**	1632
Power and Fuel	**2522**	2012
Selling & Advertisement Expenses	**1239**	1325
Rent	**580**	460
Vehicle Running & Maintenance	**475**	465
Repair and Maintenance (other than building & machinery)	**280**	230
Traveling & Conveyance Expenses	**329**	275
Insurance	**290**	221
Security Expenses	**254**	221
Postage & Courier	**194**	166
Telephone & Telex	**96**	113
Legal & Professional Charges	**142**	110
Rates and Taxes, excluding taxes on income	**298**	193
Repairs to machinery	**114**	90
Repairs to buildings	**191**	106
Printing & Stationery	**84**	75
Donation and Subscription	**21**	25
Loss on Sale of Fixed Assets	**145**	357
Miscellaneous Expenses	**99**	5
Audit Fee	**15**	10
Corporate Social Responsibilities	**63**	0
Total	**18239**	14483

Note 26.1 : EXPENDITURE IN FOREIGN CURRENCY

Commission on Export Sales	**1110**	550
Foreign Traveling Expenses	**69**	101
Overseas Trade Fair Expenses	**6**	7
Total	**1185**	658

Note 27 : EARNINGS PER SHARE (EPS)

(i) Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	**5116**	4337
(ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	**92706000**	92706000
(iii) Basic and Diluted Earnings per share (₹)	**5.52**	4.68
(iv) Face Value per Equity Share (₹)	**2**	2

Note 28 : CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lacs)

	Particulars	As at 31 March, 2015	As at 31 March, 2014
A	BILLS DISCOUNTED	**19124**	13093
B	IMPORT DUTY PAYABLE	**58**	882
	In case of non-fulfillment of export obligation under EPCG Scheme (not yet due)		
C	BANK GUARANTEES / LETTER OF CREDITS	**282**	1092
D	Two cases of employees are pending at Industrial Tribunal II, Lucknow	**Indeterminate**	Indeterminate
	One case of employee is pending at Labour Court, Lucknow	**Indeterminate**	Indeterminate
	One case of employee is pending at D.L.C. office, Lucknow	**Indeterminate**	Indeterminate
	One case of employee is pending at Labour Court, Noida	**Indeterminate**	Indeterminate
E	Deficiency in stamp duty demanded by state revenue authorities for purchase of land at Hapur was ` 44 lakhs. Out of this the Company has deposited ` 14.67 Lacs as per Interim order of Hon'ble Allahabad High Court. The court remanded the case to the Collector Stamps, Ghaziabad with the instruction to re-assess the case. The case is now pending with Asst. Commissioner Stamps, Ghaziabad	**44**	44
F	TAXES		
	(I) ENTRY TAX - Total liability ` 28.13 lacs out of which paid under protest ` 14.22 balance lying unpaid ` 13.91 lacs	**28**	28
	(II) INCOME TAX -		
	(a) Total liability in various Assessment years ` 581.85 lacs which has been paid.	**582**	598
	(b) Total liability of penalty pertaining to A.Y. 2009-10.	**6**	
	(c) Total liability of TDS pertaining to A.Y. 2012-13.	**57**	
	(III) SERVICE TAX - Total liability of F.Y. 2004-05, 2005-06, F.Y. 2007-08 & 2009-10 ` 34.33 lacs out of which ` 14.52 lacs already paid and ` 19.82 lacs is lying unpaid.	**34**	17
	(IV) BRANCH TAXES		
	AHMEDABAD BRANCH : F.Y. 2010-11 ` 32.68 lacs. Company has preferred appeal against the said Demand.	**33**	
	KOLKATA BRANCH : CST Demand of ` 2.48 lacs against which revision appeal has been filed.	**2**	
	KERALA BRANCH : VAT Demand of ` 4.91 lacs against which 30% amount of ` 1.47 lacs has been paid and for balance Bank Guarantee has been provided. Against which the company has preferred an appeal.	**5**	
G	COMMITMENT		
	A CAPITAL EXPENDITURE (Net of fund already deployed)	**584**	2000
	B UNCLAIMED DIVIDEND	**33**	28

Note 29 : Disclosure pursuant to Note no. 5(i)(g) of Part II of Schedule VI to the Companies Act, 1956

Payments to the auditor as	For the year ended 31 March, 2015	For the year ended 31 March, 2014
a. For Auditor	**15**	10
b. For taxation matters	**-**	-
c. For company law matters	**-**	-
d. For management services	**-**	-
e. For other services	**-**	-
f. For reimbursement of expenses	**-**	-
Total	**15**	10

Note 30 : SEGMENT REPORTING

Segment Information for the year ended 31st March, 2015

Information about Primary Business Segments

(₹ in Lacs)

	SHOE DIVISION	TANNERY DIVISION	UN-ALLOCATED	TOTAL
External	79647 (62378)	12188 (8319)	65 (38)	91899 (70735)
Inter - Segment	- -	13987 (9925)	- -	13987 (9925)
Total Revenue	79647 (62378)	26175 (18244)	65 (38)	105887 (80660)
Result Segment Result [Profit/(Loss) before Interest & Tax]	15801 (12076)	(607) (211)	65 (38)	15259 (12325)
Less: Interest Expenses	- -	- -	(3929) (3200)	(3929) (3200)
Unallocated Expenditure net of unallocated income	- -	- -	(3458) (2347)	(3458) (2347)
Profit/(Loss) before Taxation	15801 (12076)	(607) (211)	(7322) (5509)	7872 (6778)
Provision for Taxation	- -	- -	(2756) (2441)	(2756) (2441)
Net Profit/(Loss)	15801 (12076)	(607) (211)	(10078) (7950)	5116 (4337)
Other Information Segment Assets	43919 (39978)	19477 (19253)	2295 (2345)	65691 (61576)
Segment Liabilities	17853 (16099)	15420 (14689)	1171 (2132)	34444 (32920)
Capital Expenditure	2991 (2275)	2656 (5818)	281 (253)	5929 (8346)
Depreciation	1613 (1714)	741 (380)	108 (110)	2462 (2204)

Information about Secondary Business Segments

Revenue by Geographical Market	WITHIN INDIA	OUTSIDE INDIA*	TOTAL
External	21167 (20148)	70732 (50587)	91899 (70735)
Inter Segment	- -	- -	- -
Total	21167 (20148)	70732 (50587)	91899 (70735)
Carrying amount of segment assets	65692 (61576)	- -	65692 (61576)
Additions to Fixed Assets	5929 (8346)	- -	5929 (8346)

* Includes Export incentive received on Export

Notes :

(i) The Company is organized into two main business segments, namely:

Tannery Division - Manufacturing Finished Leather from Raw Hides, Wet Blue & Crust.

Shoe Division - Manufacturing Finished Leather Shoes.

Segments have been identified and reported considering the distinct nature of products and differing risks and returns accruing there from, the organization structure, and the internal financial reporting systems.

(ii) Segment Revenue in each of the above business segments primarily includes domestic and export sales, export incentives and other miscellaneous income. It also includes inter Segment transfers priced at cost plus a predetermined rate of profit.

(iii) The Segment Revenue in the geographical segments considered for disclosure are as follows:

(a) Revenue within India includes sales to customers located within India and earnings in India.

(b) Revenue outside India includes sales to customers located outside India and earnings outside India.

(iv) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Note 31 : REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

(₹ in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
No. of Non Resident Shareholders	–	–
Number of Equity Shares held by them	–	–
Amount of Dividend Paid (Gross)	–	–
Tax Deducted at Source	–	–
Year to which Dividend relates	–	–

Note 32 : RELATED PARTY TRANSACTIONS

S. No.	Particulars	Volume of Transactions (₹ In Lacs)	Outstanding (₹ In Lacs)	Volume of Transactions (₹ In Lacs)	Outstanding (₹ In Lacs)
	For the period ended	**2015**	**2015**	2014	2014
1	**Purchase**				
	Genesis International U-I (From 01.04.14 to 14.01.15)	**1267**	**-**	2717	520 Cr.
	Genesis International U- II (From 01.04.14 to 14.01.15)	**2710**	**-**	4017	876 Cr.
	Euro Footwear Ltd.	**11546**	**680 Cr.**	8507	494 Cr.
	Genesisfootwear Enterprises Pvt. Ltd. U-1 (From 15.01.15 to 31.03.15)	**509**	**528 Cr.**	-	**-**
	Genesisfootwear Enterprises Pvt. Ltd. U-2 (From 15.01.15 to 31.03.15)	**1792**	**1780 Cr.**	-	-
	Gempack Enterprises	**582**	**55 Cr.**	454	43 Cr.
	Shoemac Leather Tech Eng. Ltd.	**89**	**35 Cr.**	35	5 Cr.
2	**Jobwork Paid**				
	Mars International	**205**	**3 Cr.**	186	6 Cr.
3	**Rent & Maintenance charges Paid**				
	Mr. Irshad Mirza	**6**	**2 Cr.**	6	1 Cr.
	Mrs. Jamil Ara Begum	**7**	**1 Cr.**	7	1 Cr.
	Mrs Sabiha Hussain	**4**	**1 Cr.**	4	0 Cr.
	Shoemac Leather Tech Eng. Ltd.	**7**		4	

S. No.	Particulars	Volume of Transactions (₹ In Lacs)	Outstanding (₹ In Lacs)	Volume of Transactions (₹ In Lacs)	Outstanding (₹ In Lacs)
	For the period ended	**2015**	**2015**	2014	2014
4	**Sales**				
	Euro Footwear Ltd.	**3411**	**-**	2841	-
	Mirza (UK) Ltd.	**32428**	**453 Dr.**	27540	310 Dr.
	Genesis International – I (from 1-04-14 to 14-01-15)	**302**	**-**	128	-
	Genesis International – II (from 1-04-14 to 14-01-15)	**662**	**-**	1010	-
	Genesisfootwear Enterprises Pvt. Ltd. U-1 (from 15-01-15 to 31-03-15)	**61**	**-**		
	Genesisfootwear Enterprises Pvt. Ltd. U-2 (from 15-01-15 to 31-03-15)	**283**	**-**		
	Mars International	**9**	**1 Dr.**	16	-
5	**Jobwork Received**				
	Euro Footwear Ltd.	**49**	**–**	17	–
6	**Guarantee Commission**				
	Mr. Irshad Mirza	**158**	**58 Cr.**	63	30 Cr.
	Mr. Rashid Ahmed Mirza	**158**	**58 Cr.**	63	30 Cr.
	Mr. Shahid Ahmed Mirza	**158**	**58 Cr.**	63	30 Cr.
	Mr. Tauseef Ahmed Mirza	**158**	**58 Cr.**	63	30 Cr.
	Mr. Tasneef Ahmed Mirza	**158**	**58 Cr.**	63	32 Cr.
7	**Salaries**				
	Shuja Mirza	**48**	**2 Cr.**	48	3 Cr.
	Faraz Mirza	**30**	**2 Cr.**	30	2 Cr.
8	**Managerial Remuneration**				
	Directors Remuneration & Perquisites	**549**	**24 Cr.**	545	27 Cr.
9	**Sitting Fee**	**4**	**-**	2	**-**
10	**Donation**				
	Mirza Foundation	**10**	**-**	10	**-**
11	**Corporate Social Responsibilities**				
	Azad Multispeciality Hospital	**25**	**-**	-	-
	Kilkari Charitable Trust	**3**	**-**	-	-

NOTE 33 : FOLLOWING PAYMENTS TO DIRECTORS ARE INCLUDED IN VARIOUS HEADS OF EXPENDITURE :

Particulars	**2015 (₹ in Lacs)**	2014 (₹ in Lacs)
Salary	**537**	536
Perquisites	**12**	9
Sitting Fees	**4**	2
Guarantee Commission	**792**	316
Total	**1345**	863

NOTE 34: INCOME TAX

A) The Company has recognized and accounted for cumulative net deferred tax liability in accordance with Accounting Standard (AS-22) issued by the Institute of Chartered Accountants of India, "Accounting for Taxes on Income" in respect of net aggregate timing differences as on 31st March, 2015.

B) There were Income Tax demands aggregating to ` 581.85 lakhs pertaining to various assessment years, which arose due to Direct Taxes (Amendment) Act. 2006, these demands have been adjusted by the department against the refunds due to the Company, pertaining to various assessment years. The department / Company went into Appeals before the Hon'ble Income Tax Appellate Tribunal (ITAT). Hon'ble ITAT has remanded the case back to Assessing officer in view of Hon'ble Supreme Court judgment in Topman Exports which nullifies the demands against the Company. In view of Hon'ble Supreme Court judgment, Company has an stay case in its favor and is expecting to nullify the demand and to get the total amount refunded. However Appeal order effect is yet to be given.

NOTE 35 : FORWARD CONTRACTS

Following are the outstanding forward exchange contracts entered into by the Company

Forward contracts EURO INR 31.33 lakhs (42.24 lakhs) Sell Hedging

Forward contracts GBP INR 107.40 lakhs (99.61 lakhs) Sell Hedging

Forward contracts USD INR 81.69 lakhs (94.18 lakhs) Sell Hedging

NOTE 36 : SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Accounting

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and other pronouncements of the Institute of Chartered Accountants of India (ICAI), and the relevant provisions of the Companies Act, 2013, to the extent applicable.

(B) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual result could differ from those estimates. Any revision to financial estimates is recognized prospectively in the financial statements when revised.

(C) Fixed Assets

(a) Fixed assets of the Company are valued at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of fixed assets includes purchase price, borrowing cost, allocated / apportioned direct and indirect expenses incurred in relation to bringing the fixed assets to its working condition for its intended life. The said cost is not reduced by specific Grants/ subsidy received against the assets.

(b) Lease hold land is capitalized with the lease premium paid,direct expenses/interest allocable to it till it is put to use.

(D) Depreciation & Amortization

a) Depreciation on fixed assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). For reaching to the depreciable amount of the assets, useful life of the assets has been taken as per the provisions of Schedule II of the Companies Act, 2013.

b) Lease hold land are amortised over the useful life remaining from the date, it put to use.

(E) Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets, all other Borrowing cost are charged to the Statement of Profit & Loss. Borrowing costs comprise of interest and other costs incurred in connection with borrowing of funds.

(F) Leases

a) Assets acquired under finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payment at the inception of the leased term and disclosed as leased assets. lease payments are apportioned between the finance charges and the reduction of the leased liability so as to achieve a constant rate of interest on the remaining balance of the liability.

b) Operating Leases: Rentals are charges to the Statement of Profit & Loss on a straight line basis with reference to the lease terms and other considerations.

(G) Investments

Long term investments are valued at cost.

The Cost of Investments made in Foreign Currency is translated at rates prevailing on the Balance Sheet date unless temporary in nature and gain/loss if any is accumulated in Foreign Currency Translation Reserve.

Diminution in the value of Long Term Investments is recognized only if the same is, in the opinion of the management, of a permanent nature.

(H) Inventories

Inventories are valued at the lower of Historic cost or the Net Realisable Value. Costs are determined as under :

a. Bought Out Items : On First in First Out (FIFO) method except raw hides (valued at six months average purchase price in case of Indigenous hides and full period weighted average price in case of imported hides). In respect of bought out items where CENVAT CREDIT is permitted excise duty is excluded from purchase price for determining the cost.

b. Goods In Process : At cost plus estimated value addition/cost of conversion at each major stage of production.

c. Finished Goods : At direct cost plus allocation of all overheads (including interest on working capital) other than Marketing, Selling & Distribution Expenses and Interest on Term Loan.

(I) Foreign Currency Transactions

All Foreign Currency Transaction of purchase and sales are recorded at exchange rate prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the statement of Profit & Loss except in case of long term liabilities, where they relates to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

(J) Derivative instruments and hedge accounting

The Company uses foreign exchange forward contracts and options to hedge its exposure to movements in foreign exchange rates. These foreign exchange forward contracts and options are not used for trading or speculation purposes. The Accounting Policies for forwards contracts and options are based on whether they meet the criteria for designation as effective cash flow hedges. To designate a forward contract of option as an effective cash flow hedge, the Company objectively evaluates with appropriate supporting documentation at the inception of the each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. Effective hedge is generally measured by comparing the cumulative change in the fair value of the hedge contract with a cumulative change in the fair value of the hedged item.

For forward contracts of options that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in the shareholders' fund (under the head "Hedging Reserve") and are reclassified into the profit and loss account upon the occurrence of the hedged transactions.

The gain/loss on options designated as effective cash flow hedges are included along with the underlying hedged fore casted transactions. The Company recognizes gains or losses from change in fair values of forward contracts and options that are not designated as effective cash flow hedge for accounting purposes in the profit and loss account in the period the fair value changes occur.

(K) Revenue Recognition :

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. It includes sale of goods, export incentives etc. Revenue arising from the use by others of enterprises resources yielding interest, dividends, are recognized on the following basis :

a) Interest income is recognized on time proportion basis taking in to account the amount outstanding and rate applicable.

b) Dividend for investment is recognized when right to receive is established.

(L) Receivables

Receivables are disclosed in Indian currency equivalent of actually invoiced values. Receivables covered by bills of exchange purchased by the Company's bankers are neither shown as assets nor liabilities. Contingent liability in the event of non payment of the same is reflected in the Notes to the Accounts.

(M) Employee Benefits :

Short Term Employee Benefits

Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognsed as an expense during the period when the employees render services. The Company, as a Policy, doesn't encourage accumulation of earned leave and discharges its liability on a year to year basis.

Post-Employment Benefits

The Company makes regular contributions to Provident Fund and the Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which employee renders the related services. The liability of the Company for gratuity is actuarially valued at each year end and based on such year end valuation , the liability for gratuity is provided in the books of the Company.

(N) Income Tax:

Provision for Income Tax comprises of Current Tax, i.e. tax on the taxable income computed for the year as per Tax laws and the net change in the deferred tax assets / liability of the Company during the current year. Deferred tax assets / liabilities are recognized on the basis of timing difference in Tax treatment of Revenue Item. The timing differences are subjected to the extant provision of law and enacted tax rates in force to determine the Deferred Tax Asset / liability. While a deferred tax liability is recognized when computed, the management exercises prudence and conservatism while recognizing deferred Tax Assets.

(O) Earnings Per Share:

Earnings Per Share is calculated in accordance with the procedure laid out in the relevant Accounting Standard (AS-20) issued by The Institute of Chartered Accountants of India.

(P) Provisions, Contingent Liabilities and Contigent Assets:

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Contingent losses & / or consequential contingent liabilities are disclosed in the notes to the accounts, where the Company is reasonably assured that no loss / liability will arise but where the possibility of a loss/ liability does exist.

Contingent asset are neither recognised nor disclosed in the financial statements.

(Q) Events Occurring after the Balance Sheet date:

It is the Company's Policy to take in to the account the impact of any significant event that occurs after the Balance Sheet date but before the finalization of accounts.

(R) Government Grants:

Government Grants in respect of Fixed Assets are accounted for as deferred Income by crediting the same to a specific reserve. The reserve to these Grants is diminished every year by a prorate portion of the depreciation of the assets, to amortise the grant over due life of the assets. Where the Grants carry conditions of specific performance, the contingent aspect is disclosed in due notes to the accounts.

(S) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the assets' net selling price and value in use.

(T) Figures of previous year have been regrouped/rearranged wherever necessary to make them comparable with the figures of current year.

The Notes referred to above form an integral part of the Financial Statements.
This is the Balance Sheet referred to in our report of even date attached.

For Khamesra Bhatia & Mehrotra
Chartered Accountants
(FRN 001410C)

CA Anand Saxena
Partner
M.No. 075801

Place : Kanpur
Date : May 29, 2015

IRSHAD MIRZA
Chairman &
Chief Financial Officer
(DIN 00048946)

D.C. Pandey
Vice President (Accounts) &
Company Secretary

RASHID AHMED MIRZA
Managing Director &
Chief Executive Officer
(DIN 00049009)

N.P. UPADHYAY
TASNEEF AHMAD MIRZA
SHAHID AHMAD MIRZA
TAUSEEF AHMAD MIRZA
Q.N. SALAM
P.N. KAPOOR
ISLAM-UL-HAQUE
SUDHINDRA JAIN
YASHVEER SINGH
SUBHASH SAPRA
VINITA KEJRIWAL

Directors

MIRZA INTERNATIONAL LIMITED

Registered Office: 14/6, Civil Lines, Kanpur-208001
CIN: L19129UP1979PLC004821, Tel.: 91-512-2530775 Fax: 91-512-2530166
Website: www.mirza.co.in E-mail : mirzaknp@redtapeindia.com

NOTICE

NOTICE is hereby given that the **THIRTY-SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY** will be held on Tuesday, 29th September, 2015, at 1:00 P.M. at the Auditorium of Council for Leather Exports, HBTI Complex, Nawabganj, Kanpur - 208002 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Shahid Ahmad Mirza (DIN: 00048990), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.
4. To appoint a Director in place of Mr. Tauseef Ahmad Mirza (DIN: 00049037), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.
5. To appoint M/s Khamesra Bhatia & Mehrotra, Chartered Accountants, (FRN:001410C) as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors"

By Order of the Board
For MIRZA INTERNATIONAL LIMITED

(D.C. Pandey)
Vice-President (Accounts) &
Company Secretary

Place : Kanpur
Date : 30th July, 2015

NOTES FOR MEMBERS' ATTENTION

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS (48) BEFORE THE COMMENCEMENT OF THE MEETING. i.e. BY 1.00 P.M. ON SEPTEMBER 27, 2015. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.

   A person shall not act as Proxy on behalf of members for more than Fifty(50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent 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 any other person or shareholder. A proxy form is annexed herewith.
2. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, the 23rdS September, 2015 to Wednesday 29th September, 2015 (both days inclusive) for the purpose of determining the names of members eligible for Dividend on Equity Shares (if declared) at the Meeting.
3. The dividend on Equity Shares, if approved at the Meeting, will be credited / despatched to those members whose names shall appear on the Company's Register of Members on September 29th 2015. In respect of the shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

4. M/s. Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot No. 31-32, Gachi Bowli, Financial District, Nanakaramguda, Hyderabad - 500032 continue to act in the capacity of Registrar and Share Transfer Agents for physical shares of the Company. Messrs Karvy Computershare Pvt. Ltd is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences, including dividend matters, to the said Registrar and Share Transfer Agents.

5. 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. The Company or its Registrar and Share Transfer Agents 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 of the Members. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Registrar and Share Transfer Agents.

6. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:

   i. the change in the residential status on return to India for permanent Settlement.

   ii. the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code number, if not furnished earlier.

7. Equity Shares of the Company are under compulsory demat trading by all the investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialisation of their shareholdings so as to avoid inconvenience in future.

8. 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 the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agents.

9. In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of Dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the Unpaid Dividend Account, will be transferred to Investor Education and Protection Fund established by the Government. Accordingly, the Unclaimed Dividend in respect of Financial Year 2007-08 is due for transfer to the said fund in October, 2015. In terms of provisions of Section 124 of the Companies Act, 2013, no claim shall lie against the Company or the said Fund after the transfer.

10. All relevant documents referred to in the accompanying Notice and the Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

11. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. 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. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting. Members who hold shares in de-materialized form are requested to bring their DP ID and client ID No.(s) for easier identification of attendance at the Meeting.

12. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.

13. Members who have so far not encashed their dividend warrants for the Financial Year from 2007-08 upto 2013-14, are requested to write to the Company or Company's Registrar and Share Transfer Agents, viz. Karvy Computershare Pvt. Ltd. for issuance of demand draft in lieu of unencashed/ unclaimed Dividend Warrant, if any.

14. In compliance with the provisions of Section 108, read with Companies (Management and Administration) Rules, 2014 and the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all Members of the Company. The Company has entered into an agreement with Karvy Computershare Pvt. Ltd., Hyderabad for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Form. E-voting is optional.

    The instructions for e-voting are as under:

    I. Use the URL for e-voting: https://evoting.karvy.com

    II. Enter the login credentials i.e., user id and password mentioned below:

User -ID For Members holding shares in Demat Form:-

a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID

b) For CDSL :- 16 digits beneficiary ID

For Members holding shares in Physical Form:-

- Event No. followed by Folio Number registered with the Company.

  Password -As e-mailed.

  Captcha Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

III. After entering the details appropriately, click on LOGIN.

IV. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case [A-Z], one lower case [a-z], one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it.

V. You need to login again with the new credentials.

VI. On successful login, the system will prompt you to select the EVENT i.e. MIRZA INTERNATIONAL LIMITED.

VII. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR"/"AGAINST" as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN" in case you wish to abstain from voting. If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

VIII. Shareholders holding multiple Folios/Demat account shall choose the voting process separately for each Folios/ Demat Account.

IX. Cast your vote by selecting an appropriate option and click on **'SUBMIT'.** A confirmation box will be displayed. Click **'OK'** to confirm else **'CANCEL'** to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.

X. Institutional shareholders [i.e. other than individuals, HUF, NRI, etc] are required to send scanned copy [PDF/JPG Format] of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory [ies] who are authorized to vote, to the Scrutinizer through e-mail at *mirzaknp@redtapeindia.com*

XI. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.

XII. The e-voting portal will be open for voting from Saturday, 26th September, 2015 at 10.00 A.M. to Monday, 28th September, 2015 at 5.00 P.M. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by KARVY for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

XIII. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on record date.

XIV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of https://evoting.karvy.com or contact Mr. Varghese P A of Karvy Computershare Pvt. Ltd. at 040-33215424 or at 18003454001(toll free)

XV. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

XVI. The results of e-voting will be placed by the Company on its website : www.mirza.co .in with in two days of the Annual General Meeting and also communicated to the Stock Exchanges, where the shares of the Company are listed.

XVII. The resolutions proposed will be deemed to have been passed on the date of the Annual General Meeting subject to receipt of the requisite number of votes in favour of the resolutions.

XVIII. Mr. Sanjay Gupta, Practicing Company Secretary, [Membership No. 5381] has been appointed as the Scrutinizer to scrutinize the e-voting process and also for conduct of Poll by members.

15. Electronic copy of the Notice convening the 36th Annual General Meeting of the Company and the Annual Report along with the process of e-voting and the attendance slip and Proxy Form is being sent to the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Notice convening the 36th Annual General Meeting of the Company along with the Annual Report the process of e-voting and the Attendance slip and Proxy form is being sent to the members in the permitted mode. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notice, Circular etc. from the Company in electronic mode.
16. The details required to be given in pursuance of Clause 49 of the Listing Agreement in case of Directors being re-appointed, are as under:

Name of Directors	DIN	Date of Birth	Qualification	Date of Appoint-ment	Expertise	Other Directorship	Chairman/ Membership of Committees	Share-Holding In the Company
Mr. Shahid Ahmad Mirza	00048990	13.12.1957	Diploma in Leather Goods Technology from U.K.	06/09/1979	vast experience of about Three decades in the Leather goods	_	_	4.63%
Mr. Tauseef Ahmad Mirza	00049037	31.12.1969	Diploma in Shoe Technology from London	06/09/1989	experience of more than Three decades in the Leather industry	_	_	7.49%

By Order of the Board
For MIRZA INTERNATIONAL LIMITED

(D.C. Pandey)
Vice-President (Accounts) &
Company Secretary

Place : Kanpur
Date : 30th July, 2015

Important Communication to Members

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail addresses to Karvy Computershare Private Limited, Karvy Selenium Tower B, 6th Floor Plot No. 31-32 Gachibowli Financial District, Nanakarmguda, Hyderbad-500 032

MIRZA INTERNATIONAL LIMITED

Registered Office : 14/6, Civil Lines, Kanpur - 208 001

36th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

Master Folio:	DP ID** :
No. of Shares :	Client ID** :

I hereby record my presence at the 36th Annual General Meeting of the Company at Auditorium of Council for Leather Exports, HBTI Complex, Nawabganj, Kanpur - 208002 on Tuesday, 29th September, 2015.

I am a shareholder of the Company*

I am a Proxy/Authorised Representative of the shareholder(s)*

My name is _____

(Surname) (First Name) (Second Name)

* Please strike off any one which is not applicable.

** Applicable for shareholders holding shares in electronic form.

Note : 1) Shareholder/Proxy wishing to attend the meeting must bring the Attendance Slip at the meeting and hand over the same at the entrance, duly signed.

2) No gifts would be given to Shareholders for attending the AGM, as per SEBI instructions.

TEAR HERE

MIRZA INTERNATIONAL LIMITED

Registered Office : 14/6, Civil Lines, Kanpur - 208 001

36th ANNUAL GENERAL MEETING

PROXY

I / We ..... of

..... in

the district of ..... being a member/members of MIRZA INTERNATIONAL LIMITED

hereby appoint ..... of .....

or failing him/her ..... as my/our proxy to attend and vote for me/us and on my/our behalf at the 36th Annual General Meeting to be held on Tuesday, 29th September, 2015 at 1.00 p.m. or at any adjournment thereof.

Master Folio :	DP ID** :
No. of Shares :	Client ID** :

Affix a Re. 1/- Revenue Stamp

Signed this day of .....2015.

.....
(Signature)

** Applicable for shareholders holding shares in electronic form.

Note: The Proxy must be deposited at the Registered Office of the Company at 14/6, Civil Lines, Kanpur not less than 48 hours before the time for holding the Meeting.

MIRZA

MIRZA INTERNATIONAL LIMITED

www.mirza.co.in

Concept, Content & Design
WYATT COMMUNICATIONS (info@wyatt.co.in)