

Redington (India) Limited

Notes to Statement of Unaudited Standalone / Consolidated Financial Results for the Quarter / Nine Months Ended December 31, 2016

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 1, 2017 and February 2, 2017 respectively.
2. A Limited Review of the unaudited standalone and consolidated financial results of the Company has been carried out by the statutory auditors. A similar review of the financial results of the Subsidiaries / Associate has been conducted by the respective statutory auditors.
3. a. The above Financial Results has been prepared in accordance with the Indian Accounting Standards (Ind AS) as required under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2016. The Group has adopted all the applicable Indian Accounting Standards in accordance with Ind AS 101 – First time Adoption of Ind AS and the impact on transition have been adjusted to the Reserves as at April 1, 2015.

b. The figures of the previous periods have been restated to comply with Ind AS to make them comparable with the current period. Further figures of the previous periods have been regrouped / reclassified, wherever necessary, to conform to current period's classification.
4. The Company and its Subsidiaries (collectively "Group") are engaged mainly in Information Technology Product distribution business besides supply chain solutions and after sales service business.

As per Ind AS 108 "Operating Segments", the disclosure of segments have been made in a manner consistent with internal reporting. The reporting is based on risk and rewards for the Group which are affected predominantly by the economies of various countries and geographies in which the Group operates.

5. Under previous Indian GAAP,
 - a. Actuarial Gains and Losses on employee benefits were recognized in Statement of Profit and Loss. Under Ind AS, it has to be recognized under Other Comprehensive Income.
 - b. Dividend payable was recognized as a liability in the period to which it relates. Under Ind AS dividend to shareholders are recognized when declared by the members in a General Meeting.

6. a. Reconciliation of financial results as reported under previous Indian GAAP and Ind AS are as under:

Particulars	₹. In Lakhs					
	Standalone			Consolidated		
	Quarter Ended	Nine-Months Ended	Year Ended	Quarter Ended	Nine-Months Ended	Year Ended
	Dec 31,2015	Dec 31,2015	Mar 31,2016	Dec 31,2015	Dec 31,2015	Mar 31,2016
	Unaudited					
Net Profit After Tax under Previous Indian GAAP	5,415	14,895	18,890	11,034	28,811	42,566
Effect on account of Merger of Nook Micro Distribution Limited (Refer Note 10)	(193)	(641)	-	155	472	-
Adjusted Net Profit After Tax under Previous Indian GAAP	5,222	14,254	18,890	11,189	29,283	42,566
Ind AS Adjustments						
Actuarial gain on employee defined benefit funds reclassified to other comprehensive income	31	(32)	-	37	(69)	(65)
Effect on account of Business combinations prior to transition date	-	-	-	(51)	(124)	(172)
Tax Adjustments	(21)	9	-	(18)	15	21
Other Adjustments	28	2	(18)	34	25	(17)
Net Profit After Tax under Ind AS	5,260	14,233	18,872	11,191	29,130	42,333
Other Comprehensive income (net of taxes)	(19)	29	7	1,897	9,612	9,144
Total Comprehensive income under Ind AS attributable to Shareholders	5,241	14,262	18,879	13,088	38,742	51,477

b. Reconciliation of Reserves as at March 31, 2016 as reported under previous Indian GAAP and Ind AS are as under:

₹. In Lakhs

Particulars	As at March 31, 2016	
	Standalone	Consolidated
	Unaudited	
Reserves as per previous Indian GAAP	135,877	270,745
Adjustments for:		
Reversal of Proposed dividend including Dividend tax	9,963	9,963
Effect on account of Business combinations prior to transition date	-	5,578
Tax Adjustments	-	21
Other Adjustments	7	(9)
Reserves as per IND AS	145,847	286,298

7. During the current Quarter, ProConnect Supply Chain Solutions Limited (ProConnect), a Wholly-owned Indian Subsidiary of the Company made an additional investment of ₹327.50 lakhs in its subsidiary, Rajprotim Supply Chain Solutions Limited (RCS). Subsequent to the Quarter, ProConnect, made an additional investment of ₹ 380.00 lakhs in RCS. The current shareholding of ProConnect in RCS is 76%.
8. Tax expense is computed based on the annual effective tax rates for Current Tax and Deferred Tax.
9. Of the options so far granted under ESOP scheme, 80,337 options (including lapsed options) were outstanding as on December 31, 2016.
10. Pursuant to the Hon'ble Madras High Court of Judicature at Madras order dated March 11, 2016, Nook Micro Distribution Limited (Nook), an erstwhile Wholly-owned Subsidiary was amalgamated with the Company with effect from April 1, 2015. Consequently the figures for all the corresponding previous periods have been restated in the financial results.

11. The Board of Directors at its meeting held on May 24, 2016 approved the proposed merger of Cadensworth (India) Limited, a Wholly-owned subsidiary with the Company with effect from April 1, 2016, under a scheme of Arrangement (Merger), subject to the sanction by the Hon'ble Madras High Court. Both National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) have communicated no objection in this regard.

Pursuant to the notification by the Ministry of Corporate Affairs, the petition for the approval of scheme filed with the Hon'ble Madras High Court has been transferred to National Company Law Tribunal (NCLT), Chennai Bench.

Pending approval of the Scheme by NCLT, the results of the said subsidiary as at and for the Nine Months Ended December 31, 2016 have not been included in the Standalone Financial Results.

For Redington (India) Limited

Sd/-

**Raj Shankar
Managing Director**

**Place: Chennai
Date: February 2, 2017**