

## Redington (India) Limited

### Notes to Statement of Consolidated Unaudited Financial Results for the Quarter Ended June 30, 2014

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 31, 2014.
2. Redington (India) Limited (“the Company”) and its fifty subsidiaries as at June 30, 2014 (including 46 overseas subsidiaries and step-down subsidiaries) operate in India, Middle East, Turkey, Africa and other South Asian countries. The Company and its subsidiaries are engaged mainly in Information Technology product distribution business besides supply chain solutions and after sales service of Information technology products.

As the revenue from the overseas operations constitutes more than 10% of the total revenue, geographical segment has been considered as primary segment in consolidated segment results.

3. During the Quarter,
  - i. The Company has made an additional equity investment of USD 5 Million (₹2,924.63 Lakhs) in its wholly-owned subsidiary Redington International Mauritius Limited in May 2014.
  - ii. Redington Senegal Limited SARL, a wholly owned overseas step-down subsidiary was incorporated in Senegal and has commenced its operations in June 2014.
  - iii. The Company has in April 2014, transferred the fixed assets and inventories of the after sales support services to its wholly owned subsidiary Ensure Support Services (India) Limited formed for this purpose.
4. During the Quarter, 67,840 equity shares of ₹2/- each, at a premium of ₹24/- per share and 23,060 equity shares of ₹2/- each, at a premium of ₹77.30/- per share were allotted to employees under the ESOP Scheme. Consequently the share capital has increased by ₹1.82 Lakhs. 179,466 options were outstanding to be exercised as on June 30, 2014.
5. Other income for the quarter includes profit of ₹1,215 Lakhs on disposal of an asset.
6. Tax expense comprises of Current tax and Deferred tax. Tax on Distribution of Dividend for the year ended March 31, 2014 will be appropriated from Reserves and Surplus in the Balance Sheet.

7. The Income Tax Assessment for the Accounting Year ended on March 31, 2009 was completed in January 2014 resulting in a tax demand of ₹129 Crores (besides interest of ₹78 Crores) mainly on account of tax on Capital Gain arising from Transfer of Company's investment in an overseas subsidiary to another overseas step-down subsidiary in November 2008 and other demands on transfer pricing related disallowances. The Company preferred an appeal against the said demand before the Income Tax Appellate Tribunal. The Appeal has been disposed off entirely in favour of the Company. In view of this favourable disposal of the said appeal the amount of ₹22 Crores paid under protest would be refundable to the Company together with mandatory interest.
8. (i). The figures of the previous periods have been regrouped wherever necessary to conform to classification of the current Quarter.
- (ii). Figures for the Quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2014 and the published year-to-date unaudited figures up to the third Quarter Ended December 31, 2013.
- (iii). Consequent to sale of the Company's investment in its erstwhile wholly owned subsidiary Easyaccess Financial Services Limited in the fourth Quarter of the financial year ended March 31, 2014, the figures of current Quarter are not comparable with those relating to Quarters Ended June 30, 2013 and March 31, 2014.
9. Company continues to adopt the same depreciation rates as in earlier years, based on the effective life of each category of assets as estimated by the management and these rates are however higher than the rates prescribed under Schedule II to the Companies Act, 2013 .
10. Summarized Standalone financial results of the Company for the Quarter Ended June 30, 2014 are as under:

₹ in Lakhs

	Unaudited			Audited
	Quarter ended June 30, 2014	Quarter ended March 31, 2014 (Refer Note 8(ii))	Quarter ended June 30, 2013	Year ended March 31, 2014
Income from Operations	267,970	316,614	255,349	1,125,662
Dividend Income from Subsidiaries	-	-	1,510	2,089
Exceptional item-Profit on sale of Long-term Investments	-	6,576	-	6,576
Other Income	2,047	1,228	501	2,714
Profit Before Tax	5,274	14,310	5,565	31,544
Profit After Tax	3,730	11,923	4,132	23,979



11. A Limited Review of the 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 overseas and Indian subsidiaries and an associate has been conducted by the respective statutory auditors.
12. The Standalone financial results of the Company for the Quarter Ended June 30, 2014 have been filed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are available in Company's website [www.redingtonindia.com](http://www.redingtonindia.com).

**For Redington (India) Limited**

**Place: Chennai**  
**Date: July 31, 2014**

**Sd/-**  
**R.Srinivasan**  
**Managing Director**