



## Redington (India) Limited

### Notes to Statement of Consolidated Financial Results for the Quarter / Year Ended March 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 May 23, 2016 and May 24, 2016 respectively.
2. The Company including its subsidiaries (collectively "Group") are engaged mainly in Information Technology Product distribution business besides supply chain solutions and after sales service business.

Geographical segment is considered as primary segment in Consolidated Segment information since the risks and returns for the Group are affected predominantly by the economies of various countries and geographies in which the Group operates.

3. Pursuant to the scheme of amalgamation of Nook Micro Distribution Limited (Nook)-an wholly-owned subsidiary ("transferor Company") with the Company, as sanctioned by the Honorable High court of Madras vide their order dated March 11, 2016, the assets and liabilities of the transferor Company were transferred to and vested with the Company with effect from the appointed date, April 1, 2015. The effective date of amalgamation is April 15, 2016, on which date all the relevant requirements under the Companies Act, 2013 have been complied with. The accounting for Amalgamation has been done under Pooling of Interest Method in accordance with Accounting Standard-14.

Consequent to giving effect to the Scheme during the Quarter Ended March 31, 2016, the figures for this Quarter on a standalone basis include twelve months figures relating to Nook.

Consequently the standalone figures of current Quarter are not comparable with those relating to Quarters Ended December 31, 2015 and March 31, 2015 and current year with those relating to previous year.

The summary of performance of Redington (India) Limited for the Quarter and Year Ended March 31, 2016 (excluding figures relating to Nook) are given below:-

Particulars	₹.in Lakhs	
	Q4 FY 2015-16	FY 2015-16
Income from Operations	339,697	1,244,440
Profit Before Tax	7,677	29,937
Profit After Tax	4,893	19,787



4. During the current Quarter,
  - a) the Company has made an additional equity investment of USD 1 Mn (₹675 Lakhs) in its wholly-owned subsidiary Redington International Mauritius Limited.
  - b) 13,500 equity shares of ₹2/- each, at a premium of ₹77.30 per share and 2,000 equity shares of ₹2 each, at a premium of ₹24.00 per share were allotted to employees including employees of subsidiary Companies under the ESOP Scheme, 2008. Consequently the paid up Equity Share Capital has increased by ₹0.31 Lakhs and Securities Premium by ₹10.92 Lakhs. Of the options so far granted under ESOP scheme, 91,258 options (including lapsed options) were outstanding as on March 31, 2016 to be exercised later.
5. The Company's wholly-owned step-down subsidiary Redington Gulf FZE has acquired 70% stake in Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret AS, Turkey. There is a definitive agreement to purchase the balance 30% shares of Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret AS, within FY 2017 on equitable basis, of which 10% was acquired on May 11, 2016.
6. Consequent to the amendment to the Payment of Bonus Act 1956, with retrospective effect from April 1, 2014, provision of ₹293 Lakhs (including ₹154 Lakhs relating to the Company) relating to the year 2014-15 has been made in the accounts for the Year Ended March 31, 2016. However, the retrospective operation of the amendment has been stayed by various high courts including Madras High Court pending disposal of connected writ petitions.
7. Other income for the corresponding previous Year Ended March 31, 2015 (relating to first Quarter of the said period) includes profit on sale of land amounting to ₹1,215 Lakhs.
8.
  - a. During the year, the Company has received an adjudication order from Commissioner of Customs (Imports), Mumbai disallowing CVD notification benefit on external hard disk drives for the period March 2011 – November 2012 involving a duty demand of ₹2,160 Lakhs (including interest & penalty). The Company had deposited ₹400 Lakhs under protest during the proceedings. The Company has contested the demand before CESTAT – Mumbai. Based on the opinion of legal counsel, the demand is not sustainable in law and accordingly no provision is presently considered necessary.
  - b. The Company has received a Service tax demand of ₹2,159 Lakhs (including interest & penalty) from Service Tax authorities for the period October 2009 to September 2014, determining certain divisible sale and service contracts as composite works contract. An amount of ₹400 Lakhs has been deposited under protest during the proceedings. The Company is contesting the demand before the appropriate legal forum. Based on the opinion of legal counsel, the demand is not sustainable in law and accordingly no provision is presently considered necessary.

## 9. Statement of Assets and Liabilities:

		Standalone		Consolidated	
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
		Audited	Audited	Audited	Audited
		₹ . In Lakhs			
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Shareholders' funds</b>				
	(a) Share capital	7,996	7,994	7,996	7,994
	(b) Reserves and surplus*	135,877	128,063	270,745	229,423
	<b>Sub total -Shareholder's funds</b>	<b>143,873</b>	<b>136,057</b>	<b>278,741</b>	<b>237,417</b>
<b>2</b>	<b>Minority Interest</b>	-	-	<b>25,188</b>	<b>20,604</b>
<b>3</b>	<b>Non - current liabilities</b>				
	(a) Long-term borrowings	-	-	-	21,375
	(b) Deferred tax liabilities (Net)	-	-	298	757
	(c) Long-term provisions	688	693	6,224	4,950
	<b>Sub total - Non-current liabilities</b>	<b>688</b>	<b>693</b>	<b>6,522</b>	<b>27,082</b>
<b>4</b>	<b>Current liabilities</b>				
	(a) Short-term borrowings	47,752	28,378	223,964	152,181
	(b) Trade payables				
	(i) Due to Micro Enterprises & Small enterprises	6,517	3,399	6,517	3,399
	(ii) Due other than of Micro Enterprises & Small enterprises	159,798	104,403	413,945	323,969
	(c) Other current liabilities	21,891	20,451	67,257	61,850
	(d) Short-term provisions	10,164	9,751	12,873	11,789
	<b>Sub total - Current liabilities</b>	<b>246,122</b>	<b>166,382</b>	<b>724,556</b>	<b>553,188</b>
	<b>TOTAL</b>	<b>390,683</b>	<b>303,132</b>	<b>1,035,007</b>	<b>838,291</b>
<b>B</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Fixed assets (Including Capital Work-in progress)	10,518	10,026	23,472	21,518
	(b) Goodwill on consolidation / acquisition	-	-	9,940	7,380
	(c) Non-current investments	59,384	54,646	-	-
	(d) Deferred tax assets (Net)	1,005	814	2,022	1,029
	(e) Long-term loans and advances	8,081	5,522	8,912	6,370
	<b>Sub total - Non-current assets</b>	<b>78,988</b>	<b>71,008</b>	<b>44,346</b>	<b>36,297</b>
<b>2</b>	<b>Current assets</b>				
	(a) Inventories	148,687	83,497	376,815	285,434
	(b) Trade receivables	145,847	126,762	534,454	441,899
	(c) Cash and cash equivalents	4,979	2,899	55,056	53,137
	(d) Short-term loans and advances	12,182	18,966	23,150	20,434
	(e) Other Current assets	-	-	1,186	1,090
	<b>Sub total - Current assets</b>	<b>311,695</b>	<b>232,124</b>	<b>990,661</b>	<b>801,994</b>
	<b>TOTAL</b>	<b>390,683</b>	<b>303,132</b>	<b>1,035,007</b>	<b>838,291</b>

10. The Board of Directors at its meeting held on May 24, 2016 has given an in principle approval of the proposed merger of its wholly-owned Subsidiary Cadensworth (India) Limited with the Company with effect from April 1, 2016 under a scheme of amalgamation, subject to necessary statutory and other approvals.

11. The Board of Directors has recommended a dividend of ₹ 2.10 per Equity share of ₹2/- each (i.e., 105%) for the financial Year Ended March 31, 2016 (Previous Year ₹1.90 per Equity Share of ₹2/- each – i.e., 95%).



12. i. The figures of the previous periods have been regrouped wherever necessary to conform to classification of the current Quarter.  
  
ii. The figures for the Quarters Ended March 31, 2016 and March 31, 2015, are the balancing figures between the audited figures in respect of the full financial years and the published year to date figures upto the third Quarter of the respective financial years.
13. Commission to non whole-time directors amounting to ₹109 Lakhs requires approval of shareholders at the ensuing Annual General Meeting.
14. The Standalone financial results of the Company for the Quarter / Year Ended March 31, 2016 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**

**Sd/-  
Raj Shankar  
Managing Director**

**Place: Chennai  
Date: May 24, 2016**