



**Disruptive Landscape.  
Prudent Risk Management.  
Ensuring Growth.**



**Annual Report 2015 - 2016**

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To put it simply, FY 2016 witnessed a Perfect Storm. And Redington was right in the middle of it. Gale winds blew on the company locally, regionally, and globally. It witnessed plunging oil prices; a strengthening dollar which put enormous stress on local currencies across markets where it has a strong foothold; and declining GDPs. It encountered challenges with product categories and de-growth in PC Industry ... the list seems endless.

There can be no better way to describe this turmoil than to say, the company was in the centre stage of a VUCA World. The term VUCA-an acronym for Volatility, Uncertainty, Complexity, and Ambiguity-originates from the U.S. Army War College in Carlisle, Pennsylvania. It serves fittingly to describe work and social environments in the FY 2016 context.

VUCA by definition signals change; and change can be a harbinger of both challenge and opportunity. How well a company views a VUCA environment and how prepared it is to capitalize on opportunities, tells the story of its leadership capability in particular, and its people in general. For instance, the accelerated pace of change in a VUCA world demands faster decision making and immediate responses in the business and market environments. Volatility mandates clear vision. When drowned in an Uncertain and Complex environment that inherently leads to Ambiguity, a company needs nimble leaders at the helm. Leaders who can make sense of the chaos, think divergently, seek collaboration from all ranks, prudently manage risk, and connect the dots of opportunity to navigate the company in the right direction through the turbulent times.

And that is exactly what happened in Redington. Against this daunting backdrop, the company has emerged from the gray skies showing growth in top and bottom line both in India and overseas. Its leadership (which is no longer simply the domain of senior management teams but encompasses employees at all levels), responded to these challenges in a timely and resolute fashion, leveraging opportunities while astutely managing risk. That story lies within these pages.



# Corporate Information

Chairman	Prof. J Ramachandran
Vice Chairman	R Srinivasan
Managing Director	Raj Shankar
Whole-Time Director	M Raghunandan (Retired w.e.f May 24, 2016) E H Kasturi Rangan (Appointed w.e.f May 24, 2016)
Directors	R Jayachandran Tu, Shu-Chyuan Lin Tai-Yang Nainesh Jaisingh N Srinivasan (Resigned w.e.f May 24, 2016) B Ramaratnam (Appointed w.e.f May 24, 2016) V S Hariharan Keith WF Bradley Suchitra Rajagopalan
Company Secretary	M Muthukumarasamy
Statutory Auditors	M/s Deloitte Haskins & Sells
Internal Auditors	M/s Ernst & Young, LLP
Secretarial Auditor	CS R Bhuvana

Bankers – India	ANZ Banking Group Ltd Axis Bank Ltd Barclays Bank PLC BNP Paribas Citibank N.A. DBS Bank Ltd Deutsche Bank AG HDFC Bank Ltd ICICI Bank Ltd IDBI Bank Ltd	IndusInd Bank Ltd Kotak Mahindra Bank Ltd Standard Chartered Bank State Bank of India Societe Generale The Bank of Nova Scotia The Bank of Tokyo Mitsubishi UFJ, Ltd The Hongkong and Shanghai Banking Corporation Ltd Yes Bank Ltd
Bankers – Overseas	Mashreqbank, UAE ICICI Bank, UAE Standard Chartered Bank, UAE National Bank of Fujairah, UAE Dubai Islamic Bank, UAE Axis Bank, UAE Deutsche Bank, UAE HSBC Bank Middle East LLC, UAE First Gulf Bank, UAE Emirates NBD Bank, UAE	BNP Paribas, UAE DBS Bank, Singapore BNP Paribas, Singapore HSBC, Singapore ICICI Bank, Singapore Maybank, Singapore OCBC Bank, Singapore Standard Chartered Bank, Singapore UCO Bank, Singapore



# Message to Shareholders



Dear Shareholders,

It is no exaggeration to say that FY 2016 was one of the toughest years I have seen yet. The all-round challenges faced by your Company, both in India and overseas, raged unabated through much of the year. But despite the huge ordeals on account of political uncertainties, depreciating currencies and unprecedented difficulties in the overseas markets particularly in the Middle East, Turkey and Africa, I am very pleased to share that your Company succeeded in registering strong growth both in India and the overseas markets.

On a consolidated level, your Company saw 12.2% revenue growth, 7.3% EBITDA growth, and 10.1% PAT growth. Revenue growth outside India was an impressive double digit at 18.7% and for India, it was 2.9%.

Again, all business verticals displayed growth, with IT contributing to 75% of the total revenue, Mobility, 23%, and Services, 2%. From the time your Company went public in February 2007, revenue has grown at a CAGR of 17% and EBITDA at a CAGR 17%. This has been possible due to well-planned and consistent expansion in operations through product and brand additions, expansion to new geographies, increase in market share and importantly, prudent risk management.

It is fitting that your Company has grown every business unit in FY 2016 whether it is the IT broad line distribution, IT enterprise business, mobility business, support services business, and logistics business, both in India and Overseas

markets. This performance is significant as it comes at a time when globally many companies in this space have gone through a decline with some even exiting the market altogether. During FY 2016, your Company has grown its top and bottom line not only on a year-on-year basis, but also sequentially every quarter of the financial year.

Your Company's IT distribution segment (which includes PCs, peripherals, networking products, packaged and enterprise software, storage products, security solutions and high-end servers), continued to register growth although in single digit. IT distribution revenues account for 66% of total distribution revenues in India and 81% of total distribution revenues in Overseas. While overall global shipments of Desktops and laptops were on a decline due to muted consumer demand and longer technology refresh cycles, it did not affect your Company's growth as it was well positioned to take advantage of geographical and vertical based opportunities. Your company believes that Desktops and Laptops will continue to constitute the primary medium for content creation and will continue to be in demand in the corporate and government segments. With the anticipated pick-up in economic recovery in India and overseas, higher corporate investments and government spending, the demand for Computing products will remain steady, if not increase further. Your Company's long standing relationships with major IT vendors, its dominant market share in India and overseas, and its strong distribution network, make it well placed to cater to future

market demand. In the India market, your Company has shown consecutive growth on IT vertical quarter on quarter. For FY 2016, the growth is 12.3%.

The non-IT distribution segment (includes telecom devices, digital printing presses, tablets and gaming consoles) constitutes 32% of the total revenues in India and around 17% of the total revenues in Overseas. While the growth in global Smartphone shipments may be moderate in the coming years, your Company's key markets - India and META (Middle East, Turkey and Africa), are expected to witness healthy growth in this product category.

There was a change in the distribution landscape of the Apple iPhone in India. Despite this setback, your Company continues to be one of the leading distributors for Apple in India, handling the vendor's entire range of products comprising the iPad, Mac, iPhone and iWatch. Apple has declared that it intends to invest aggressively in the Indian market and as it captures a larger share of the market, your Company will continue to benefit from it.

Because of the persisting adversity and challenges, your Company was not able to manage working capital better in FY 2016. This led to negative cash flow for the year. I would hasten to mention that with the steps taken by the management, the working capital days improved for the last quarter resulting in a positive cash flow for Q4 FY 2016.

I am happy to share with you some positive developments in the overseas markets. Number one, your Company's value added distribution business continued to show a strong growth in FY 2016, registering 30% for the year. Number two, your Company has been appointed as distributor for iPhone in UAE and Nigeria. In addition to this, your Company's market share, particularly on PCs in Turkey and in Africa, grew appreciably, contributing to the strong performance in revenue and corresponding growth in profits.

I would like to recall the statement mentioned in last year's message to Shareholders on the strategy carved out by your Company to address the E-Commerce segment. I am pleased to share with you now that it has started to show traction. As E-Commerce is slated to grow manifold, your company is well poised to capture the growth opportunities by addressing three kinds of services viz., (i) Distribution of products to E-Com Players (ii) Managing E-Com Logistics (iii) Providing post sale support services to products sold on the E-Com platform.

Other than the ADCs in the metros, your Company presently leases warehouses at close proximity to the market to cater to specific channel requirements. The introduction of GST will ensure integrated and uniform taxation across states and propel the demand for centralized warehouses like the ADCs. The phenomenal pace of growth of e-commerce in India is also translating to increased demand for large back-end centralized warehousing facilities and logistics. Your Company will, if necessary, expand its ADC network beyond the metros to cater to this demand.

I am overjoyed to share with you that ProConnect Supply Chain Solutions Ltd., which your Company set up in 2012 as a wholly owned subsidiary for providing logistics services, has had an exceptionally good year. Revenue grew by 45% and Profit

after tax grew by 60%. Significantly, 53% of ProConnect's business is now generated from third party customers across different product categories and industry verticals.

With a wide network of 90+ owned service centres and 270+ extended service centres in India and Overseas markets, your Company is catering to post sales service requirements for Information Technology and Mobility products through the brand 'Ensure'. The shift in consumer behavior towards purchasing new products rather than repairing defective ones, poses a threat for the paid services model. Ensure plans to bring in more vendors for supporting their warranty services.

I am pleased to tell you that Your Company has invested in LinkPlus, a leading Oracle distributor in Turkey. We believe that Oracle-software, hardware, engineered systems and the cloud businesses are poised for a big growth going forward. Post end of FY 2016, we acquired an additional 10% stake in Link Plus and with this the total stake in LinkPlus now stands at 80%.

Taking first steps in the new technology space of Cloud Computing, Your Company has successfully launched the RedCloud portal. Developed wholly in-house, the portal offers our partners a seamless interface through cataloguing, auto-provisioning and auto-billing of vendor products and solutions. Going forward, your Company plans to include Managed Services offerings on this platform in order to offer a complete range of cloud products and services to end customers through the Company's partner network.

Your Company's performance in the middle of an unprecedented market volatility could not have been possible without the dedication and commitment of the employees who have stood rock solid in delivering the Company's objectives. A fitting example would be the flood situation in Chennai in the first week of December 2015, when the team stayed at the office premises round the clock for several days, to ensure that the data center was fully operational and there was no risk to business continuity. I am deeply touched by the solidarity and commitment and I thank them for their show of strength.

Your Company set up a Foundation last year to implement various CSR activities for the betterment of the community. It addresses needs in quality education for the underprivileged, the urban poor and the economically challenged. I am happy to say the Foundation has made good progress this year. Details are included in this report.

Finally, I would like to thank all the Directors on the Board, Employees, all Stakeholders, Promoters, and Shareholders for their continued faith and trust in the Company. I look forward to their support this coming year and in the future.

With warm regards,

Raj Shankar

Managing Director



# Financial Highlights (Since Listing)

Standalone Financials											(₹ in Crore)
Particulars	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	CAGR
Total Revenue	12,675.88	12,070.38	11,304.65	10,454.55	9,871.48	8,144.84	6,278.84	5,896.43	5,649.83	4,589.49	12%
EBITDA	377.43	346.24	337.23	342.80	321.24	249.92	201.60	173.87	148.25	101.76	16%
PBT <sup>®</sup>	285.64	272.75	315.44	248.94	233.29	193.40	153.16	124.25	103.57	65.63	18%
PAT <sup>®</sup>	188.90	181.96	239.79	171.37	156.81	128.44	99.46	80.69	67.11	42.42	18%
Networth	1,438.73	1,360.57	1,266.75	1,065.47	908.97	764.06	675.98	614.39	569.56	535.02	
Capital Employed	1,916.24	1,644.35	1,623.78	1,684.74	1,529.69	1,279.09	1,051.50	904.29	821.82	852.09	
EBITDA / Revenue	2.98%	2.87%	2.98%	3.28%	3.25%	3.07%	3.21%	2.95%	2.62%	2.22%	
PAT / Revenue	1.49%	1.51%	2.12%	1.64%	1.59%	1.58%	1.58%	1.37%	1.19%	0.92%	
Return on Average Capital Employed *	31.25%	30.88%	29.30%	32.33%	35.01%	33.04%	31.67%	31.20%	25.87%	19.85%	
Return on Average Equity *	23.70%	23.74%	39.59%	44.00%	50.03%	48.44%	38.97%	29.76%	24.60%	17.91%	
EPS (FV ₹ 2) (₹) #	4.73	4.55	6.01	4.29	3.94	3.25	2.54	2.07	1.72	1.28	
Book Value per Share (FV of ₹ 2) (₹)	35.99	34.04	31.71	26.69	22.81	19.28	17.19	15.78	14.63	13.74	

# For EPS calculation-weighted average number of equity shares have been considered. During the year 2010-11, Face value of shares got split from ₹ 10 to ₹ 2. EPS and Book Value for earlier years converted basis face value of ₹ 2

\* Investments made in and Dividend income received from wholly owned Subsidiaries is excluded

® Including profit on sale of long-term investment in Easyaccess Financial Services Limited of ₹ 65.76 Crore during FY 13-14

Consolidated Financials											(₹ in Crore)
Particulars	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	CAGR
Total Revenue	35,476.33	31,622.67	28,005.09	24,210.38	21,222.02	16,722.66	13,277.65	12,375.99	10,542.53	8,853.90	17%
EBITDA	817.58	761.89	719.61	684.20	633.40	471.65	365.72	329.57	259.04	198.47	17%
PBT	594.09	555.46	485.11	462.41	450.33	351.00	275.92	219.02	177.06	127.25	19%
PAT <sup>®</sup>	425.66	386.53	336.65	323.11	292.74	226.00	184.33	159.66	136.07	101.70	17%
Networth	2,787.41	2,374.17	2,021.29	1,640.68	1,322.48	1,255.32	1,075.72	1,002.20	721.49	625.61	
Capital Employed	5,388.40	4,446.83	3,993.84	3,947.11	3,477.61	3,186.28	2,464.57	2,226.51	1,505.44	1,226.88	
EBITDA / Revenue	2.30%	2.41%	2.57%	2.83%	2.98%	2.82%	2.75%	2.66%	2.46%	2.19%	
PAT / Revenue	1.20%	1.22%	1.20%	1.33%	1.38%	1.35%	1.39%	1.29%	1.29%	1.12%	
Return on Average Capital Employed *	16.02%	17.22%	17.23%	17.69%	18.44%	16.01%	14.59%	17.23%	18.86%	18.19%	
Return on Average Equity *	17.07%	18.20%	19.11%	22.82%	23.93%	19.95%	17.74%	19.12%	21.68%	21.27%	
EPS (FV ₹ 2) (₹) #	10.65	9.67	8.43	8.10	7.35	5.72	4.70	4.10	3.50	3.07	
Book Value per Share (FV ₹ 2) (₹)	67.23	57.55	48.75	39.46	33.18	31.67	27.36	25.74	18.53	16.07	

# For EPS calculation weighted average number of equity shares have been considered. During the year 2010-11, face value of shares got split from ₹ 10 to ₹ 2. EPS and Book value for earlier years converted basis face value ₹ 2

\* While calculating Return On average Capital Employed and Return On average Equity, goodwill has been excluded / capital reserve has been included appropriately

® Including loss on sale of long-term investment in Easyaccess Financial Services Limited of ₹ 9.07 Crore during FY 13-14



# Breaking Perceptions

The Adversity Quotient of Redington came to the fore yet again in FY 2016. Redington grew top and bottom line despite difficult and complex market conditions both in India and overseas. It is pertinent that while some companies opted to pull their shutters down during this taxing period, Redington deftly accessed competitor market share. Through deliberate decision making and prudent risk management, a culture that is deeply ingrained in its DNA, Redington scripted a growth story to end the year on a positive note - strong growth in India and Overseas markets.

To understand the formula behind this achievement, it is worth demystifying Redington, the Company. Redington has, over the years, tenaciously nurtured leadership capability at all levels in its hierarchy. Founded on shared values and a common purpose, the company culture aligns everybody towards a common goal, the pursuit of which is achieved by single minded, collective pursuit.

Prevailing investor perception pegs Redington as a consumer company - one whose fortunes ebb and swell in line with consumer sentiments, fads, and preferences. But this is perception mislaid. In fact, a significant portion of Redington's business in India is derived not from the Consumer segment, but from the Enterprise segment. Despite the trying landscape of FY 2016, the Company's consolidated revenue grew by 12.2%. Its Enterprise business in India swelled by 16.8%.

The second perception that warrants correction is the direct correlation investors somehow make between certain consumer brands and Redington's sales performance. Consider, the Apple iPhone. While iPhone sales declined, the Mac business grew by a strong double digit. Redington has a purposeful strategy for mitigating this kind of product risk. In the Smartphone category for example, it has an impressive nine brand basket in its portfolio, one that will adequately shield the company from unexpected market whims.

The third prevailing apprehension is about Redington's fortunes in the Middle East,

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Turkey and Africa. While geo-political tensions, nose-diving oil prices, and depreciating currencies, all remain real, Redington derives an impressive 52% of its topline from that region. Redington has held on to its leadership position in the Overseas markets for 10 years in a row.

Consider next the popular notion that Redington is getting disintermediated because of the onslaught of E-commerce companies and their compelling on-line sales strategies. It is a fact that these enterprises are witnessing exponential growth and are poised to scale even greater heights. Therefore, a question that haunts the mind is - will this impact Redington adversely? Should the Company follow suit and set up an on-line portal to partake of this bounty?

In reality, it is the brick-and-mortar retail companies that are facing disintermediation, not Redington. Given their extensive reach and coverage, the technology vendors do not side-step the distributors. It is safe to say that Redington now has four channels of business - Dealer/Reseller, Large Format Retailers, System Integrator (VARs) and the on-line channel. The company made a well thought out strategic decision, a smart one as it has turned out, to offer a suite of value added services to the online segment, over and above mere product distribution. Redington now manages their fulfillment centres and service their post-sales support requirements, adopting a fee-for-service model. This ensures the Company grows in tandem with all its on-line customers.

Redington's board has strong faith and belief in the Company's approach and growth opportunities. They find clarity in the 20/20 strategic plan which articulates various

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business prospects, most of which are presently in the roll-out stage.

Lastly, there has been some concern (although only in a few pockets) about PC de-growth and a follow on backlash on the Company's fortunes. On the one hand the company has over the years shifted its focus to the enterprise business in the IT vertical; on the other they have gained market share. This is evident from the fact that the PC market de-grew in India by 8% in Q4 but Redington grew by 6%. This is as true of META markets where the market de-grew by 28% while Redington grew by 10% in this period. This is a result of strong engagement with vendors and the Company's ability to identify and capture all available opportunities.



# Building Trust

Redington aspires to be The Employer of Choice for today's workforce. Talk to its HR Department and they will tell you that their mission is to be amongst the top 50 Great Places to Work in India. They are determined to reach this echelon by 2020.

The Company, by definition, is non-hierarchical. It has an open door policy and encourages exchange of ideas between levels, through meetings and town halls.

Founded on the conviction that "people make the Company", Redington is openly proud of the people that reside on its rolls, and celebrates their diversity represented by age, gender, religion and experience. The Company's Long Service Awards which applaud longevity in the company, bear testimony to this culture. A wide age spectrum can actually be quite daunting for some companies as managing expectations across this base of people can be challenging. But not so with Redington where its HR practices will help transform the Company to sensibly balance traditional needs with the atypical aspirations of a fast growing millennial generation that is now working across the company.

Compensation is performance based. Employees at all levels are evaluated every quarter and compensated based on their performance score. This promotes individual excellence and encourages the spirit of team working to achieve the mutually agreed goals.

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*There is something unique about the culture in Redington – it promotes an entrepreneurial behavior, unleashing the potential of the employees by giving them freedom and empowerment to take decisions, albeit within defined boundaries.*



There is something unique about the culture in Redington - it promotes an entrepreneurial behavior, unleashing the potential of the employees by giving them freedom and empowerment to take decisions, albeit within defined boundaries.

Redington extends personal interest in the well being of all employees and has Health and Wellness initiatives through the year to benefit them.

Trust is implicit and mutual between Redington and its employees. During the floods in Chennai in December 2015, it was a voluntary gesture by the employees to keep the data centre and all systems safe and running. A four-member team comprising staff from the IT Department remained on campus round-the-clock for 4 days. Arrangements were made for food to be delivered, an exercise which in itself was quite testing. In recognition of the extenuating

circumstances that many of its employees were in, the Company paid 2 week's advance salary to all. Lunch was served on the premises for one week to make it easy for staff to come to work without worrying about food.

It is no exaggeration to say that the Employee-Company relationship, the primary component of a strong organizational culture, adds a sense of deep commitment to the other elements of workplace productivity. The Redington work ethic finds a thread right across the organization. By consistently walking the talk, Redington's leadership has fostered an environment where honesty and trust win, no matter what. This approach has successfully led to much trust being built in the brand in the eyes of the larger community.



# Managing Risk Prudently

*Redington has a diversified product portfolio across 200+ brands in different categories, with a strong network spread across India, South Asia, Middle East, Africa & Turkey, supported by adequate warehousing facilities and service centers.*

Redington (India) Ltd. (Redington), which commenced operations in 1993 in India as a single product distributor has now evolved into an integrated supply chain solutions provider with capabilities across distribution, logistics and after sales services. It is the second largest distributor of IT and mobility products in India and the largest in the Middle East and Africa regions. It has a diversified product portfolio across 200+ brands in different categories, with a strong network spread across India, South Asia, Middle East, Africa & Turkey, supported by adequate warehousing facilities and service centers.

For such an operation, risk management is a prime concern; and Redington has ensured that risk mitigation is woven into the very fabric of its operations. Consider for example, Product Risk. Redington services 130+ brands in India with a channel strength of 30,000+ partners,

90 warehouses and 320+ service centers. In the Middle East, Turkey and Africa (META) region Redington services 100+ brands with a channel strength of 11,000+ partners, 24 warehouses and 48 service centers. Its product portfolio in the IT vertical is so diversified that it represents most of the global technology brands in every major product category.

In order to de-risk its dependence on the IT vertical, Redington diversified into digital printing in 2005 and the smart phone in 2007. Currently, Non IT vertical (includes telecom devices, digital printing presses, tablets and gaming consoles) constitutes 23% of the consolidated revenues in FY 2016.

**Geographical Risk** - Redington operates in multiple geographies - 23 countries overseas to be exact, giving the Company immunity from geo-political risks in one or another country. Redington derives 62% of revenues from overseas markets. The company addresses 6 markets in the Middle East, 12 markets in Africa and 3 markets in South Asia in addition to Turkey and Kazakhstan.

Redington's distribution model results in two major potential risks to the company: **Inventory Risk** and **Credit Risk**. Redington's in-depth market knowledge and channel experience over the past years has enabled it to deploy a sound forecasting model. This combined with a prudent stock provisioning policy as also the contractual agreements signed with the vendors has helped it to successfully mitigate Risk of Obsolescence and the Risk of holding Ageing Inventory.

Let us turn to Credit Risk. Redington sells to both small retailers and large format retailers, giving them a credit period of 30-60 days. The Company mitigates credit risk by very strict receivables management procedures and policies. Redington has a dedicated, independent team to review credit and monitor collection of receivables on a pan India basis. The efficacy of this process is validated by the fact that receivables more than 6 months are just 5% of the total receivables. In the past five years, bad debts that have been written off have been sub 0.11% of sales revenues

**Liquidity Risk** - Over the years the Company maintained parity between net debt to equity. Its utilization of bank facilities is less than 60% of available limits, both in India and overseas. The Company monitors its leverage position very closely and maintains a strong financial discipline.

**Geo-Political Risk** - Redington continues to monitor its key overseas markets for political turmoil, falling crude oil prices, volatile

local currencies (and subsequent economic growth worries), and geo-political tensions. It continues to keep watch for economic recovery in India on the back of the government's economic reforms. A tangible pick-up in consumer spending is yet to emerge. It is pertinent to mention that Redington has pulled out of or downsized its operations in a few markets in the MEA in the face of rising risk.

As regards foreign exchange, the company has a clear policy to hedge its risk. In India, about 80% of the vendors bill the Company in Indian rupees and for the balance 20%, Redington hedges the risk by taking a forward cover. In the Middle East, as most of the currencies are pegged to the dollar this acts as a natural hedge. In other countries wherever possible the Company takes forward cover, though in the case of Nigeria the Forex problem is compounded with the non availability of the US dollar.

*Redington continues to monitor its key overseas markets for political turmoil, falling crude oil prices, volatile local currencies (and subsequent economic growth worries), and geo-political tensions. It continues to keep watch for economic recovery in India on the back of the government's economic reforms.*





# Being A Responsible Corporate Citizen

*With its mission to empower the economically under privileged by providing multiple opportunities and platforms, promoting sustainable holistic development and social upliftment, Redington Foundation focuses on Employability Skill Development.*

India is acknowledged as one of most promising emerging markets in the world. The country has the youngest workforce and is well poised to lead global economic progress in the coming years. It is imperative in this scenario that India's young are adequately empowered to capitalize on the opportunities and make a difference to themselves and to the country at large. However, there are huge pockets of population in India's semi-urban and rural geographies, who have missed the boat due to economic distress and therefore suffer from lack of proper education and training. Some lucky ones go to college but remain un-employable because they lack the skills to cross over to a corporate environment. The Redington Foundation aspires to make a difference in this area.

Foundation for CSR @ Redington is a trust formed by Redington (India) Limited to implement various CSR activities towards

the betterment of the society. It endeavors to address needs in quality education and health care for the underprivileged and deprived urban poor and the economically challenged rural populace.

## **Employability Skills Training - Redington's Centers of pride**

With its mission to empower the economically under privileged by providing multiple opportunities and platforms, promoting sustainable holistic development and social upliftment, Redington Foundation focuses on Employability Skill Development. The Foundation has set up Redington Smart Learning Centres, where it imparts employability skills training using the expertise of well-known corporate training agencies such as Crestpoint Consultants, 361 Degree Minds and Unnati Foundation.

Redington Foundation provides quality education that includes value education and life-skills education, to transform the quality of life for both the individual as well as his/her family. So far, 500 students have benefitted from this initiative and have become ambassadors for recommending the course to peers and friends.

The Foundation has started with Tamil Nadu for implementation of its strategy, but will soon expand its footprint. It associates with other well known trusts that serve the same objectives, and leverages their experience towards successful implementation. Some examples include Gandhigram Trust, Ramakrishna Mission, Lakshmi Seva Sangam and SSN Institution.



To improve employability of youth, the Foundation offers them training to smoothly cross over to a corporate environment. Various soft skills training like communication skills, interview skills, office etiquette, personality development etc. are included in the training. We take great pride and satisfaction in the fact that out of the first batch of 50 students, over 40 of them have been successfully placed with several corporates.

The Foundation is also committed to bringing the benefits of new technology to all members of the community, regardless of economic status. The Smart Learning Centres will help bridge this divide.

## **Vocational training for children with special needs**

The Foundation is also active in the area of disability management. Recognizing that disability is not inability, it provides interventions to catalyze the holistic development of both physically and mentally challenged people. It has established resource centers in rural areas and formulates accredited learning programs aimed at mainstreaming differently-abled persons.

In order to empower the hearing impaired, the Foundation rolled out an exclusive program at Shanti School, Sivasailam. The program entails special educators and support staff who are focused on providing holistic development to the students. They are taught sign language and provided with special applications enabled Tablets for their advanced learning. The Foundation has partnered with Amar Seva Sangam, Amar Jyoti Charitable Trust, V-Excel Foundation, RASA

Foundation, Gandhigram Trust and enables them to best serve the needs of differently-abled and underprivileged people in the rural areas.

## **Equipping and Recouping Schools**

Devastating floods crippled life in Chennai and its neighbouring districts in December 2015 drowning the hopes of thousands of school children. The furious flood waters chased them out of their homes and washed away their school books, bags, stationery, and uniform.

Utilities such as blackboards, benches, lights and fans in schools and colleges were damaged partially or fully. In some cases, structural damages were acute. The Foundation immediately swung into action, by revamping desks, white washing walls and providing power back-up support and study material to the flood-affected children. The intervention helped the children get back to normalcy quickly.

The Foundation has offered scholarships to academically brilliant students who need financial support to continue their education. Laptops have also been distributed to help prepare students for this digital era.

The CSR team at Redington is dynamic and young. Their commitment and passion is sure to draw more volunteers into the fold helping scale the Foundation's reach and the number of beneficiaries.



# Board's Report

## To the Members,

Your Directors are pleased to present their Twenty Third Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2016.

The Directors feel it appropriate to present the Consolidated financial performance of the Company in the manner set out below, which factors in the prevailing geo-economical environment and the associated risks and rewards.

(Figures in ₹ /Crore)

Particulars	2015-16			2014-15		
	India Consolidated	Overseas Consolidated	Total Consolidated	India Consolidated	Overseas Consolidated	Total Consolidated
Revenue from operations	13,370.66	22,058.99	35,429.65	12,969.11	18,590.05	31,559.16
Other Income	27.26	19.42	46.68	42.80	20.72	63.52
<b>Total Revenue</b>	<b>13,397.92</b>	<b>22,078.41</b>	<b>35,476.33</b>	<b>13,011.91</b>	<b>18,610.77</b>	<b>31,622.68</b>
<b>Total Expenses:</b>						
a) Cost of goods sold	12,490.99	20,881.41	33,372.40	12,164.70	17,568.20	29,732.90
b) Employee Benefits	147.68	392.29	539.97	134.59	333.14	467.73
c) Other Expenses	339.31	407.08	746.39	323.27	336.89	660.16
<b>Profit before Interest, Depreciation and Tax</b>	<b>419.94</b>	<b>397.63</b>	<b>817.57</b>	<b>389.35</b>	<b>372.54</b>	<b>761.89</b>
a) Interest Expenses	86.18	93.49	179.67	70.68	87.92	158.60
b) Depreciation & Amortization Expenses	14.31	29.00	43.31	14.32	28.27	42.59
c) CSR	0.50	-	0.50	5.24	-	5.24
<b>Profit before Tax</b>	<b>318.95</b>	<b>275.14</b>	<b>594.09</b>	<b>299.11</b>	<b>256.35</b>	<b>555.46</b>
Tax Expense	110.99	35.40	146.39	102.26	42.78	145.04
Share of loss of associate	-	-	-	0.05	-	0.05
Minority Interest	-	22.04	22.04	-	23.84	23.84
<b>Profit after Tax</b>	<b>207.96</b>	<b>217.70</b>	<b>425.66</b>	<b>196.80</b>	<b>189.73</b>	<b>386.53</b>

Your Directors have made the following appropriations out of the Standalone profits of the Company:

(Figures in ₹ /Crore)

Net Profit of the Company (Standalone) for the Financial Year 2015-16	188.90
<b>Less:</b> Proposed Dividend @ ₹2.10 per Equity Share of ₹2/- each (i.e. 105% of the Face Value) for the year ended March 31, 2016	83.96
Dividend Distribution Tax thereon*	15.39
<b>Balance Surplus carried in the Balance Sheet</b>	<b>89.55</b>

\* Net of Dividend Distribution Tax credit of ₹ 28.63 Lakhs on account of dividend received from an overseas subsidiary company.

## Financial Performance of the Company

The consolidated revenue of your Company was ₹ 35,476.3 Crore as against ₹ 31,622.7 Crore in the previous year with a CAGR of 17% for last ten years (since listing). The consolidated net profit for the year under review was ₹ 425.7 Crore as against ₹ 386.5 Crore in the previous year with the CAGR of 17% for the last ten years (since listing).

The Earnings Per Share (EPS) on consolidated basis (based on weighted average number of shares during the year) increased to ₹ 10.7 for the year under review as compared to ₹ 9.7 for the previous year.

A detailed analysis on the financial performance of the Company is given as part of the Management Discussion and Analysis report which forms part of the report.

Statement on salient features of financial statements of Subsidiaries and Associate in the prescribed Form AOC 1 is appended as part of this report. The details of the subsidiaries incorporated during the financial year under review are given as part of notes to the consolidated financial statements.

## Dividend

Considering the improved global performance of the Company the Directors are pleased to recommend an enhanced dividend of ₹ 2.10 per share (i.e. 105% of the Face Value) for the year ended 31<sup>st</sup> March 2016 as compared to ₹ 1.90 per share (i.e. 95% of the Face Value) for the previous year.

## Indian Operations

### Information Technology Products

#### Personal Computing & Printing

The client space in IT business verticals (PC / Notebook) continues to undergo a churn with overall de-growth in demand for personal computers during FY 2015-16. It is now evident that the refresh-cycle for PCs / Notebooks have appreciably increased with the customer not finding too much incentive for frequent replacements / upgrades. Even the introduction of Microsoft's new Operating System, Windows-10 has failed to give any significant boost to the demand for new PCs / Notebooks.

The India PC industry has now become a four-horse race with HP, Lenovo, Dell and Acer supplying over 90% of the market demand. While the brands have tried their best to create demand and introduce new categories like convertibles and gaming notebooks, this has not been enough to rejuvenate customer demand.

It appears that most vendors have become dependent on "free laptop" deals floated from time-to-time by various state governments to shore up their overall numbers. Absence of such deals during any period has resulted in appreciable drop in PC shipments.

HP and Lenovo have positioned themselves aggressively to take market-share from competitors and your Company has been able to take full advantage of its relationship with these brands to grow its revenue in the PC segment. Additionally, your Company's strong engagement with vendors and partners in the projects segment (where it holds a leading position with most vendors) has also enabled it to maintain its share of wallet in the vendor pie.

The year 2015-16 saw the introduction of a new category of printers to the Indian market called "ink-tank". With the cost-per-page reducing substantially on the back of this new technology, we expect printer demand to be boosted.

Continuous efforts on the part of HP to bolster Consumables demand by working on cost-reduction saw the demand being appreciably stronger during last fiscal and your Company could take full advantage of it to grow its supplies revenue and market share. While refills and compatibles still remain a big challenge, it is forecast that the ink-tank technology which promises to drastically reduce the price gap between original and refill/compatible would go a long way in addressing this challenge.

HP continues to strengthen its presence in the Indian market by taking a strong position in the ink-tank category and your Company is expected to gain substantial revenue boost on the back of this development.

The Digital Printing vertical division continues to grow its base and with the annuity revenue from revenue-per-page growing sharply due to the increased installed base, this division demonstrated a 50% YOY growth. Your Company is strongly engaged with the Vendor to exploit more and more market segments for Digital Printing.

#### Commercial, Enterprise & Infrastructure

Investment climate of Corporates and Enterprises towards new technologies and solutions showed a degree of buoyancy during FY 2015-16 with vendors like HP, IBM, Oracle, EMC and Cisco finding opportunities in specific industry segments like BFSI and ITES. Your Company's strong engagement with the vendors at all levels enabled it to take advantage of many such opportunities.

While large-ticket deals were still few and far between, medium size investment in technology refresh gained momentum, presenting host of opportunities for revenue growth.

"Digital India" and "Smart City" initiatives have been initiated with a few states starting to work on infrastructure projects. As IT products are likely to form only a small part of the overall project, a new breed of System Integrators (SIs) having capabilities in offering overall infrastructure implementation are expected to gain prominence. Your Company is closely working with vendors to take advantage of the IT equipments that would be required to complete these projects. The work is still in its initial stages, but we expect to see the projects kicking off during FY 16-17.

Your Company is investing in Inside Sales, Consulting and Training capabilities to offer a differentiated value-add to its enterprise vendors and partners as this will also offer your Company significant, incremental earning opportunities.

#### Cloud Services

There is an inclined awareness amongst the Indian customers on the advantages that Cloud Technology offers, though some of them are still skeptical. More and more corporates are discussing transferring their non-critical work-loads to the Cloud to take advantage of Opex based infrastructure, rather than Capex based purchases. The questions have now shifted from "why" to "how" and "when".

Your Company has taken the initiative to invest ahead of time in the Cloud space by forming the "Cloud Solutions Group" and is steadily building up the infrastructure and skill-set required to make it the best-in-class Cloud Distributor, offering distinct, unique value proposition to its Vendors, as well as its channel partners.

A robust state-of-the art Digital Transaction Portal has been developed in-house to provide a seamless experience to partners to buy, provision, use and pay for products and services from various vendors. The Portal offers a single, simple and easy to use interface for partners and their customers to deal with different vendors without having to access each vendor portal independently.

It is a no mean achievement that your Company was selected by Microsoft as one of its Cloud Solutions Partner - 2 (CSP-2) for addressing a two-tier model for its cloud offerings.

In future, your Company's Cloud Solutions Group will be positioned to encapsulate the cloud product offerings with a catalogue of Managed Services Offerings so that its partners can offer complete Cloud Solutions to their customers, thereby enhancing their relationship which would in turn reflect increased profitability.

#### **Software & Security**

Your Company remains the strongest Value Added Distribution partner for most of its Software and Security vendors through its investments in skilled resources and its customization of vendor specific Go-To-Market (GTM).

While demand for the products of its largest vendors like Microsoft and Oracle showed a lack of traction, other vendors like IBM, VMWare, Autodesk offered significant growth opportunities.

With its business scheduled to transition fully into the subscription based usage phase, as a precursor to moving to a 100% Cloud based model Autodesk decided to zero in on only one VAD in India to help it in this challenging journey. Your Company takes immense pride in being selected as its partner-of-choice.

Security continues to be a growth story and your Company's strong engagement with vendors like Symantec, Veritas, Sonicwall, McAfee, Palo Alto, CA, Citrix, Cyberoam, Fortinet etc., has offered it valuable growth opportunities.

The security business group aims to take full advantage of the "Security Operations Centre - Network Operations Centre" being hosted by your Company's Subsidiary Ensure Support Services to offer 'Online / Real Time' security solutions covering various technologies to its partners who can then offer it as a value-added solution to their customers. We see this as a significant evolution in our journey as a Solution-oriented distributor and a first step towards your Company's Cyber Security Practice.

#### **Consumer and Digital Lifestyle Products**

While iPhone had a decline in their global shipments and revenue in JFM'16, iPhone sales in India on the contrary grew from 200K units per quarter a few quarters ago to over three times in the most recent quarter. Apple's iPhone still retains substantial growth potential as overall Smartphone penetration in India is still less than 30%. Your Company being one of the largest distributors for Apple is expected to garner good market share.

Apple iPad sales continue to de-grow globally and the trend is similar in India too. However, there are some positive vibes around the iPad Pro which is expected to give a fillip to this category.

Amid an overall decline in worldwide PC shipments, Apple's Mac is the sole product that saw positive shipment growth. The scene in India has not been different. Mac shown a double digit growth YOY and this growth rate appears sustainable for the next two to three years.

IDC forecasts, 2016 to be a year of 4G smartphones, due to increasing trend for higher data consumption owing to affordable 4G devices and data plans. By end of 2016, at least one in two smartphones shipped to India will be a 4G enabled device. Your Company is also attempting to participate in 4G growth by signing up with new vendors.

The Digital photo segment is growing at a fast pace. During FY 2015-16, your Company forayed successfully into the General Commercial Printing (GCP) segment, which has, so far, been the forte of Offset Printing technology. 3D printing technology is also poised for a good growth in India and we are well positioned in this space with a strong engagement with key vendors. Year 2016 is also "the year of DRUPA", world's largest and most important printing equipment exhibition, conducted once every four years in Germany. This show-case for Printing and Publishing technology is expected to give an additional fillip to the Digital printing Industry.

#### **Automated Distribution Centres (ADC)**

The capacity utilization of the Automated Distribution Centre (ADC) in Chennai was full, necessitating expansion of capacity by 65,000 Sqft of floor coverage. The second phase construction is completed and will soon become operational. The ADC facility in Kolkata is running for the second year with full capacity.

#### **Indian Subsidiaries**

##### ***Nook Micro Distribution Limited - (Nook Micro)***

With an objective to expand its business vertical to smaller towns, your Company ventured into last mile distribution through its Wholly Owned Subsidiary, Nook Micro Distribution Limited, during the year 2010. Due to changes in Go-To-Market strategies ("GTM") adopted by various vendors in IT and Telecom Sector like Direct to Retail ("DTR"), National Distributors started playing the role of Regional Distributor/Micro Distributor etc., the relevance of addressing last mile distribution by Nook Micro is getting diminished. This resulted in both Nook Micro and your Company competing in the same market for similar opportunities, which reduced the differentiation between these companies.

Considering this, your Board of Directors approved merger of Nook Micro with your Company with effect from 1<sup>st</sup> April 2015 through a scheme of arrangement.

Subsequently, Nook Micro was merged with the Company, with effect from April 1, 2015 ("the appointed date") in accordance with the terms of the Scheme of Arrangement (Merger) sanctioned by the High Court of Judicature Madras vide its Order dated March 11, 2016. The order of the High Court was filed with Registrar of Companies, Chennai on 15<sup>th</sup> April 2016, by which date Nook Micro stands dissolved.

##### ***Cadensworth (India) Limited – (Cadensworth)***

Your Directors are happy to announce that Cadensworth has managed to put up one more year of bright performance with 25% growth in revenue YOY which is much higher than the industry growth. Industry saw push towards adoption of cloud computing by enterprises and consolidation of data centers. WLAN (Wireless LAN) industry saw a healthy growth. Investments by enterprises in Telco and BFSI segments boosted the demand during the year.

Flash Global Logistics added few more brands to the contract during the year enhancing the revenue stream for the services.

You might recall that with an objective to focus on Value Added Distribution Products, your Company tied up with various brands in this space through Cadensworth.

Due to changes in the market dynamics and vendors strategy, housing similar nature of business (distribution) under your Company, where major brands are housed would result in effective control, optimum utilization of resources, increased efficiency and Cost effectiveness. Considering this, the Board of Directors of your Company at its meeting held on May 24, 2016 have decided to merge Cadensworth (India) Limited with the Company with effect from April 1, 2016 under a scheme of amalgamation, subject to necessary statutory and other approvals.

##### ***ProConnect Supply Chain Solutions Limited – (ProConnect)***

ProConnect Supply Chain Solutions Limited (ProConnect) is a Wholly Owned Subsidiary of your Company engaged in providing Supply Chain Solutions. For the financial year 2016, the revenue grew by 45% and the profit after tax by 60% Y-O-Y.

ProConnect delivers end to end logistics services to customers across different industry verticals. The scope of its services includes Imports, customs clearance, mother warehouse and satellite depot management, primary and secondary logistics for last mile delivery and returns. During last fiscal, ProConnect on-boarded and operationalized twenty five new 3PL customers.

We are pleased to share that ProConnect was awarded

- "Best 3PL Company of the Year - Hi-Tech" for the 2<sup>nd</sup> consecutive year at Express Logistics & Supply Chain Conclave.
- "Customer Intimacy & Service Excellence Company of the Year" for the outstanding services offered to our existing customers at 9<sup>th</sup> ELSC Conclave held in Mumbai
- Best "Performing Fulfillment Centre Award" from their 3PL Client "Lava International".

ProConnect's network of 84 strategic warehouse locations, linked by logistics management services based on a unified technology platform, offers a differentiated value to the E-Commerce market resulting in successful contracts from some of the large e-commerce companies. The explosion of e-commerce business in India presents a huge business opportunity to all SCM solutions providers and ProConnect recognizes the significance of this vertical. Two of the top 3 companies in Indian E-commerce market, have been associated with ProConnect for their 3PL requirements at few locations. ProConnect holds a good future for the group.

##### ***Ensure Support Services (India) Limited – (Ensure)***

Ensure Support Services India Limited (Ensure), a wholly owned subsidiary of your Company expanded its Service Center Network. To enhance the overall experience of customers, twenty exclusive Mobile Service centers have been opened for a leading brand. Ensure has plans to open additional exclusive service centers during the new fiscal year.

Ensure has been expanding its portfolio in the Enterprise Managed and Professional Services by offering independent and neutral services to leading brands and resellers. As part of this journey, Ensure is setting up state-of-the-art Network Operations Center to provide Security, Storage, Networking and Computing Managed Services.

Infrastructure Management Services business has initiated implementation of an integrated End to End (E2E) system encompassing Work Force Management tools, Remote Diagnosis and Resolution, Automated Planning and Forecasting through system and online training. It will help the business to achieve improved quality of service, accurate diagnosis, faster resolution of break-down calls and better productivity.

To facilitate the front end service centers deliver as per the services levels committed, Ensure strengthened the Spare Parts Support by implementing automation of many key functions for faster and efficient operations. Spare Parts Management business of Ensure won many accolades and additional business from customers for their services. Surmounting various geographical challenges, our Spare Parts Management team is able to deliver spare parts exceeding the service levels committed for both volume as well as value products. Ensure has ambitious plans to expand this business.



## Indian Associate

Currents Technology Retail (India) Limited ("Currents"), a Wholly Owned Subsidiary of Redington (India) Investments Limited, an Associate Company, is offering the complete suite of Apple products (iMac, iPhone, iPad etc.) to retail customers creating a superior Apple experience. Currents has consciously restrained from new investment in FY16 and has put lot of efforts to improve the Customer walk-ins and satisfaction so as to have a steady revenue growth along with brand Apple.

## Overseas Operations

Your Company's overseas operations are carried out through two wholly owned subsidiaries; Redington International Mauritius Limited, Mauritius - (RIML) addressing Middle East, Turkey, Africa region and Redington Distribution Pte Limited, Singapore (RDPL) addressing South Asian region including Sri Lanka, Bangladesh, Nepal and Maldives markets.

During the last FY 2015-16, RDPL as a consolidated entity, posted strong double digit growth in both Revenue and Earnings. Your Company expects continued growth in these regions in the coming years.

Redington Gulf FZE, a wholly owned subsidiary of RIML addressing the META region faced yet another turbulent year - encountering, what can be termed the "perfect storm".

Regional economies continued to face implications of continued decline in oil prices (falling over 30% in FY'16). On account of this, many countries resorted to take far reaching measures such as cut in fuel and energy subsidies, increase in local levies and decision to introduce taxation in (VAT being introduced in the GCC countries in 2018 being the first step in that direction). Resultant spending cuts spanned across the public and private sector. The era of low oil prices has also resulted in pressure on many currencies in the META region - notably Nigeria, where availability of US Dollars was severely constrained and Kazakhstan, where the Tenge depreciated by 88% during FY'16. Apart from these, geopolitical tensions continued to overshadow economic activity.

In spite of severely challenging times, Redington Gulf FZE remained the No 1 distributor in the region and continued its dominant position in the distribution space by winning recognitions from many vendors such as Cisco, VMWare, Samsung, HP Enterprise and Microsoft just to name a few. Your Company also enhanced the Telecom distribution portfolio in the Middle East with the addition of Apple iPhones for the UAE market.

Turkey continued to have a year of slow economic growth with overhanging political uncertainty for most part of FY'16, resulting from two parliamentary elections within a span of 6 months. Needless to mention, this resulted in depressed consumer confidence and spending as well as depreciation of the Turkish Lira against the US Dollar (falling 10% in FY'16).

While Personal Computers as a product category continues its decline globally and in the region, your Company is making all efforts to grow the Value Added Distribution business (VAD). As one of many steps in this direction, you would be pleased to note that your Company acquired 70% stake in a Value Added Distributor in Turkey, Linkplus Bilgisayar in November'15. This strategic investment greatly enhances the VAD portfolio of Redington Gulf and in growing this business beyond MEA.

## Directors and Key Managerial Personnel

The tenure of appointment of Mr. M. Raghunandan as Whole-Time Director came to an end on 29<sup>th</sup> February 2016. The Board of Directors at their meeting held on 3<sup>rd</sup> February, 2016, had approved the re-appointment of Mr. M. Raghunandan as a Whole-Time Director for a further period of one year with effect from 1<sup>st</sup> March 2016, subject to the approval of shareholders in the ensuing Annual General Meeting. While considering his re-appointment, Mr. M. Raghunandan consented to continue as Whole Time Director until the Board appoints a candidate in his position as he intended to retire from the services of the Company.

The Board of Directors at their meeting held on 24<sup>th</sup> May 2016 co-opted Mr. E. H. Kasturi Rangan, Joint Chief Operating Officer of the Company on the Board as Director and designated him as Whole Time Director of the Company for a period of 3 years with effect from 24<sup>th</sup> May 2016 subject to the approval of shareholders. Post induction of Mr. E. H. Kasturi Rangan as the Whole Time Director, Mr. M. Raghunandan tendered his resignation from the services of the Company with effect from 24<sup>th</sup> May 2016 and the Board took note of the same.

The Board at its meeting held on 3<sup>rd</sup> February 2016 had fixed the dates of retirement for Whole Time Director and Non Executive Director and accordingly Mr. N. Srinivasan, Non Executive Director submitted his resignation from the Board w.e.f 24<sup>th</sup> May 2016. The Board placed on record appreciation for the services rendered by Mr. M. Raghunandan and Mr. N. Srinivasan during their tenure in the Board.

At the meeting held on 24<sup>th</sup> May 2016, the Board approved appointment of Mr. B. Ramaratnam as Non Executive Director.

Mr. Tu, Shu-Chyuan and Mr. Lin Tai-Yang, Directors of the Company are liable to retire by rotation, and being eligible, have offered themselves for re-appointment.

Brief resumes of the Directors who are getting reappointed are furnished in the Notice of Annual General Meeting.

## Directors' Responsibility Statement

In compliance with Section 134(5) of the Companies Act, 2013, the Directors of the Company, state that:

- in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

- the Directors have selected such accounting policies 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 March 31, 2016 and of the profit of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- The Directors have prepared the annual accounts on a 'going concern' basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Credit Rating

CRISIL has reaffirmed its rating on the long-term bank facilities of your Company as AA- stable (read as CRISIL double A minus, stable). The rating on the short-term debt and bank loan facilities had been reaffirmed at 'CRISIL A1+' (read as CRISIL A one plus), which is the highest rating for this category.

ICRA reaffirmed its ratings for the long-term fund based facilities as 'ICRA AA-' (read as ICRA Double A minus). It has also reaffirmed its rating on the short-term debt program/commercial paper, fund and non-fund based facilities at 'ICRA A1+' (read as ICRA A one plus), their highest rating in this category.

These high ratings benefit the Company in its borrowing program and helps reducing the interest rates.

## Auditors

The Company's Statutory Auditors, M/s. Deloitte Haskins & Sells ("DHS"), Chartered Accountants issued their report on the Standalone and Consolidated Financial Statements of the Company and the same is appended here to the Report. The Auditors' Reports on the Standalone and Consolidated Financial Statements does not contain any qualification, reservation or adverse remark.

DHS (Firm Registration No. 008072S) Statutory Auditors of the Company retire at the ensuing AGM. The Board had approved their appointment as Statutory Auditors till the next AGM of the Company, subject to the approval of the Shareholders.

The Company has received a certificate from DHS to the effect that their appointment, if made, would be in accordance with the provisions of the Companies Act, 2013, and they are not disqualified in terms of provisions of the Companies Act, 2013, from being appointed as Statutory Auditors of the Company. DHS is subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

## Corporate Governance and Management Discussion & Analysis Report

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on the Corporate Governance and Management Discussion and Analysis is attached to this Annual Report.

## Disclosures

### Board and its committees

The details of the Meetings of the Board and its committees held during the financial year, the composition of the committees and the details of committee meetings are given in the Corporate Governance Report.

### Independent Director Declaration

All the Independent Directors have given declaration in terms of Section 149(6) of the Companies Act, 2013.

### Internal Financial Controls

The Company prepared a comprehensive document on Internal Financial Controls (IFC) in line with the requirement under the Companies Act 2013, which included Entity Level Controls (ELC), Efficiency Controls, Risk Controls, Fraud Preventative Controls, Information Technology General Controls (ITGC) and Internal Controls on Financial Reporting (ICFR). A brief note on IFC including ICFR is given in Annexure A to this Report.

The Board opines that the internal controls implemented by the Company for preparation of financial statements are adequate and sufficient.

### Risk Management

The Board of Directors constituted a Risk Management Committee for implementing and monitoring the Risk management practices in the Company. This Committee meets periodically and reviews the potential Risks associated with the Company and discusses steps taken by the management to mitigate the same.



The Board of Directors reviewed the risk assessment and procedures involved in the Company and is of the opinion that there are no risks which may threaten the existence of the Company.

#### Details of Employee Benefit Scheme

The disclosures as required under Regulation 14 of SEBI (Share Based Employee benefits) Regulations, 2014 is given in Annexure B to this Report. The certificate from the statutory auditors of the Company stating that Employee Stock Option Plan 2008 and Employee Stock Purchase Scheme, 2006 has been implemented in accordance with SEBI (Share Based Employee benefits) Regulations, 2014 and the resolution passed in the general meeting is also appended thereto.

#### Information on Conservation of Energy and Technology Absorption

##### A. Conservation of Energy:

###### i. Steps taken for Conservation of Energy:

The operations of your Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy by way of optimizing usage of power and virtualization of Data Centre.

##### B. Technology Absorption:

###### i. Effort made towards technology absorption:

Your Company continues to use the latest technologies for improving the quality of services it offers. Some of the technology adoption and absorption like cloud technology, virtualization and mobile based technologies resulted in better operational efficiencies and Turnaround Time (TAT).

###### ii. Import of Technology:

The Company has not imported any technology during the year.

###### iii. Expenditure on Research and Development:

Since your Company is not involved in manufacturing activities, it did not incur any expenditure on research and development.

#### Foreign Exchange earnings and outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is given in notes 30 and 31 of the standalone financial statements.

#### Policy on Appointment and Remuneration of Directors

The Board on the recommendation of the Nomination and Remuneration Committee has laid down a policy on appointment of Directors and remuneration for the Directors, Key Managerial Personnel and Other Employees. The same is enclosed as Annexure C to this report.

#### Performance evaluation of the Board and Committees

The details of annual evaluation made by the Board of its own performance and that of its committees and individual Directors and performance criteria for Independent Director laid down by Nomination and Remuneration Committee are enclosed as Annexure D to this report.

#### Particulars of Employees

The Particulars of employees required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been given in the Annexure E appended hereto and forms part of this report.

#### Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given and investments made are given under Note 17 to the Standalone Financial Statements.

#### Corporate Social Responsibility

The Committee for Corporate Social Responsibility (CSR) has formulated and recommended to Board a policy on CSR indicating the activities to be undertaken by the Company. The Annual Report on CSR is given under Annexure F to this report.

#### Secretarial Audit Report

Pursuant to Section 204 of Companies Act, 2013, a Secretarial Audit was conducted by a Practicing Company Secretary, Mrs. R. Bhuvana. The report furnished by the Auditor is enclosed as Annexure G to this report and such report does not contain any qualification, reservation or adverse remark.

#### Vigil Mechanism

The Company has implemented a vigil mechanism to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing. It protects employees who raise a concern about serious irregularities within the Company. A brief summary of the vigil mechanism implemented by the Company is annexed under Annexure H to this report.

#### Extract of Annual Return

Extract of Annual Return of the Company in Form MGT-9 is annexed herewith as Annexure I to this Report.

#### Others

- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- The Company has not received any deposits as defined under Companies Act, 2013 during the Financial Year 2015-16.
- None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure J in Form AOC-2.
- There are no material changes and commitments affecting the financial position of the Company which have occurred between 31<sup>st</sup> March 2016 and the date of this report.

#### Weblinks

Policy on Related Party Transaction	<a href="http://redingtonindia.com/images/PolicyondealingwithRelatedPartyTransactions.pdf">http://redingtonindia.com/images/PolicyondealingwithRelatedPartyTransactions.pdf</a>
Policy for determining Material Subsidiaries	<a href="http://redingtonindia.com/images/PolicyonMaterialSubsidiaries.pdf">http://redingtonindia.com/images/PolicyonMaterialSubsidiaries.pdf</a>
Details of Familiarization Programmes	<a href="http://redingtonindia.com/images/Familiarizationprogrammes.pdf">http://redingtonindia.com/images/Familiarizationprogrammes.pdf</a>
Criteria of Making payment to Non Executive Directors	<a href="http://redingtonindia.com/images/PolicyonpaymenttoDirectors.pdf">http://redingtonindia.com/images/PolicyonpaymenttoDirectors.pdf</a>

### Compliance with other regulations

#### Auditors Certificate on Downstream Investment

With regard to the downstream investments in Indian subsidiaries, the Company is in compliance with the FDI regulations and the Company has obtained a certificate from the statutory auditors in this regard.

#### Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has framed a policy on Sexual Harassment to ensure a free and fair enquiry process on complaints received from the employees against Sexual Harassment. No complaint was reported pertaining to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year under review.

### Acknowledgment

Your Directors take this opportunity to thank the shareholders including the principal shareholders, suppliers, customers, bankers, business partners/associates, for their consistent support and encouragement to the Company. I am sure you will join my other Board Members in conveying our sincere appreciation to all employees of the Company and its subsidiaries and Associate for their hard work and commitment. Their dedication and competence has ensured that the Company continues to be a significant and leading player in the industry.

On behalf of the Board of Directors

Place : Chennai  
Date : May 24, 2016

J Ramachandran  
Chairman

### Index of Annexure to the Board's Report

Annexure Reference	Details of disclosure
A	Note on Internal Financial Controls
B	Disclosures as required under Regulation 14 of SEBI (Share Based Employee benefits) Regulations, 2014
C	Policy on appointment of Directors and remuneration for the Directors, Key Managerial Personnel and Other Employees.
D	Details of Performance evaluation of Board & Committee and the Evaluation criteria for Independent Directors
E	Particulars of employees required under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
F	Report on Corporate Social Responsibility
G	Secretarial Audit Report
H	Summary of the vigil mechanism
I	Extract of Annual Return of the Company in Form MGT-9
J	Form AOC-2

## Annexure A

The Companies Act, 2013 has laid down wide responsibility on the Directors regarding Internal Financial Control (IFC). The Institute of Chartered Accountants of India has issued a Guidance Note which prescribes the framework and risk that needs to be covered by a company regarding IFC.

The Company has envisaged the necessity for a good financial control environment much ahead of the requirement enumerated under The Companies Act, 2013. The Company has an existing framework of IFC which is documented and tested as per the requirement of the Guidance Note issued by The Institute of Chartered Accountants of India.

Brief preludes to the framework of the documented Internal Financial Controls are:

### Entity Level Controls (ELC):

ELC exist at the entity level and fosters a culture which sets the tone for control environment within the organisation. It is imperative that patronage of management is necessary to build an effective control environment. The Company has felt this necessity and has demonstrated its intention and commitment by adopting COSO Principle (Committee of Sponsoring Organisation of the Treadway Commission), which is followed across the globe, in framing ELC.

ELC encompasses independency, competency, scope & reporting of the Board, Audit Committee, Internal Audit and Secretarial Department in their pursuit for respective deliverables. It also outlines important practices pursued by IT and HR departments.

### Efficiency Controls:

Over the years, the Company has built in reservoir of knowledge in the field of distribution which has evolved into discrete business intelligence. The business intelligence is leveraged to assist in decision making process by way of efficiency controls.

The Company believes that efficiency controls are essential for perennial existence of the Company. Hence, higher emphasis is placed on coverage or completeness of efficiency controls. Influence of market trends, geographic economy and vendor global policy are considered in formulating efficiency controls.

### Risk Controls:

The Company has a defined process for risk management. Risks are identified based on internal and external factors. Risk are then analysed and managed based on appetite, transfer, mitigation and avoidance.

Insurance coverage, factoring etc., is resorted to wherever the risk can be transferred. Risks are mitigated when it is not avoidable. Risks are avoided when it cannot be transferred or mitigated and the returns are not commensurate with the rewards.

### Fraud Deterrence Controls:

The Company has identified certain key areas where possibility of fraud exists. Checks & balances are built into the system as a part of transaction processing as a fraud deterrent. Areas prone to frauds are subject to constant review and audit by the external and the in-house internal audit team.

### Information Technology General Controls (ITGC):

ITGC is an integral part of control environment of the Company. ITGC consist of general controls which includes monitoring of access controls, evolving a process for change management and ensuring proper security management for different facets of the IT system which includes application software, database, operating software and network and specific controls on transaction processing.

Emphasis is placed on exercising the preventive controls and internal checks through the IT System.

### Internal Control on Financial Reporting (ICFR):

The Company has good controls for financial reporting. The controls hovers around two parameters, one based on information generated by the Company through its operations, and two requirements specified under various statutes.

Controls based on sources of information are mostly IT driven and the controls which are not based on sources of information are controlled through a questionnaire, self-declaration and audit.

The controls were designed from the point of view of "What could go wrong" or the inherent risk associated with the particular transaction or account to distort the financial statement. The Institute of Chartered Accountants of India has issued a Guidance Note which is considered for detailing the inherent risk associated with a particular account in addition to the risk perceived by the Company.

## Annexure B

### Details related to Employee Stock Option Plan, 2008 (ESOP)

#### A. Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under -

Particulars	Redington (India) Limited
1 Date of Shareholder's Approval	27-Feb-08
2 Total Number of Options approved under ESOPs	23,35,973
3 Vesting requirement	50% of options-1 year from the date of grant, 25% of options-2 years from the date of grant, 25% of options-3 years from the date of grant.
4 Exercise Price or Pricing Formula	Market Price or such price as decided by the Board
5 Maximum term of Options granted	5 years from the date of vesting
6 Source of shares	Primary
7 Variation in terms of ESOP	No variations made in the current year

B. The Company uses Fair Valuation method of accounting for Equity based plans.

#### C. Adjusted Net Profit and Earning Per Share

Particulars	
<b>Net Profit (₹ in Lakhs) as Reported</b>	18,889.63
Add: Intrinsic Value Compensation Cost	-
Less: Fair Value Compensation Cost	-
<b>Adjusted Net Profit (₹ in Lakhs)</b>	18,889.63
<b>Earning Per Share: Basic</b>	
As Reported (₹)	4.73
Adjusted (₹)	4.73
<b>Earning Per Share: Diluted</b>	
As Reported (₹)	4.72
Adjusted (₹)	4.72

#### D. Option Movement during the year 2015-16

Sr.No.	Particulars	Numbers	Wt. Avg Exercise price
1	Options outstanding at the beginning of the year	1,28,899	363.31
2	Number of options granted during the year	-	-
3	Options Forfeited / Surrendered during the year	-	-
4	Options Vested during the year	-	-
5	Options Exercised during the year	22,088	363.92
6	Options Lapsed during the year	15,553	180.55
7	Total number of shares arising as a result of exercise of options	1,10,440	363.92
8	Money realised by exercise of options (₹ in Lakhs)	80,38,342	-
9	Options outstanding at the end of the year	91,258	394.31
10	Options exercisable at the end of the year	91,258	394.31

#### E. Weighted average exercise price of options granted during 2015-16 whose

(a) Exercise price equals market price (₹)	No options were Granted during FY 2015-16
(b) Exercise price is greater than market price	
(c) Exercise price is less than market price	



Weighted average fair value of options granted during 2015-16 whose	
(a) Exercise price equals market price (₹)	No options were Granted during FY 2015-16
(b) Exercise price is greater than market price	
(c) Exercise price is less than market price	

**F. Employee-wise details of options granted during the financial year 2015-16 to:**

(i) Senior managerial personnel:	No options were granted during FY 2015-16
(ii) Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year:	Nil
(iii) Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant:	Nil

**G. Method and Assumptions used to estimate the fair value of options granted during the year:**

The fair value has been calculated using the Black Scholes Option Pricing model

Variables	Date of Grant
1. Risk Free Interest Rate	
2. Expected Life	
3. Expected Volatility	No options were granted during FY 2015-16
4. Dividend Yield	
5. Price of the underlying share in market at the time of the option grant. (₹)	

**Details related to Employee Share Purchase Scheme, 2006 (ESPS)**

- The details on each ESPS under which allotments were made during the year 2015-16: No allotment was made during the year
- The details regarding allotment made under each ESPS, as at 31<sup>st</sup> March 2016: No allotment was made under ESPS at the end of the year.

**Details related to Trust**

**I. General information on all schemes**

S.No.	Particulars	Details
1.	Name of the Trust	Redington Employee Share Purchase Trust
2.	Details of the Trustee(s)	Mr. B. Arunachalam Mr. A. Athinarayanan Mr. A.S. Varadharajan
3.	Amount of loan disbursed by Company / any company in the group, during the year	Nil
4.	Amount of loan outstanding (repayable to Company / any company in the group) as at the end of the year	Nil
5.	Amount of loan, if any, taken from any other source for which Company / any company in the group has provided any security or guarantee	Nil
6.	Any other contribution made to the Trust during the year	Nil

**II. Brief details of transactions in shares by the Trust**

a) Number of shares held at the beginning of the year	
b) Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;	Nil
c) Number of shares transferred to the employees / sold along with the purpose thereof	
d) Number of shares held at the end of the year	

**III. Secondary acquisition of shares by the Trust**

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	NIL
Acquired during the year	
Sold during the year	
Transferred to the employees during the year	
Held at the end of the year	

**Compliance Certificate**

We have examined the books of account and other records maintained by Redington (India) Limited ("the Company") for the year ended March 31, 2016 and on the basis of such examination, information / explanations and representations given to us, we confirm that:

- The Company's Employee Stock Option Scheme 2008 has been implemented in accordance with the "Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and as per the "Securities and Exchange Board of India (Share Based Employee Benefits) (Amendment) Regulations 2015" and in accordance with the Resolution passed in the Extra-ordinary General Meeting of the Company held on February 27, 2008.
- The Company's Employee Share Purchase Scheme 2006 has been implemented in accordance with the "Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and as per the "Securities and Exchange Board of India (Share Based Employee Benefits) (Amendment) Regulations 2015" and in accordance with the Resolution passed in the Extra-ordinary General Meeting of the Company held on July 01, 2006.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

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

**Annexure C**

**Part A – Policy on appointment of Directors**

For the Board of a Company to be effective and efficient, it should comprise of individuals who have professional qualifications and proven experience in their respective fields of specialization.

The Nomination and Remuneration committee evaluates the Directors and recommends the Board for their appointment / reappointment and ensures optimum composition of Board. While recommending appointment of an Individual as a Director on the Board, the committee has to review the following factors including the others:

- Diversity of the Board
- Qualification and positive attributes
- Independence of Directors (in the case of Independent Directors)

**Diversity of Board**

Diversity in the Board enhances diversity of ideas. Having this ideology in mind, the Committee shall take into consideration various factors including the following to ensure Board Diversity:

- Optimum composition of Executive Directors and Non-Executive Directors on the Board;
- Professional experience and expertise in different areas of specialization;

- Diversity criteria including, but not limited to gender, age, ethnicity, race, religion, culture and geographic background;
- Academic qualification, functional expertise, personal skills and qualities

The ultimate decision is based on merit and contribution that the selected candidates brings to the Board.

#### Qualification and positive attributes

The committee may also assess whether they meet qualification criteria and the positive attributes set below:

- Financially literate, which means he/she possess the ability to read and understand basic financial statements i.e. balance sheet, Statement of Profit and Loss, and statement of cash flows.
- Possess high levels of personal, professional integrity
- Have appropriate knowledge / experience about the industry and the Company, or ability to acquire required knowledge and understanding.
- Able to provide guidance to the Board in matters of business, finance, strategy and corporate governance
- Able to analytically look into the issues placed before the Board and provide strategies to solve them
- Possess better communication skills and ability to work harmoniously with fellow Directors and management;
- Willingness to devote the required time, including being available to attend Board and Committee meetings;

#### Independence of Directors (only in the case of Independent Directors)

Any relationship between the Company and Directors other than in the normal course will affect the Independence of Directors in many ways. The Committee shall assure that the candidate proposed for the position of Independent Director meets the minimum criteria for Independence set out under Section 149 of the Companies Act, 2013. It shall also assess if the candidate would be able to meet the standards mentioned in the code for Independent Directors under the Companies Act, 2013.

### Part B – Policy on Remuneration to Board of Directors, key managerial personnel and other employees

#### Introduction

With the view to ensure that the Company attracts, motivates and retains qualified industry professionals for the Board and Management in order to achieve its strategic goals this policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The remuneration policy of the Company is aimed at rewarding performance, based on review of achievements on a regular basis and is in consonance with the existing industry practices.

This policy is now re-framed to ensure that the requirements of Section 178 of the Companies Act, 2013 is met and it intends to define general guidelines for the Company's pay to the Board of Directors, Key managerial Personnel and Senior Management and other employees.

#### Remuneration of Directors

The Board of Redington (India) Limited comprises of three categories of Directors viz., Executive Directors, Non Executive Directors and Non Executive Independent Directors.

The Remuneration to Executive and Non Executive Directors are governed by the provisions of Companies Act, 2013 and the rules framed thereunder and the notifications issued by the Ministry of Corporate Affairs from time to time.

#### Executive Directors

The Executive Director's compensation comprises of two broad components - Fixed Remuneration and a performance-linked variable component. The fixed remuneration is determined based on market standards and the Company's specific needs from time to time. The Board of Directors evaluate the fixed remuneration annually based on the results from the previous period and with due consideration to the trend within the market standards.

Variable Components of the Executive Directors includes performance linked bonus, which will be decided by the Board based on the performance criteria with the objective to create long term shareholder value.

Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

#### Non Executive Directors

The Non Executive Directors including Independent Directors are paid commission upto one percent of the profits as may be decided by the Nomination and Remuneration committee and the Board of Directors. This profit is to be shared amongst the Non Executive Directors.

Non Executive Independent Directors are eligible for fixed amount of sitting fees for attending meeting of the Board of Directors and its committees as allowed under the Companies Act 2013.

#### Reimbursement of expenses

All expenses incurred by the Board of Directors for attending the meetings and events of the Company are reimbursed at actuals.

#### Remuneration to Key Managerial Personnel and Senior Management Personnel

It is to be ensured that Key Managerial Personnel (KMP) and Senior Management Personnel are paid as per the trend prevalent in the similar industry, nature and size of business. The level and components of remuneration is reasonable and sufficient to attract and retain the KMPs and Senior Management.

The remuneration for Key Managerial Personnel and Senior Management comprises of two broad components i.e Fixed and Variable.

The fixed component is paid on a monthly basis and the variable component is paid on the degree of their achieving "Key Result Areas". Executive Directors on yearly basis, on discussion with the KMP and senior management personnel, frame the Key Result Area (KRA). The KRA is fixed with an aim to achieve the overall objectives of the Company.

#### Remuneration to other employees

To have a strong bondage with the Company and long time association of the employees, the management while fixing remuneration to the employee ensures that it:

- Appropriately compensate employees for the services they provide to the Company;
- Attract and retain employees with skills required to effectively manage the operations and growth of the business;
- Motivate employees to perform in the best interests of the Company and its stakeholders

In consonance with this well formulated principle, the compensation of employees has been linked to performance. However for compensation above certain limits have variable component in the salary structure and are linked to Key Result Area (KRA) fixed to the employees.

#### Share/Stock based compensation

To attract and retain the talent, motivate employees to achieve business goals, reward performance with ownership and align employees interests with those of shareholders, the Company endeavours to create wealth to the Directors and employees by way of share/stock based compensation framed by the Company. Prior to and post listing of the shares of the Company on the stock exchanges, the Company, formulated various schemes to offer shares/stock based compensation to the Directors and employees.

#### Insurance coverage

To protect the interest of the Directors and employees while carrying out their duties which are exposed to various legal and regulatory requirements, the Company has obtained various insurance policies such as Directors & Officer's Liability Insurance, etc. The Professional Indemnity policies are intended to protect the Directors and executives from legal action. The policy normally covers legal costs for defending civil suits.

### Annexure D

#### Performance Evaluation Process & Criteria

Nomination and Remuneration Committee (the Committee) of Board of Directors has appointed an external agency for availing their assistance in designing, implementing, analyzing and reporting of performance evaluation of the Board and its committees and the members thereof in compliance with the statutory requirements.

With their assistance, the Committee has formulated criteria and questionnaires to evaluate the performance of Board, its committees and Individual Directors including the Independent Directors. Further, the Independent Directors at their separate meeting added the criteria to evaluate the performance of Non Independent Directors and the Chairman of the Board.

The performance evaluation criteria is determined by the Committee taking into consideration the composition of our board, role of the Directors and committees etc., Criteria for evaluation includes Board's culture, stewardship of the board, participation and contribution by the individual Directors during Board Meetings, interface with the senior management team and independence of behaviour and judgement etc.

Based on the feedback received on the questionnaires, the performance of every Director was evaluated. Independent Directors at their separate meeting carried out evaluation on the performance of Non Independent Directors and Board as a whole. Chairman's evaluation was carried out by entire Board of Directors including the Independent Directors.





## PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES:

Note:

- For the purpose of calculating the remuneration, the salary and perquisites as defined under Income Tax Act, 1961 is considered.
- The remuneration received by Directors from the Company is only considered.
- All financial figures are basis Standalone Financial Statements.

A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;

Name of Director	Designation	Ratio to median remuneration
Prof J. Ramachandran	Chairman, Non Executive Independent Director	4.3
Mr. N. Srinivasan	Non Executive Director	4.1
Mr. V. S. Hariharan	Non Executive Independent Director	3.9
Mr. Keith WF Bradley	Non Executive Independent Director	3.9
Ms. Suchitra Rajagopalan	Non Executive Independent Director	2.4
Mr. M. Raghunandan	Whole Time Director	4.9

B. The percentage change in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Name of Director	Designation	YOY %
Prof J. Ramachandran	Chairman, Non Executive Independent Director	-3.5
Mr. N. Srinivasan	Non Executive Director	-3.9
Mr. V. S. Hariharan	Non Executive Independent Director	-10.4
Mr. Keith WF Bradley	Non Executive Independent Director	-3.8
Ms. Suchitra Rajagopalan*	Non Executive Independent Director	NA
Mr. M. Raghunandan	Whole Time Director	-68.6
Mr. S. V. Krishnan@	Chief Financial Officer	6.3
Mr. M. Muthukumarasamy@	Company Secretary	16.1

\* Ms. Suchitra Rajagopalan was appointed on September 29, 2014. No commission was paid during FY 14-15. Hence the remuneration figures are not comparable.

@ Remuneration paid to Mr. S. V. Krishnan and Mr. M. Muthukumarasamy during FY 15-16 includes variable salary component paid to them pertaining to previous year. However, on Cost to Company basis, the increase in remuneration paid to Mr. S. V. Krishnan and Mr. M. Muthukumarasamy during FY 15-16 is 12% and 10.1% respectively.

Mr. Raj Shankar and Mr. R. Srinivasan, Directors of the Company and its subsidiaries are being paid remuneration from the overseas wholly owned subsidiary of the Company. Hence the same is not considered here.

C. Percentage increase in median remuneration of employees in the financial year : 5.8%

D. Number of permanent employees on the rolls of Company as on March 31, 2016 : 1,330

E. Explanation on the relationship between average increase in remuneration and Company performance:

For increase in the remuneration of employees, the Company takes into consideration amongst other criteria, the Industry Trend, Performance of the employees, Performance of the Company etc.

The average percentile of increment given to the employees at the beginning of FY 15-16 is 13.12% and the Revenue and Profit after Tax growth during FY 2015-16 over FY 2014-15 were 5.0% and 3.8% respectively.

F. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

Increase in Profit after Tax of the Company over previous year	3.8%
Change in remuneration of Key Managerial Personnel (based on Remuneration paid during FY 15-16)#	-27.8%
Increase in remuneration of Key Managerial Personnel (based on Cost to Company)	8.6%

# Remuneration paid to Mr. M. Raghunandan during FY 14-15 includes performance linked bonus pertaining to the financial years 2011-12, 2012-13 and 2013-14. There is no increase in his Cost to Company during FY 15-16.

G. Variations in the market capitalization 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.

Particulars	FY 15-16	FY 14-15	YOY growth %
No. of shares at the end of financial year — A	399,813,230	399,702,790	
Share price at the end of financial year (NSE) — B	114.65	131.25	
Market Capitalization (₹ in Cr) — C = A X B	4,583.90	5,246.10	-12.6%
Earnings Per Share (EPS) — D	4.73	4.55	
Price Earnings Ratio excluding — E = B/D	24.2	28.8	-16.0%

The Company came out with Initial Public Offer during 2006-07 at price of ₹ 113/- per equity share of Face Value ₹ 10/- each. On August 23, 2010 the shares of face value of ₹ 10/- each was sub-divided into 5 Equity shares of face value of ₹ 2/- each. The closing price of the Company's share on NSE as at March 31, 2016 was ₹ 114.65. As on March 31, 2016, the shares of the Company were trading higher by 407.3% as compared to the issue price during the Initial Public Offer.

H. 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;

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 13.14 % and managerial remuneration for the same financial year was decreased by 28.3%.

Managerial remuneration paid during the year 2014-15 includes performance linked bonus of previous year, hence not comparable with managerial remuneration paid during FY 2015-16.

The percentage increase in the Cost-to-Company for the managerial personnel in the financial year 2015-16 was 8.6%, which is in line with the average percentile increase made in the salaries of employees other than the managerial personnel.

I. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;

Name	Designation	% Increase in remuneration paid	As a % of PAT
Mr. M. Raghunandan#	Whole Time Director	-68.6	0.1
Mr. S.V. Krishnan@	Chief Financial Officer	6.3	0.3
Mr.M. Muthukumarasamy@	Company Secretary	16.1	0.1

# Remuneration paid to Mr. M. Raghunandan during FY 14-15 includes performance linked bonus pertaining to the financial years 2011-12, 2012-13 and 2013-14. There is no increase in his Cost to Company during FY 15-16.

@ Remuneration paid to Mr. S. V. Krishnan and Mr. M. Muthukumarasamy during FY 15-16 includes variable salary component paid to them pertaining to previous period. However, on Cost to Company basis, the increase in remuneration paid to Mr. S. V. Krishnan and Mr. M. Muthukumarasamy during FY 15-16 is 12% and 10.1% respectively.

J. Key parameters for any variable component of remuneration availed by the Directors;

For Executive Directors, the variable component of remuneration would be paid based on achievement of Key Results Areas fixed. For payment of commission (variable every year) to Non Executive Directors, the Company obtained the approval of members at the AGM of the Company held on August 3, 2015. As per the approval, the Company can pay commission to the Non Executive Directors, within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act. The said commission is decided each year by the Board of Directors. It would be distributed amongst the Non-Executive Directors as may be decided by the Board.

K. 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:

Mr. M. Raghunandan, Whole Time Director was the highest paid Director during the Financial Year 2015-16.

During the financial year ended 31<sup>st</sup> March 2016, 44 employees received remuneration more than that of Mr.M.Raghunandan. The ratio of remuneration of Mr.M.Raghunandan to that of the aforesaid employees is in the range from 1 to 3.4 times.

L. It is affirmed that the remuneration is as per the remuneration policy of the Company

M. Particulars of Employees:

Details of employees who were employed throughout the year and were in receipt of remuneration of more than ₹ 60.00 Lakh per annum

Name of the Employee	Mr. P.S. Neogi	Mr. E.H. Kasturi Rangan	Mr. Ramesh Natarajan	Mr. Francis Albert A
Designation	Joint Chief Operating Officer	Joint Chief Operating Officer	Senior President	Vice President
Remuneration	₹ 7,409,893	₹ 7,389,628	₹ 7,281,083	₹ 6,312,285
Nature of employment	Permanent	Permanent	Permanent	Permanent
Qualification	Bachelor of Engineering	Chartered Accountant	Bachelor of Commerce	Bachelor of Commerce
Experience with the Company	16 years	13.5 years	18.5 Years	15.5 Years
Date of Joining	April 1, 2000	October 1, 2002	August 21, 1997	December 1, 2000
Age	58	51	47	45
Last Employment	Exports Manager - Redington Pte Limited, Singapore	Practicing Chartered Accountant	Territory Manager - Pertech Computers Limited	Assistant Manager Marketing-SSI Ltd
No. of shares as on 31 <sup>st</sup> March 2016	207	16,050	Nil	Nil
Relation to Board of Directors	Nil	Nil	Nil	Nil

## Annexure F

### Report on Corporate Social Responsibility

#### 1. Company's policy on CSR – An Overview

Every organization has the right to exist in a society. With the right, there comes a duty to give back the society a portion of what it receives from it. As a corporate citizen we receive various benefits out of society and it is our co-extensive responsibility to pay back in return to the society.

Redington's business mantra is "Create value, profit will follow". It believes that creation and maximization of value to stakeholders is paramount, and it generates profit in long term. The Company is committed to improving the quality of life of the workforce and their families as well as of the local community and society at large. With the Companies Act, 2013 mandating the corporate to contribute for social development and welfare, Redington would fulfill this mandate and supplement the government's efforts.

Further details on the projects, programmes relating to CSR is available in the below web pages

<http://redingtonindia.com/images/CSRpolicy.pdf>

<http://www.redingtonfoundation.org/>

#### 2. Composition of the CSR Committee of Directors

- Mr. V.S. Hariharan
- Mr. R. Srinivasan
- Mr. M. Raghunandan

#### 3. Average net profit of the Company for last three financial years – ₹ 246 Crore

#### 4. Prescribed CSR expenditure for the year 2015-16 (2% of the amount as above plus CSR expenditure for 2014-15 [provisions made in FY 14-15]) - ₹ 5.17 Cr + ₹ 4.95 Cr = ₹ 10.12 Cr

#### 5. Details of the CSR Spent during the financial year:

- Total amount to be spent in the financial year : ₹ 10.12 Crore
- Total amount spent in the financial year : ₹ 4.95 Crore
- Amount unspent : ₹ 5.17 Crore

d) Manner in which the amount spent directly by the Company / trust during the financial year

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in Lacs)	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads (₹ in Lacs)	Cumulative expenditure up to the reporting period (₹ in Lacs)	Amount spent: Direct or through implementing agency (₹ in Lacs)
1	Employability Skills Training	Education	Chennai 1. Sivasailam 2. Coimbatore 3. Dindigul 4. Chennai 5. Madurai 6. Salem	200	3.55 103.71	3.55 103.71	Direct Through Foundation for CSR @ Redington
2	Setting up of Smart Class Rooms	Education	1. Chennai 2. Sivasailam 3. Madurai 4. Coimbatore	50	12.45	12.45	Through Foundation for CSR @ Redington
3	Equipping and Recouping Educational Institutions	Education	Chennai	150	54.83	54.83	
4	Vocational Training to Differently abled	Education	Sivasailam	50	19.76	19.76	
5	Sponsorship/Scholarship to Schools, Colleges and Students	Education	Tamil Nadu	150	66.64	66.64	
6	Protection of Flora and Fauna	Environment	Ghaziabad	50	4.90	4.90	Direct
7	Common Expenses			-	19.61	19.61	
	TOTAL			650	285.45	285.45	

\* A sum of ₹ 87 Lakhs had been subsequently spent on the above projects, until May 24, 2016.

#### 6. Reasons for non-spending of the CSR amount (fully):

- The CSR activities of the Company are implemented through Trust formed by the company under the name and style 'Foundation for CSR @ Redington' Trust.
- As planned, the Company started spending money for CSR activities by focusing in the area of education (promoting employability skills). For this purpose various projects were made and Smart Learning Centers, Smart Class rooms and Resource centers were set up. Training agencies with requisite expertise were engaged to impart employability training skills.
- The Company has completed setting up of 10 Smart Learning Centers and 6 Smart Class Rooms. Apart this, the Company has also imparted vocational training to differently-abled children through various institutions. The Company also supported schools and students with various recouping and equipping activities.
- Being the initial period, the Company was cautious in deploying budgeted funds until it could see the results of the steps taken by it. Hence the outlay was proportionately less than the projected.
- The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company.

**Raj Shankar**  
Managing Director

**VS Hariharan**  
Chairman – CSR Committee

## Annexure G

### Secretarial Audit Report

For the Financial Year Ended on 31<sup>st</sup> March 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

THE MEMBERS OF THE COMPANY  
REDINGTON (INDIA) LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by REDINGTON (INDIA) LIMITED ("the Company"). The Secretarial Audit was conducted in a manner

that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of -

1. The Companies Act, 2013 (the Act) and the Rules made there under ;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent applicable to FDI Regulations relating to downstream investments in Indian subsidiaries and Overseas Direct Investment (ODI).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), viz., :
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014
  - e) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
6. There are no Sector Specific laws applicable to the Company.

I have also examined compliance with applicable clauses of the following:

- a) The Equity Listing Agreements with the BSE Limited and National Stock Exchange of India Limited.
  - b) Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
7. During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board that took place during the year 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.

All decisions at Board Meeting and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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 all applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Board of Directors of the Company has approved the Merger of Nook Micro Distribution Limited (a wholly owned subsidiary of the Company) with the Company.

R. Bhuvana  
Practicing Company Secretary  
Certificate of Practice No. 8161  
Membership No. 22108

Place: Chennai  
Date: May 24, 2016

## Annexure H

### Vigil Mechanism

- Employees and Directors can make Protected Disclosure to Ombudsperson appointed by the Company. If it is received by any other person the same should be forwarded to the Ombudsperson for further appropriate action.
- Name of the Whistle Blower need not be disclosed to the Whistle Officer/Committee.
- The Ombudsperson/Whistle Officer/Committee shall after end of investigation make a detailed written record of the Protected Disclosure.
- The Whistle Officer/Committee shall finalize and submit the report to the Ombudsperson within 15 days of being nominated/appointed.
- On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:
  - i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer/Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter; or
  - ii) In case the Protected Disclosure is not proved, extinguish the matter; or
  - iii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Committee of Directors with proposed disciplinary action/counter measures
- Notwithstanding the above, the Whistle Blower shall have direct access to the Chairman of the Audit Committee in exceptional cases.
- Audit Committee can seek the assistance of other departments including the Human Resources Department and other external consultants in appropriate cases.
- In case of repeated frivolous complaints being filed by a Whistle Blower, the Audit Committee may take suitable action against the concerned Whistle Blower including reprimand.

## Annexure I

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

#### I. REGISTRATION AND OTHER DETAILS:

S.No.	Particulars	Inferences/ Remarks
1.	CIN	L52599TN1961PLC028758
2.	Registration Date	02/05/1961
3.	Name of the Company	Redington (India) Limited
4.	Category	Company Limited by Shares
5.	Address of Registered office and contact details	SPL Guindy House, 95, Mount Road, Chennai – 600 032 Phone: +91-44-4224 3353; Fax: +91-44-22253799 Email: investors@redington.co.in Website: <a href="http://www.redingtonindia.com">www.redingtonindia.com</a>
6.	Whether listed Company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent	M/S Cameo Corporate Services Limited Subramanian Building, No. 1, Club House Road Chennai, Tamil Nadu 600 002 Phone: +91-44-2846 0390; Fax: +91-44-2846 0129 Email: investor@cameoindia.com Website: <a href="http://www.cameoindia.com">www.cameoindia.com</a>





## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10% or more of total turnover of the Company are given below:

S.No.	Name and Description of Main Services	NIC Code of the Service	% of Total turnover of the Company
1.	Wholesale of machinery, equipment and supplies. [Wholesale of computers, computer peripheral equipments, software, electronic and telecommunications equipment and parts]	465	99.99%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

### a) Holding Company – NIL

### b) Indian Subsidiaries

S.No.	Name of the Company	Address of the Company	CIN	% of shares held	Applicable Section
1.	Nook Micro Distribution Limited*	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U65929TN1990PLOC057809	100	Sec. 2(87)
2.	Cadensworth (India) Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U52392TN2002PLOC050014	100	Sec. 2(87)
3.	ProConnect Supply Chain Solutions Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U63030TN2012PLOC087458	100	Sec. 2(87)
4.	Ensure Support Services (India) Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U72900TN2013PLOC091888	100	Sec. 2(87)

\* Merged with the Company with effect from 1<sup>st</sup> April 2015.

### c) Overseas Subsidiaries

S.No.	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
1.	Redington Distribution Pte Ltd, Singapore	60 Robinson Road, #12-02 BEA Building, Singapore - 068892	NA	100	100	Sec. 2(87)
2.	Redington International Mauritius Ltd Mauritius	IFS Court TwentyEight, Cybercity, Ebene Mauritius	NA	100	100	Sec. 2(87)
3.	Redington SL Pvt Limited (Sri Lanka)	No 12, Visaka Road, Bambalapitiya, Colombo 04, Sri Lanka.	NA	100	100	Sec. 2(87)
4.	Redington Bangladesh Ltd Bangladesh	MR Centre 4 <sup>th</sup> Floor Banani Bazar Building NO 49 ROAD NO 17 Dhaka, Bangladesh 1213	NA	99	100	Sec. 2(87)
5.	Redington Gulf FZE	Plot No. S30902 PO Box 17266 Jebel Ali, Dubai, UAE	NA	100	100	Sec. 2(87)
6.	Redington Turkey Holdings SARL	58 Rue Charies Martel L 2134 Luxembourg	NA	100	100	Sec. 2(87)
7.	Ensure Gulf FZE ^	Warehouse No. RA08BA03 Jebel Ali, Dubai, UAE	NA	49	100	Sec. 2(87)
8.	Arena International FZE **	Jebel Ali PO BOX 461802 Dubai, UAE	NA	49.40	49.40	Sec. 2(87)

S.No.	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
9.	Proconnect Supply Chain Logistics LLC ^	Plot No. S30902 PO Box 17266 Jebel Ali, Dubai, UAE	NA	49	100	Sec. 2(87)
10.	Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi **	Göktürk Merkez Mahallesi, Göktürk Caddesi No:4 Eyüp/İstanbul	NA	49.40	49.40	Sec. 2(87)
11.	Sensonet Teknoloji Elektronik Ve Bilisim Hizmetleri Sanayi Ve Ticaret Limited Şirketi **	Ramazanoglu Mah. Transtek Cad. No.2 Pendik/İstanbul	NA	49.29	49.29	Sec. 2(87)
12.	Adeo Bilisim Danismanlik Hizmetleri San Ve Tic. A.S. **	Libadiye Cad. Tahrali Sk. Tahrali St. K. Yeli Pliz 7C K.8 No:16/17 Ataşehir/İstanbul	NA	25.19	25.19	Sec. 2(87)
13.	Redington Nigeria Limited	Airprint Industrial Estate 122-132, Oshodi-Apapa Expressway PO BOX:3623 Isolo, Lagos, Nigeria	NA	100	100	Sec. 2(87)
14.	Redington Kenya Ltd, Kenya	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
15.	Redington Gulf & Co LLC	Office No.26, Ground Floor Oman Commercial centre Post Box 3065 Ruwi-Muscat Sultanate of Oman	NA	70	100	Sec. 2(87)
16.	Cadensworth FZE	Warehouse No. RA08VC01 PO Box 17441 Dubai, UAE	NA	100	100	Sec. 2(87)
17.	Redington Egypt Ltd	1 Makram Ebaid Street City light Tower 3A, Office No 301, near City Cairo, Egypt	NA	100	100	Sec. 2(87)
18.	Ensure IT Services (PTY) Ltd., South Africa	606 Kudu street White Thorn Office Park-Allens Nek Gauteng 1737, South Africa	NA	100	100	Sec. 2(87)
19.	Ensure Services Arabia LLC, Saudi Arabia	P.O Box 62918, Riyadh 11595 Kingdom of Saudi Arabia.	NA	100	100	Sec. 2(87)
20.	Redington Middle East LLC ^	Office No. 606. Atrium Centre Khalid bin Waleed road PO BOX 12815, Dubai, UAE	NA	49	100	Sec. 2(87)
21.	Redington Africa Distribution FZE	Plot No. S30902 PO Box 17266 Jebel Ali, Dubai, UAE	NA	100	100	Sec. 2(87)
22.	Ensure Services Bahrain SPC	Building 46, Road 359, Block 321 Manama, Alqudaybiyah Kingdom of Bahrain	NA	100	100	Sec. 2(87)
23.	Redington Ltd	C371/3, Dufie House, Samoramichel Road, Aslyum Down Roundabout, Aslyum Down, Accra, Ghana.	NA	100	100	Sec. 2(87)
24.	Africa Joint Technical Services	Shabiyah, Tripoli Libya	NA	65	100	Sec. 2(87)

S.No.	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
25.	Redington Uganda Ltd	PO Box 33009, Plot # 15, Mulwana Road, Industrial Area, Opposite Uganda Betti Kampala, Uganda	NA	100	100	Sec. 2(87)
26.	Redington Kenya EPZ Ltd	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
27.	Redington Rwanda Ltd.	C/o GPO Partners Rwanda Ltd Boulevard de l'Umuganda, Aurore Building - Kacyiru, P.O. Box 1902, Kigali - Rwanda	NA	100	100	Sec. 2(87)
28.	Cadensworth United Arab Emirates LLC ^	Office No. 507, Atrium Centre Khalid Bin Waleed Road PO BOX No. 12816 Dubai, UAE	NA	49	100	Sec. 2(87)
29.	Redington Gulf FZE CO. Iraq	1 <sup>st</sup> floor Haj Hashim Printing Press Building Sultan Muthafar st Erbil	NA	100	100	Sec. 2(87)
30.	Redington Qatar WLL ^	Barwa Commercial Avenue, Satwa, Block # 29, Messameer Doha Qatar	NA	49	100	Sec. 2(87)
31.	Redington Qatar Distribution WLL ^	Building No 24, Rawda Khaleed Street No 230, Office # 11, First Floor C Ring Road, Al Muntaza Area Doha, Qatar	NA	49	100	Sec. 2(87)
32.	Redington Kazakhstan LLP	117, Makatayeva street Zhetyyskiy district Almaty City, Kazakhstan - 050050	NA	100	100	Sec. 2(87)
33.	Redington Tanzania Ltd	11a, 1st Floor, Swiss Tower Un Road, Ujanga PO Box 38096, Dar Es Salaam Tanzania	NA	100	100	Sec. 2(87)
34.	Redington Morocco Ltd	292 Boulevard Zerikouni Maar Morocco	NA	100	100	Sec. 2(87)
35.	Redington Angola Ltd	Largo 4 De Fevereiro N.3, Ingombota Luanda, Angola	NA	100	100	Sec. 2(87)
36.	Redington Senegal Limited SARL	Abc Commercial 1 & 2 Round Point J d Eau Dakar Senegal.	NA	100	100	Sec. 2(87)
37.	Redington Saudi Arabia Distribution Company	PO Box 66120 Riyadh 11576 Kingdom of Saudi Arabia	NA	75	100	Sec. 2(87)
38.	Ensure Technical Services Morocco Limited (SARLAI)	Galerie Riad Anfa Bd Bourgoine Mag N°37 Anfa Casablanca, Morocco	NA	100	100	Sec. 2(87)
39.	Ensure Ghana Limited	C371/3, Dufie House, Samoramichel Road, Aslyum Down Roundabout, Aslyum Down, Accra, Ghana.	NA	100	100	Sec. 2(87)

S.No.	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
40.	Ensure Technical Services (PTY) Ltd., South Africa	Unit 6, Monr Je Paul 26 Alobfield crescent Rochdale park, spring field park KWA-Zulu Natal, South Africa	NA	100	100	Sec. 2(87)
41.	Ensure Middle East Trading LLC ^	Shop No.105 & 105, Mezzanine floor Al Khaleej Centre Burdubai - UAE	NA	49	100	Sec. 2(87)
42.	Ensure Technical Services Kenya Limited, Kenya	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
43.	Ensure Technical Services Tanzania Limited	Shop No:11A, 1 <sup>st</sup> Floor, Swiss Tower UN Road, Ujanga, PO Box 38096, Dar Es Salaam, Tanzania.	NA	100	100	Sec. 2(87)
44.	Ensure Services Uganda Limited	Plot # 15, Mulwana Road, Industrial Area, Opposite Uganda Batt Kampala, Uganda.	NA	100	100	Sec. 2(87)
45.	Ensure Solutions Nigeria Limited, Nigeria	Airprint Industrial Estate 122-132, Oshodi-Apapa Expressway PO BOX:3623 Isolo, Lagos, Nigeria.	NA	99.90	100	Sec. 2(87)
46.	Paynet Ödeme Hizmetleri A.Ş. **	Göktürk Merkez Mahallesi, Göktürk Caddesi No:4 Eyüp/İstanbul	NA	49.40	49.40	Sec. 2(87)
47.	Ensure Digital FZ - LLC **	11, Ground Floor, Building 05, Dubai Internet city, Dubai, United Arab Emirates	NA	100	100	Sec. 2(87)
48.	CDW International Trading FZE	CDW International Trading FZE #427, Building No: 6WA PO Box: 371554 DAEZA,Dubai	NA	100	100	Sec. 2(87)
49.	RNDC Alliance West Africa Limited	RNDC ALLIANCE WEST AFRICA LTD, 2 <sup>nd</sup> Floor, Akron House, 94 Allen Avenue, Ikeja, Lagos, Nigeria.	NA	100	100	Sec. 2(87)
50.	Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S. (Turkey)	Linkplus Bilgisayar Sistemleri Sanayi Ve Ticaret A.Ş., Kiskili Mahallesi Hamisetti Sokak, No:46, Usküdar, İstanbul	NA	70	70	Sec. 2(87)

Note:

^ Although the percentage of holding is less than 50, Redington Gulf FZE has the power to govern the strategic operating and financial policies and exercise control. Consequently, the above-mentioned entities are considered as subsidiaries and consolidated with the Group's Financial Statements.

\*\* As Redington Turkey Holdings S.A.R.L., Luxembourg has control over the composition of Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi's Board of Directors, Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi and its subsidiaries are considered as subsidiaries of RIML for the purpose of preparation of Consolidated Financial Statements.

\*\* Liquidated during the year

### d) Associate Companies



S.No.	Name of the Company	Address of the Company	CIN	% of shares held	Applicable Section
1	Redington (India) Investments Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U65993TN1995PLC032050	47.62	Sec. 2(i)
2	Currents Technology Retail (India) Limited	No.2, 8 <sup>th</sup> Street Extension, Nandanam, Chennai - 600 035	U52390TN2011PLC081001	47.62	Sec. 2(i)

#### 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			No. of shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
<b>A. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>							
1. INDIAN							
a. INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0.00	0	0	0.00	0.00
b. CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0.00	0	0	0.00	0.00
c. BODIES CORPORATE	0	0	0.00	0	0	0.00	0.00
d. FINANCIAL INSTITUTIONS/BANKS	0	0	0.00	0	0	0.00	0.00
e. ANY OTHER	-	-	-	-	-	-	-
<b>SUB - TOTAL (A)(1)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.00</b>
2. FOREIGN	-	-	-	-	-	-	-
a. INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0.00	0	0	0.0000	0.00
b. BODIES CORPORATE	53282932	0	53282932	13.33	53282932	13.33	0.00
c. INSTITUTIONS	0	0	0.00	0	0	0.00	0.00
d. QUALIFIED FOREIGN INVESTOR	0	0	0.00	0	0	0.00	0.00
e. ANY OTHER	-	-	-	-	-	-	-
<b>SUB - TOTAL (A)(2)</b>	<b>53282932</b>	<b>0</b>	<b>53282932</b>	<b>13.33</b>	<b>53282932</b>	<b>13.33</b>	<b>0.00</b>
<b>TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>							
<b>B. PUBLIC SHAREHOLDING</b>							
1. INSTITUTIONS							
a. MUTUAL FUNDS/UIT	50498555	0	50498555	12.63	75071329	18.78	6.14

Category of Shareholders	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
DIRECTORS AND THEIR RELATIVES	898721	50	898771	0.22	798021	50	798071
FOREIGN CORPORATE BODIES	7950000	94295940	102245940	25.58	79500000	94295940	102245940
FOREIGN NATIONALS	158096	1250	159346	0.04	114296	1250	115546
HINDU UNDIVIDED FAMILIES	332856	0	332856	0.08	263041	0	263041
NON RESIDENT INDIANS	879233	51070	930303	0.23	678602	48070	726672
TRUSTS	1111	0	1111	0.00	1111	0	1111
<b>SUB - TOTAL (B)(2)</b>	<b>10476061</b>	<b>94348310</b>	<b>104824371</b>	<b>26.23</b>	<b>9850582</b>	<b>94345310</b>	<b>104195882</b>
<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)</b>	<b>23350712</b>	<b>94363716</b>	<b>117714428</b>	<b>29.45</b>	<b>17701522</b>	<b>94359716</b>	<b>112061238</b>
<b>SHAREHOLDING (B) = TOTAL (A)+(B)</b>	<b>252056142</b>	<b>94363716</b>	<b>346419858</b>	<b>86.67</b>	<b>252170582</b>	<b>94359716</b>	<b>346530298</b>
<b>TOTAL (A)+(B)</b>	<b>305339074</b>	<b>94363716</b>	<b>399702790</b>	<b>100.00</b>	<b>305453514</b>	<b>94359716</b>	<b>399813230</b>
<b>C. SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED</b>							
Promoter and Promoter Group	0	0	0.00	0	0	0	0.00
Public	0	0	0.00	0	0	0	0.00
<b>TOTAL CUSTODIAN (C)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>305339074</b>	<b>94363716</b>	<b>399702790</b>	<b>100.00</b>	<b>305453514</b>	<b>94359716</b>	<b>399813230</b>

##### ii. Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
	No. of shares company	% of total shares	pledged / encumbered to total shares	No. of shares company	% of total shares	pledged / encumbered to total shares	
1 HARROW INVESTMENT HOLDING LIMITED	53282932	13.33	0.0000	53282932	13.33	0.00	0.00

##### iii. Change in Promoters' Shareholding

S.No.	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change during the year
	No. of shares company	% of total shares	pledged / encumbered to total shares	No. of shares company	% of total shares	pledged / encumbered to total shares	
1 HARROW INVESTMENT HOLDING LIMITED	53282932	13.33	53282932	13.33	53282932	13.33	0.00
At the beginning of the year 01-Apr-2015	53282932	13.33	53282932	13.33	53282932	13.33	0.00
At the end of the Year 31-Mar-2016	53282932	13.33	53282932	13.33	53282932	13.33	0.00

Category of Shareholders	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
b. FINANCIAL INSTITUTIONS/BANKS	30586	0	30586	0.01	326876	0	326876
c. CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0.00	0	0	0	0.00
d. VENTURE CAPITAL FUNDS	0	0	0.00	0	0	0	0.00
e. INSURANCE COMPANIES	20736454	0	20736454	5.19	20370285	0	20370285
f. FOREIGN INSTITUTIONAL INVESTORS	112855402	0	112855402	28.23	79319752	0	79319752
g. FOREIGN VENTURE CAPITAL INVESTORS	0	0	0.00	0	0	0	0.00
h. QUALIFIED FOREIGN INVESTOR	0	0	0.00	0	0	0	0.00
i. ANY OTHER	0	0	0.00	0	0	0	0.00
Alternate Investment Funds	0	0	0.00	642000	0	642000	0.16
Foreign Portfolio Investor (Corporate) Category I	14563	0	14563	0.00	319364	0	319364
Foreign Portfolio Investor (Corporate) Category II	44455270	0	44455270	11.12	58056583	0	58056583
Foreign Portfolio Investor (Corporate) Category III	114600	0	114600	0.03	360871	0	360871
<b>SUB - TOTAL (B)(1)</b>	<b>228705430</b>	<b>0</b>	<b>228705430</b>	<b>52.03</b>	<b>234469060</b>	<b>0</b>	<b>234469060</b>
<b>SUB - TOTAL (B)(2)</b>	<b>44584433</b>	<b>0</b>	<b>44584433</b>	<b>11.15</b>	<b>59380818</b>	<b>0</b>	<b>59380818</b>
<b>2. NON-INSTITUTIONS</b>							
a. BODIES CORPORATE	2807853	0	2807853	0.70	937087	0	937087
b. INDIVIDUALS -							
I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	7541774	15406	7557180	1.89	6311754	14406	6326160
II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	2525024	0	2525024	0.63	602099	0	602099
c. QUALIFIED FOREIGN INVESTOR	0	0	0.00	0	0	0	0.00
d. ANY OTHER	0	0	0.00	0	0	0	0.00
CLEARING MEMBERS	256044	0	256044	0.06	45511	0	45511

#### iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	<b>SYNNEX MAURITIUS LTD</b>					
	At the beginning of the year 01-Apr-2015	94295940	23.59	94295940	23.59	
	Changes during the year		NIL			
	At the end of the Year 31-Mar-2016	94295940	23.59	94295940	23.59	
2	<b>STANDARD CHARTERED PRIVATE EQUITY (MAURITIUS) LIMITED</b>					
	At the beginning of the year 01-Apr-2015	39736500	9.94	39736500	9.94	
	Changes during the year		NIL			
	At the end of the Year 31-Mar-2016	39736500	9.94	39736500	9.94	
3	<b>ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD</b>					
	At the beginning of the year 01-Apr-2015	20734654	5.19	20734654	5.19	
	Changes during the year					
	<b>Date of Change</b>	<b>Reason</b>				
	10-Apr-15	Purchase	+5065	+0.00	20739719	5.19
	24-Apr-15	Purchase	+1142	+0.00	20740861	5.19
	1-May-15	Purchase	+3087	+0.00	20743948	5.19
	15-May-15	Purchase	+1003	+0.00	20744951	5.19
	17-Jul-15	Sale	-3000	-0.00	20741951	5.19
	7-Aug-15	Sale	-3735	-0.00	20738216	5.19
	28-Aug-15	Purchase	+181	+0.00	20738397	5.19
	4-Sep-15	Purchase	+181	+0.00	20738578	5.19
	18-Sep-15	Sale	-2970	-0.00	20735608	5.19
	9-Oct-15	Sale	-2970	-0.00	20732638	5.19
	23-Oct-15	Purchase	-2970	-0.00	20729668	5.19
	30-Oct-15	Purchase	2970	+0.00	20732638	5.19
	6-Nov-15	Sale	-180000	-0.05	20552638	5.14
	20-Nov-15	Sale	-95700	-0.02	20456938	5.12
	11-Dec-15	Sale	-106600	-0.03	20350338	5.09
	26-Feb-16	Purchase	+7738	+0.00	20356076	5.09
	4-Mar-16	Purchase	+12209	+0.00	20370285	5.09
	At the end of the Year 31-Mar-2016		20370285	5.09	20370285	5.09
4	<b>FRANKLIN TEMPLETON INVESTMENT FUNDS</b>					
	At the beginning of the year 01-Apr-2015	16538467	4.14	16538467	4.14	
	Changes during the year					
	<b>Date of Change</b>	<b>Reason</b>				
	28-Aug-15	Sale	-1300382	-0.33	15238085	3.81
	4-Sep-15	Sale	-156200	-0.04	15081885	3.77
	25-Sep-15	Sale	-195631	-0.05	14886254	3.72
	30-Sep-15	Sale	-95982	-0.02	14790272	3.70
	12-Feb-16	Sale	-1500000	-0.38	13290272	3.32
	19-Feb-16	Purchase	56730	+0.02	13349002	3.34
	26-Feb-16	Sale	-1889985	-0.47	11459017	2.87





S.No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4-Dec-15	Purchase	+25000	+0.01	5175000	1.29	
11-Dec-15	Purchase	+250000	+0.01	5200000	1.30	
18-Dec-15	Purchase	+50000	+0.01	5250000	1.31	
31-Dec-15	Purchase	+50000	+0.01	5300000	1.33	
15-Jan-16	Purchase	+25000	+0.01	5325000	1.33	
At the end of the Year 31-Mar-2016						
5325000 1.33 5325000 1.33						
<b>12(c) RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE SMALL CAP FUND*</b>						
At the beginning of the year 01-Apr-2015						
2800000 0.70 2800000 0.70						
Changes during the year						
<b>Date of Change</b>	<b>Reason</b>					
1-May-15	Purchase	+50000	+0.01	2850000	0.71	
8-May-15	Purchase	+50000	+0.01	2900000	0.73	
20-Nov-15	Purchase	+111	+0.00	2900111	0.73	
At the end of the Year 31-Mar-2016						
2900111 0.73 2900111 0.73						
<b>12(d) RELIANCE CAPITAL TRUSTEE CO LTD A/C-RELIANCE REGULAR SAVINGS FUND-EQUITY OPTION*</b>						
At the beginning of the year 01-Apr-2015						
2600000 0.65 2600000 0.65						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
2600000 0.65 2600000 0.65						
<b>12(e) RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND 2 SR B*</b>						
At the beginning of the year 01-Apr-2015						
1308000 0.33 1308000 0.33						
Changes during the year						
<b>Date of Change</b>	<b>Reason</b>					
27-Jul-15	Purchase	+250000	+0.06	1558000	0.39	
At the end of the Year 31-Mar-2016						
1558000 0.39 1558000 0.39						
<b>12(f) RELIANCE CAPITAL TRUSTEE CO. LTD. - A/C RELIANCE TAX SAVER (ELSS) FUND*</b>						
At the beginning of the year 01-Apr-2015						
1200006 0.30 1200006 0.30						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
1200006 0.30 1200006 0.30						
<b>12(g) RELIANCE EMERGENT INDIA FUND*</b>						
At the beginning of the year 01-Apr-2015						
800000 0.20 800000 0.20						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
800000 0.20 800000 0.20						
<b>12(h) RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND - SR A*</b>						
At the beginning of the year 01-Apr-2015						
500000 0.13 500000 0.13						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
500000 0.13 500000 0.13						
<b>12(i) RELIANCE CAPITAL TRUSTEE CO. LTD A/C RELIANCE CAPITAL BUILDER FUND 2 SR C*</b>						
At the beginning of the year 01-Apr-2015						
158000 0.04 158000 0.04						
Changes during the year						

**Note:** The above information is based on the weekly beneficiary position received from Depositories and compiled by the Registrar and Share Transfer Agents.

Shareholders having common PAN are grouped together  
\* Entered into Top 10 shareholders list during the year  
\* Ceased to be a Top 10 shareholder during the year

#### v. Shareholding of Directors and Key Managerial Personnel

S.No.	For each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1 Mr. Raj Shankar (Managing Director)</b>						
At the beginning of the year 01-Apr-2015						
594946 0.15 594946 0.15						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
594946 0.15 594946 0.15						
<b>2 Mr. R. Srinivasan (Non Executive Director)</b>						
At the beginning of the year 01-Apr-2015						
225000 0.06 225000 0.06						
Changes during the year						
NIL						
<b>Date of Change Reason</b>						
6-Nov-15	Sale	-100000	-0.03	125000	0.03	
At the end of the Year 31-Mar-2016						
125000 0.03 125000 0.03						
<b>3 Mr. N. Srinivasan (Non Executive Director)</b>						
At the beginning of the year 01-Apr-2015						
73750 0.02 73750 0.02						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
73750 0.02 73750 0.02						

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER

Particulars remuneration	Mr. M. Raghunandan, Whole Time Director	
	(₹ In Lakhs)	
Gross Salary		19.81
• Salary as per provisions contained in Section 17(1) Income Tax Act 1961		2.18
• Value of Perquisites u/s 17(2) Income Tax Act 1961		-
• Profits in lieu of salary as per Income Tax Act 1961		-
Stock Option		NIL
Sweat Equity Commission		NIL
- as % of profit		NIL
- others, specify ...		NIL
Others, please specify		NIL
Total		21.99
Ceiling as per the Act		₹ 2849.80

##### B. REMUNERATION TO OTHER DIRECTORS EARNED DURING THE YEAR

S.No.	Independent Directors		Total	
	Particulars of Remuneration	Amount	Non executive Director	Grand Total
<b>1 Name of Directors</b>				
	Prof. J. Ramachandran	Mr. V.S. Hariharan	Mr. Keith WF Bradley	Ms. Suchitra Rajajogapalan
	Fees for attending Board/Committee Meetings	3.80	2.20	0.80
	Commissions	15.75	16.70	9.25
	Others, Please Specify	-	-	-
<b>Total</b>		<b>19.55</b>	<b>17.70</b>	<b>10.95</b>
Overall Ceiling as per the Act				
				<b>84.20</b>
				<b>284.98</b>

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

Particulars remuneration	Mr. S.V. Krishnan Chief Financial Officer		Mr. M. Muthukumarasamy Company Secretary	
	(₹ In Lakhs)		(₹ In Lakhs)	
Gross Salary		57.61		23.92
• Salary as per provisions contained in Section 17(1) Income Tax Act 1961		1.37		1.38
• Value of Perquisites u/s 17(2) Income Tax Act 1961		-		-
• Profits in lieu of salary as per Income Tax Act 1961		-		-
Stock Option		NIL		NIL
Sweat Equity Commission		NIL		NIL
- as % of profit		NIL		NIL
- others, specify ...		NIL		NIL
Others, please specify		58.98		25.30
Total		58.98		25.30
Ceiling as per the Act		Not applicable		Not applicable

#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

S.No.	For each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>4 Prof. J. Ramachandran (Independent Director)</b>						
At the beginning of the year 01-Apr-2015						
5000 0.00 5000 0.00						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
5000 0.00 5000 0.00						
<b>5 Mr. M. Raghunandan (Whole Time Director)</b>						
At the beginning of the year 01-Apr-2015						
75 0.00 75 0.00						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
75 0.00 75 0.00						
<b>6 Mr. S.V. Krishnan (Chief Financial Officer)</b>						
At the beginning of the year 01-Apr-2015						
53633 0.01 53633 0.01						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
53633 0.01 53633 0.01						
<b>7 Mr. M. Muthukumarasamy (Company Secretary)</b>						
At the beginning of the year 01-Apr-2015						
36805 0.01 36805 0.01						
Changes during the year						
NIL						
At the end of the Year 31-Mar-2016						
36805 0.01 36805 0.01						

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Details	Secured Loans excluding Deposits		UnSecured Loans		Deposits		Total	
	Indebtedness		Indebtedness		Indebtedness		Indebtedness	
<b>Indebtedness at the beginning of the financial year</b>								
i) Principal Amount	8,635	19,743	-	-	-	-	28,378	
ii) Interest due but not paid	-	-	-	-	-	-	-	
iii) Interest accrued but not due	30	46	-	-	-	-	76	
<b>Total (i+ii+iii)</b>	<b>8,665</b>	<b>19,789</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,454</b>	
<b>Change in Indebtedness during the financial year (Principal Amount)</b>								
Addition	182,320	593,994	-	-	-	-	776,314	
Reduction	163,760	593,180	-	-	-	-	756,940	
<b>Net Change</b>	<b>18,560</b>	<b>814</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,374</b>	
<b>Indebtedness at the end of the financial year</b>								
i) Principal Amount	27,195	20,557	-	-	-	-	47,752	
ii) Interest due but not paid	-	-	-	-	-	-	-	
iii) Interest accrued but not due	95	30	-	-	-	-	125	
<b>Total (i+ii+iii)</b>	<b>27,290</b>	<b>20,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,877</b>	



## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2015-16.

- Name(s) of the related party and nature of relationship: Not Applicable
- Nature of contracts/arrangements/transactions: Not Applicable
- Duration of the contracts / arrangements/transactions: Not Applicable
- Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- Justification for entering into such contracts or arrangements or transactions: Not Applicable
- Date(s) of approval by the Board: Not Applicable
- Amount paid as advances, if any: Not Applicable
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

## 2. Details of material contracts or arrangement or transactions at arm's length basis:

- Name(s) of the related party and nature of relationship: Not Applicable
- Nature of contracts / arrangements / transactions: Not Applicable
- Duration of the contracts / arrangements / transactions: Not Applicable
- Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- Date(s) of approval by the Board, if any: Not Applicable
- Amount paid as advances, if any: None

Note: The above disclosures on material transactions are based on the principle and fact that transactions with wholly owned subsidiaries are exempt for purpose of section 188(1) of the Act and no material transactions entered into with associate companies.

On behalf of the Board of Directors

J Ramachandran  
Chairman

Place : Chennai

Date : May 24, 2016

## Report on Corporate Governance

## 1. Company's Philosophy on the Code of Corporate Governance

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. Corporate Governance demands the professionals to raise their competence and capability levels to maximize the long-term value for its stakeholders.

At Redington, Corporate Governance is more than a set of processes and compliances. It doesn't practice corporate governance as an act of compliance but with the spirit of governance. It is interwoven to the Company's culture and operations. Your Company all along had created a platform for ethical and efficient conduct of business and it enabled the management to deliver its commitments in just and equitable way to various stakeholders including the Vendors, Customers, shareholders, employees, Government etc, thus upholding the standards practically at every sphere ranging from action plan to performance measurement and customer satisfaction.

## 2. Board of Directors

At the core of the corporate governance practices are the Board of Directors (Board) who oversees how the management serves and protects the long term interests of all the stakeholders of the Company.

Your Company's Board is committed to remaining at the forefront of good governance and ensuring the highest standards of corporate practices. The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Your Company is operational across geographies and has constituted its Board with a judicious mix of diverse qualifications, experiences, skills, gender and age. The Company has an optimum mix of Executive, Non-Executive and Independent Directors which is essential to effectuate the two main functions of the Board viz. governance and management. Out of the total strength of twelve Directors as on March 31, 2016, four Directors are Independent, six Directors are Non-Executive and two Directors are Executive. The Chairman of the Board is a Non Executive Director. There are no *inter se* relationships between the Directors.

During the Financial Year 2015-2016, four (4) Board Meetings were held on May 27, 2015, August 3, 2015, October 29, 2015 and February 3, 2016. The maximum time gap between any two meetings was not more than 120 days. The necessary quorum was present throughout all the meetings. One separate meeting of the Independent Directors of the Company was held on October 29, 2015.

The Directors at the time of their appointment are provided with information about the Company and its organization structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company's procedures and practices. Interactive sessions are organized with the Senior Management team to enable the new Directors to understand the organizational culture, best practices followed. Existing Directors are also on a periodical basis being familiarized with the operation of the Company and its subsidiaries in India and Overseas. The Company invites experts to make familiarization programmes to the Directors on regular statutory updates. The details of such familiarization programmes are uploaded on the website of the Company.

(<https://redingtonindia.com/images/FamiliarizationProgrammes.pdf>).

The Composition of the Board and the details of Directors participation at the Board Meetings and the Annual General Meeting held during FY 2015-16 are tabled below:

Name	DIN	Category	No. of Board meetings Attended	Whether Attended last AGM
Prof. J. Ramachandran	00004593	Non-Executive Independent Chairman	4	YES
Mr. R. Srinivasan	00575854	Non-Executive Vice Chairman	4	YES
Mr. R. Jayachandran	00769254	Non-Executive Director	3	YES
Mr. Tu, Shu-Chyuan	02336015	Non-Executive Director	4	NO
Mr. Lin Tai-Yang	05110881	Non-Executive Director	4	NO
Mr. Nainesh Jaisingh	00061014	Non-Executive Director	4	NO
Mr. N. Srinivasan	00004195	Non-Executive Director	4	YES
Mr. V.S. Hariharan	05352003	Independent Director	4	YES
Mr. Keith WF Bradley	06564581	Independent Director	2	NO





Name	DIN	Category	No. of Board meetings Attended	Whether Attended last AGM
Ms. Suchitra Rajagopalan	07004299	Independent Director	4	YES
Mr. Raj Shankar	00238790	Managing Director	4	YES
Mr. M. Raghunandan	00082171	Whole-Time Director	4	YES

**Details of the Directorships of the Members of Board in the Board of Directors of the other Indian Public Companies and Membership/Chairmanship in the Committees of other Indian Public Companies as on March 31, 2016 are tabled below:**

Name	Category	Directorship in other public companies	Committees of other Indian Public companies	
			Membership	Chairmanship
Prof. J. Ramachandran	Non-Executive Independent Chairman	5	3	2
Mr. R. Srinivasan	Non-Executive Vice Chairman	2	1	-
Mr. R. Jayachandran	Non-Executive Director	2	-	-
Mr. Nainesh Jaisingh	Non-Executive Director	2	2	-
Mr. N. Srinivasan	Non-Executive Director	9	4	4
Mr. M. Raghunandan	Whole-Time Director	2	-	-

Notes:

- None of the Directors of the Company have held memberships in more than ten (10) Committees nor are they Chairpersons of more than five (5) Committees [as specified in Reg.26 (1) (a) of SEBI (LODR) Regulations, 2015].
- Only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of Committee positions as per Reg.26 (1) (b) of SEBI (LODR) Regulations, 2015.

### 3. Committees of the Board

The Committees of the Board play a crucial role in the governance structure of the Company. The Committees are set up under the formal approval of the Board to carry out clearly defined roles.

Currently, the Board of the Company has eight Committees - Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Share Transfer Committee, ESOP Compensation Committee and ESOP Share Allotment Committee. All Committees are chaired by Non Executive Directors.

Generally, the Audit Committee and Stakeholders Relationship Committee meet at least four times a year; Nomination & Remuneration Committee, Risk Management Committee and CSR Committee meet at least twice a year; Share Transfer Committee, ESOP Compensation Committee and ESOP Share Allotment Committee meet on a need basis.

Except where a statutory quorum has been prescribed, the quorum for Committee meetings is either two members or one third of the total strength of the Committee, whichever is higher. Draft minutes of the Board and Committee meetings are circulated to the members for their comments and thereafter, confirmed in its next meeting. The Board also takes note of the minutes of the Committee meetings held in the previous quarter.

#### (I) Audit Committee

The Company's Audit Committee consists of two Independent Directors namely Prof. J. Ramachandran and Ms. Suchitra Rajagopalan and a Non- Executive Director Mr. N. Srinivasan. All members of the Audit Committee are financially literate. The Chief Financial Officer, Partners/Representatives of the Statutory Auditors and the Internal Auditors are regularly invited to attend the meetings of the Committee. The Company Secretary acts as Secretary to the Committee. Detailed presentations are made by the representatives from Audit Firms on their Audit Process and various regulatory updates such as requirements on Internal Financial Controls, Proposed Goods and Services Tax Act and Ind AS. It enabled the Committee to get acquainted with the developments in the regulations.

The charter of the Audit Committee, interalia, includes the following:

- Reviewing the operations, the financial results and the annual accounts on quarterly/half yearly/annual intervals.
- Reviewing the Company's financial reporting process and disclosure of its financial information.
- Reviewing the Company's financial, risk management and accounting policies and accounting standards as are applicable to the Company.

- Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Recommending to the Board on the appointment of internal auditors and statutory auditors together with their remuneration.
- Periodical interaction with External/Internal auditors.
- Reviewing the findings of External/Internal auditors with reference to Management response on matters of material nature.
- Reviewing the performance of Internal and Statutory auditors and the internal control system and effectiveness of the Audit process.
- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit to ascertain any area of concern.
- Reviewing the adequacy of Insurance cover.
- Reviewing the Related Party Transactions, in particular those which are material in nature.

#### Attendance record of Audit Committee

During FY 2015-16, the Audit Committee met four times - May 27, 2015, August 2, 2015, October 29, 2015 and February 3, 2016. The details of attendance of members are given below:

S.No.	Name of the Director	Category	Position	No. of meetings	
				Held	Attended
1	Prof. J. Ramachandran	Independent Director	Chairman	4	4
2	Mr. N. Srinivasan	Non Executive Director	Member	4	4
3	Ms. Suchitra Rajagopalan	Independent Director	Member	4	4

#### (II) Stakeholders Relationship Committee

The Company has constituted a Stakeholders' Relationship Committee with an objective to monitor and resolve the grievances of the security holders of the Company on behalf of the Board.

The terms of reference of the Committee are as follows:

- Monitoring and ensuring proper controls at Registrar and Share Transfer Agent;
- Looking into the Redressal of the shareholders complaints and queries;
- Reviewing movement in shareholdings and ownership structure;

The Committee consists of Prof. J. Ramachandran, Independent Director, Mr. R. Srinivasan, Non-Executive Director and Mr. M. Raghunandan, Whole-Time Director.

During the year, the Company had received one complaint from an Investor and the same was resolved immediately. The Company has a dedicated e-mail address: investors@redington.co.in for communicating shareholders' grievances.

#### Attendance record of Stakeholders Relationship Committee

During FY 2015-16, the Stakeholders Relationship Committee met four times - May 27, 2015, August 3, 2015, October 29, 2015 and February 3, 2016. The details of meetings and attendance are given below:

S.No.	Name of the Director	Category	Position	No. of meetings	
				Held	Attended
1	Prof. J. Ramachandran	Independent Director	Chairman	4	4
2	Mr. R Srinivasan	Non Executive Director	Member	4	4
3	Mr. M. Raghunandan	Whole - Time Director	Member	4	4

Mr. M. Muthukumarasamy, Company Secretary is designated as the Compliance Officer of the Company.

#### (III) Nomination and Remuneration Committee

The Board has constituted the Nomination and Remuneration Committee to assist the Board in fulfilling its governance responsibilities with regard to nomination and remuneration of Directors and their performance evaluation.

The Committee is responsible for the following, amongst other matters:

- Identifying persons who are qualified to become Directors
- Identifying persons to be appointed in Senior Management.
- Carrying out the performance evaluation of Directors.
- Developing and recommending to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and employees.
- Reviewing and approving the appropriate remuneration of Directors, the Managing Director and the Executive Management Team of the Company.
- Succession planning;

The Nomination and Remuneration Committee of the Company comprises of two Independent Directors namely Mr.V.S.Hariharan and Prof.J.Ramachandran and one Non-Executive Director, Mr. R.Jayachandran.

The details of annual evaluation made by the Board of its own performance and that of its Committees and Individual Directors and performance criteria for Independent Director laid down by Nomination and Remuneration Committee are enclosed as Annexure D of the Board's Report.

#### Attendance record of Nomination and Remuneration Committee

During FY 2015-16, the Nomination and Remuneration Committee met three times - May 27, 2015, August 3, 2015 and February 3, 2016. The details of meetings and attendance are given below:

S.No.	Name of the Directors	Category	Position	No. of meetings	
				Held	Attended
1	Mr. V.S. Hariharan	Independent Director	Chairman	3	3
2	Prof J. Ramachandran	Independent Director	Member	3	3
3	Mr. R. Jayachandran	Non Executive Director	Member	3	3

#### Details of remuneration paid/payable to Directors for the financial year ended March 31, 2016

S.No.	Name of the Directors	Salary & Perquisites (₹/Lacs)	Commission (₹/Lacs)#	Performance Linked Bonus (₹/Lacs)	Sitting Fees (₹/Lacs)#
1	Prof J. Ramachandran	-	15.75	-	3.80
2	Mr. N. Srinivasan	-	17.10	-	1.40
3	Mr. V. S. Hariharan	-	15.50	-	2.20
4	Mr. Keith WF Bradley	-	16.70	-	0.80
5	Ms. Suchitra Rajagopalan	-	9.25	-	1.70
6	Mr. M. Raghunandan	24.00	-	-	-
<b>Total</b>		<b>24.00</b>	<b>74.30</b>	<b>-</b>	<b>9.90</b>

# Service Tax is not included

#### Shareholding of Directors in the Company as on March 31, 2016

S.No.	Name of the Directors	Category	No. of Shares	% to Equity Shares
1	Prof J. Ramachandran	Independent Director	5,000	0.0012
2	Mr. N. Srinivasan	Non - Executive Director	73,750	0.0184
3	Mr. R. Srinivasan	Non - Executive Director	125,000	0.0313
4	Mr. Raj Shankar	Managing Director	594,946	0.1488
5	Mr. M. Raghunandan	Whole-Time Director	75	-

No options were granted during FY 2016 to any of the Directors on the Board.

#### (IV) Corporate Social Responsibility Committee

Your Company has constituted a Corporate Social Responsibility (CSR) Committee to review and Monitor the CSR policy and its activities undertaken by the Company. Your Company will continue to take such measures to make a positive and significant contribution to the Society.

The CSR Committee of Board comprises Mr.V.S.Hariharan, Independent Director, Mr. R. Srinivasan, Non-Executive Director and Mr. M. Raghunandan, Whole-Time Director.

The role and objective of the Committee, as defined by the Board of Directors of the Company, are as under:

- Formulation and recommendation to the Board, of CSR policy;
- Identification of activities to be undertaken by the Company;
- Recommendation of amount of expenditure on CSR activities;
- Monitor the CSR policy from time to time.

#### Attendance record of Corporate Social Responsibility Committee

During FY 2015-16, the Corporate Social Responsibility Committee met two times - May 26, 2015 and October 28, 2015. The details of meetings and attendance are given below:

S.No.	Name of the Directors	Category	Position	No. of meetings	
				Held	Attended
1	Mr. V.S. Hariharan	Independent Director	Chairman	2	2
2	Mr. R. Srinivasan	Non Executive Director	Member	2	2
3	Mr. M. Raghunandan	Whole - Time Director	Member	2	2

#### (V) Risk Management Committee

The Company has formed a risk management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

The terms of reference of the Committee inter alia, include the following:

1. To review periodically and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.
2. To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
3. To evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives and ongoing activities such as business continuity planning and disaster recovery planning & testing).
4. To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
5. To assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks.

The Committee consists of three Independent Directors namely Mr. Keith WF Bradley, Mr.V.S.Hariharan and Ms. Suchitra Rajagopalan and two Executive Directors Mr. Raj Shankar and Mr. M. Raghunandan.

#### Meetings of the Committee

The Committee met twice during the year on May 26, 2015 and October 28, 2015. The details of meetings and attendance are given below:

S.No.	Name of the Directors	Category	Position	No. of meetings	
				Held	Attended
1	Mr. Keith W F Bradley	Independent Director	Chairman	2	2
2	Mr. V.S. Hariharan	Independent Director	Member	2	2
3	Ms. Suchitra Rajagopalan	Independent Director	Member	2	2
4	Mr. Raj Shankar	Managing Director	Member	2	1
5	Mr. M. Raghunandan	Whole Time Director	Member	2	2

#### 4. Code of Conduct and Ethics

The Company has formulated and implemented a Code of Conduct for the Board of Directors and Senior Management of the Company. The Code has also been posted on the Company's website [www.redingtonindia.com](http://www.redingtonindia.com). Annual affirmation of compliance with the Code has been made by the Directors and Senior Management of the Company. The necessary declaration by the Managing Director of the Company regarding compliance of the Code of Conduct for the financial year 2015-16 is given below.

##### DECLARATION BY THE MANAGING DIRECTOR REGARDING COMPLIANCE TO THE CODE OF CONDUCT

I hereby confirm that the Company has obtained affirmation from all the members of the Board and Senior Management Team that they complied with the code of business conduct and ethics for Directors and Senior Management in respect of the Financial Year 2015-16.

**Raj Shankar**  
Managing Director

#### 5. General Body Meetings

##### I. Location and time of last three Annual General Meetings:

Year	Location	Date	Day	Time
2014-15	Narada Gana Sabha, Mini Hall, No. 314, T.T.K Road, Chennai - 600 018.	August 3, 2015	Monday	10.00 A.M.
2013-14	Narada Gana Sabha, Mini Hall, No. 314, T.T.K Road, Chennai - 600 018.	July 31, 2014	Thursday	10.30 A.M.
2012-13	Narada Gana Sabha, Mini Hall, No. 314, T.T.K Road, Chennai - 600 018.	August 2, 2013	Friday	10.30 A.M.

No extra-ordinary General Meeting was convened or postal ballot conducted during the last financial year under review.

##### Details of Special Resolutions passed in the last three Annual General Meetings.

Year	Special resolutions passed
2014-15	Payment of remuneration to the Directors of the Company, other than the Whole-time Director, by way of Commission upto a limit of 1% of the net profits of the Company computed in accordance with the provisions of Section 198 of Companies Act, 2013 for a period of five years commencing from financial year ended 31 <sup>st</sup> March 2015
2013-14	I. Approval for appointment of Prof. J. Ramachandran as Independent Director on the Board of the Company II. Approval for appointment of Mr. V.S. Hariharan as Independent Director on the Board of the Company III. Approval for appointment of Mr. Keith WF Bradley as Independent Director on the Board of the Company IV. Approval for adoption of new set of articles of association of the Company pursuant to the new provisions of Companies Act, 2013
2012-13	Approval for amendment in Redington (India) Limited Employee Share Purchase Scheme, 2006, to provide that the Redington (India) Limited - Employees Share Purchase Trust shall not deal with the securities of the Company in the secondary market.

#### 6. Subsidiary Companies

- i. The Company had four Wholly Owned unlisted non - material Indian subsidiary companies Viz., Nook Micro Distribution Limited, Cadensworth (India) Limited, ProConnect Supply Chain Solutions Limited and Ensure Support Services (India) Limited.

- ii. Nook Micro Distribution Limited was merged with the Company, with effect from April 1, 2015 ("the appointed date") in accordance with the terms of the Scheme of Arrangement (Merger) sanctioned by the High Court of Judicature Madras vide its Order dated March 11, 2016. The order of the High Court was filed with Registrar of Companies, Chennai on 15<sup>th</sup> April 2016, by which date Nook Micro stands dissolved
- iii. The Board of Directors of the Company has regularly been apprised of the business and financial performance of the subsidiary companies. The minutes of the Board meetings, significant transactions and important events of subsidiary companies are periodically placed before the Board. The Management invites key managers of the subsidiaries to provide updates on their business operations.

#### 7. Disclosures

##### Related Party Transactions

Transactions with related parties are disclosed in note 27 to the standalone financial statements for the year ended March 31, 2016.

The policy of the Company on transactions with the related parties is formulated and approved by the Board. The same is available on the website of the Company [www.redingtonindia.com](http://www.redingtonindia.com). Omnibus approval of the Audit Committee is obtained for the related party transactions carried out with the Subsidiaries and associates. Further the details of transactions with the related parties are placed periodically before the Audit Committee for its review and approval.

There are no transactions entered into by the Company with the related parties during the financial year ended March 31, 2016 which are prejudicial to the interest of the Company at large.

##### Non Compliance by the Company, Penalties, Strictures, etc.

The Company has complied with the requirements of Stock Exchange / SEBI / any Statutory Authority on all matters related to capital markets wherever applicable. There were no instances of non-compliance of any matter related to the capital markets. No penalties and strictures were imposed by Stock Exchanges or SEBI or any statutory authority during the last three years.

##### Whistle Blower Policy

The Company has designed whistle blower policy in the form of Vigil Mechanism and the same is disclosed in the annexure to the Board's Report.

The Company confirms that no personnel have been denied access to the audit Committee.

#### 8. Compliance with the Discretionary Requirements

The Company has adopted the following discretionary requirements in pursuit of adoption of its best governance practices.

##### The Board

The Chairman of the Board is a Non Executive Independent Director. He is a Professor of Indian Institute of Management, Bangalore and performs his duties from the Institute's quarters at Bangalore. Hence, the Company has not provided a separate office to him.

##### Shareholder's rights

The Company communicates the highlights of financial performance to the investors regularly through email, telephone and investor conferences and road shows. The Company has enabled an option on its website [www.redingtonindia.com](http://www.redingtonindia.com) to allow the present and prospective investors to subscribe e-alerts on all the communications and financial results announced by the Company.

##### Audit qualifications

The Company values and follows higher level of transparency in the financial reporting and maintains the integrity in the financial statements. The Company's financial statements are unqualified.

##### Separate posts of Chairman and Managing Director

The Company has separate posts of Chairman and Managing Director. The Chairman of the Board is a Non executive Independent Director. The Scope of duties of the Chairman of the Board differs from that of the Managing Director.

##### Reporting of Internal Auditor

Ernst & Young LLP, the Internal Auditors of the Company after the preliminary discussion with the Management of the Company submits its report directly to the Audit Committee.



## 9. Means of Communication

- The quarterly, half yearly and annual financial results are published in newspapers, namely **Business Standard** in English and **Makkal Kural** in the regional language.
- The quarterly, half-yearly, annual financial results including official news releases appear on our corporate website [www.redingtonindia.com](http://www.redingtonindia.com) under the investors section.
- Management's Discussion and Analysis Report: This information is covered elsewhere in this Annual Report.
- Presentations made to institutional investors or to the analysts are available on our website [www.redingtonindia.com](http://www.redingtonindia.com).
- The Company has designated [investors@redington.co.in](mailto:investors@redington.co.in) as the email id for the purpose of registering complaints by investors and displayed the same on the Company's website.

## 10. General Shareholders' Information

### I. Annual General Meeting

Date & Day : July 27, 2016, Wednesday  
 Time : 10.00 A.M.  
 Venue : Narada Gana Sabha, Mini Hall, No. 314, T.T.K. Road, Alwarpet, Chennai - 600 018.

### II. Financial Calendar : 1<sup>st</sup> April to 31<sup>st</sup> March

(Tentative Board Meeting Calendar for the Financial Year 2016-17)  
 Adoption of results for & considering other items for the I Quarter : July 28, 2016  
 Adoption of results for & considering other items for the II Quarter : October 27, 2016  
 Adoption of results for & considering other items for the III Quarter : January 31, 2017  
 Adoption of results for & considering other items for the IV Quarter : Before May 30, 2017

### III. Date of Book Closure : July 21, 2016 to July 27, 2016

### IV. Dividend payment date : August 23, 2016

### V. Listing on Stock Exchanges

Name	Address	Scrip / Stock code
National Stock Exchange of India Ltd	Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.	REDINGTON
BSE Ltd	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	532805

Listing fees have been paid to National Stock Exchange of India Limited and BSE Limited.

### VI. Depositories (Stock Code) : INE891D01026

### VII. Registrar and Share Transfer Agent : M/s. Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai – 600 002. Phone No : + 91 44 2846 0390 (5 lines) Fax No : + 91 44 2846 0129 Email : [investor@cameoindia.com](mailto:investor@cameoindia.com) Website : [www.cameoindia.com](http://www.cameoindia.com)

### VIII. Share Transfer System

#### Share Transfer Committee:

A Share Transfer Committee has been constituted with three Directors with the Chairman being a Non Executive Director.

S.No.	Name of the Director	Category	Position
1	Mr. N. Srinivasan	Non Executive Director	Chairman
2	Mr. R. Srinivasan	Non Executive Director	Member
3	Mr. M. Raghunandan	Whole - Time Director	Member

The Committee registers the shares received for transfers in physical form provided the documents are complete and valid in all respects within a period of 15 days from the date of receipt of such documents.

The Listing Obligations and Disclosure Requirements ("New Listing Regulations") notified by the SEBI requires the Board of Directors / Committee to meet at least once in a fortnight to attend to the formalities pertaining to transfer of securities. The regulations allow the Board to delegate the authority for transfer / transmission of securities to Compliance Officer.

The Board has delegated the power to Mr. M. Muthukumarasamy, Compliance Officer to deal inter alia on matters relating to transfer and transmission of shares and split and consolidation of share certificates.

Since the Company's shares are majorly held in electronic form and the number of shareholders who hold shares in physical form is minimal. During the last year, the Company has not received any requests for transfer / transmission of shares and for issuance of Duplicate share certificates.

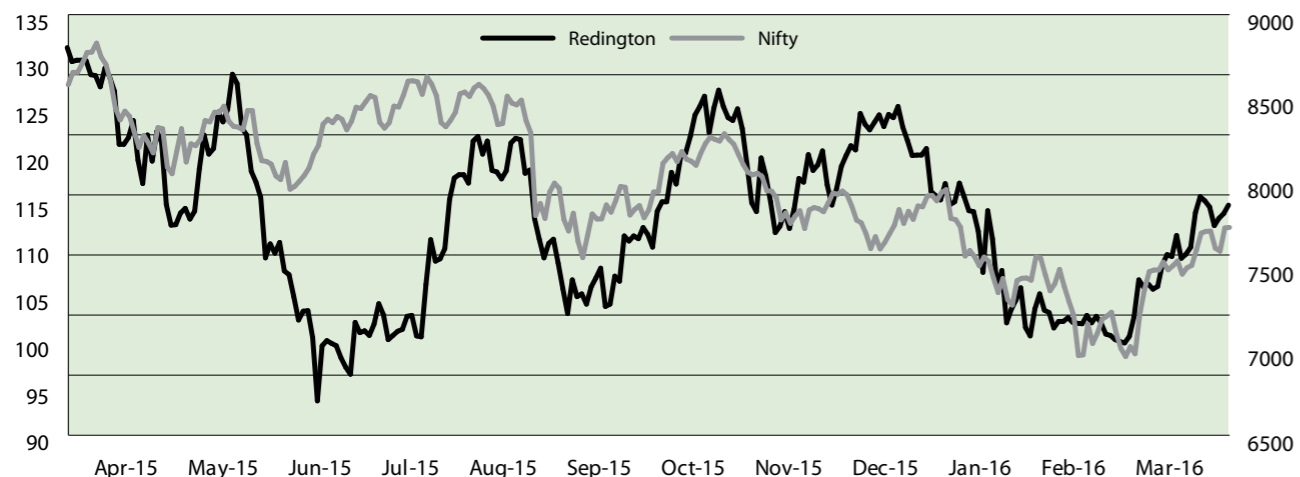
The Company obtains and submits with the Stock Exchanges on a Half Yearly basis a Secretarial Compliance Certificate from a qualified Practising Company Secretary, confirming that the Company has delivered share certificates relating to transfer of shares within the specified period. As per the certificates issued by the Practising Company Secretary during FY 2016, the Company has ensured the requisite compliance with regard to the transfer of share and issue of duplicate share certificates and dematerialization/rematerialization of shares.

### IX. Reconciliation of Share Capital Audit

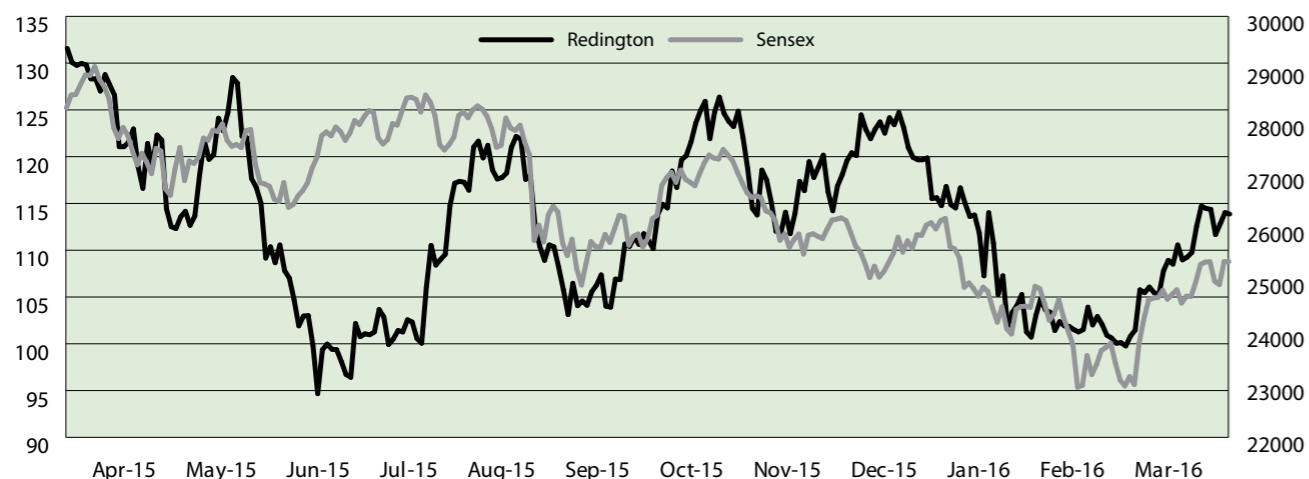
As stipulated by SEBI, a qualified Practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form for each of the quarters during the year.

### X. Market Price Data

S.No.	Month	NSE			BSE		
		High	Low	Close	High	Low	Close
1	April-2015	133.70	114.50	119.35	133.65	114.40	119.10
2	May-2015	130.00	111.10	122.15	130.20	111.00	122.15
3	June-2015	122.70	90.25	96.55	122.95	91.20	96.55
4	July-2015	118.70	96.20	117.90	119.00	94.15	117.50
5	Aug-2015	129.95	105.50	108.45	129.90	105.30	108.30
6	Sep-2015	116.20	96.75	110.15	132.00	98.00	110.30
7	Oct-2015	128.50	112.55	119.05	128.10	112.75	118.85
8	Nov-2015	123.00	110.00	116.45	123.20	110.00	117.00
9	Dec-2015	129.55	114.30	115.20	129.65	114.00	114.90
10	Jan-2016	118.40	98.00	103.55	118.30	99.00	103.20
11	Feb-2016	108.25	97.50	102.70	108.45	98.65	101.60
12	Mar-2016	117.00	102.75	114.65	116.80	102.10	114.00



Nifty v Redington



Sensex v Redington

**XI. Distribution of Shareholding as on March 31, 2016**

Share Holding	No. of Shareholders	% of Total Shareholders	Amount of Share Capital (₹)	% of Total Share Capital
2-5000	20,279	96.99	9,088,956	1.13
5001-10000	246	1.18	1,821,680	0.23
10001-20000	114	0.55	1,664,570	0.21
20001-30000	39	0.19	1,031,762	0.13
30001-40000	26	0.12	946,228	0.12
40001-50000	22	0.10	1,013,246	0.13
50001-100000	36	0.17	2,653,480	0.33
100001 & Above	147	0.70	781,406,538	97.72
<b>Total</b>	<b>20,909</b>	<b>100.00</b>	<b>799,626,460</b>	<b>100.00</b>

**XII. Statement Showing Shareholding Pattern as on March 31, 2016**

Category	No. of holders	No. of shares	% of shareholding
<b>Promoter Holding</b>			
Foreign bodies corporate	1	53,282,932	13.33
<b>Total of Promoter Holding</b>	<b>1</b>	<b>53,282,932</b>	<b>13.33</b>
<b>Non promoter holding</b>			
Mutual funds / AIF / FIs & Banks	50	96,410,490	24.11
FII, FPIs	130	138,058,570	34.53
<b>Non Institutions</b>			
Bodies Corporate	365	937,087	0.24
Indian Public	19,873	7,271,236	1.82
NRIs / NRI Directors, OCBs/ Foreign Nationals	446	103,807,404	25.96
Others	44	45,511	0.01
<b>Total of Non promoter Holding</b>	<b>20,908</b>	<b>346,530,298</b>	<b>86.67</b>
<b>Grand Total</b>	<b>20,909</b>	<b>399,813,230</b>	<b>100.00</b>

**XIII. Dematerialization of Shares and Liquidity**

The shares of the Company are compulsorily traded in dematerialized form by all categories of investors. As on March 31, 2016, 76.40 % shares of the Company are held in dematerialized form.

**XIV. ECS Mandate**

In order to enable the Company to serve the investors better, the Company requests shareholders to update their bank accounts with their respective depository participants.

**XV. Convertible Instruments**

There are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

**XVI. Foreign Exchange Risk and Hedging Activities**

Since there are significant import purchases, the transactions of the Company are exposed to Foreign Currency fluctuations. The Company had taken forward contracts to combat such risk.

**XVII. Locations of Branches**

Our Company and its subsidiaries have the following distribution offices, warehouses and services centers in India and overseas.

Particulars	India	Overseas	Total
Sales offices	56	31	87
Warehouses	90	24	114
Owned Service Centers	70	26	96
Partner Service Centers	252	22	274

**XVIII. Address for Correspondence**

The shareholders may address their communication/ suggestions/ grievances/ queries to the Registrar and Share Transfer Agents at their address mentioned in earlier Para VII or to:

Mr. M. Muthukumarasamy  
 Company Secretary, Redington (India) Limited  
 Centre Point, Plot No. 8 & 11 (SP)  
 Thiru-vi-ka Industrial Estate, Guindy, Chennai - 600 032.  
 Tel No : + 91 44 42243353; Fax No : + 91 44 22253799  
 Email : investors@redington.co.in

The Company has its website namely [www.redingtonindia.com](http://www.redingtonindia.com). The website provides detailed information about the Company, its products and services offered, locations of its corporate offices and various sales offices etc. The quarterly results, annual reports and shareholding patterns are updated on the website of the Company.

## Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Raj Shankar, Managing Director and S.V. Krishnan, Chief Financial Officer of the Company hereby confirm and certify that

- A. We have reviewed financial statements/results for the quarter and year ended 31<sup>st</sup> March 2016 and Cash Flow Statement for the year ended on that date and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements/figures that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the said period which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
  - i. That no significant changes in internal control have occurred over financial reporting during the said period;
  - ii. That changes in accounting policies, if any, during the period have been disclosed in the notes to the financial statements/ results; and
  - iii. That no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Chennai  
Date : May 24, 2016

Raj Shankar  
Managing Director

S.V. Krishnan  
Chief Financial Officer

## Independent Auditor's Certificate

### To the Members of Redington (India) Limited

1. We have examined the compliance of conditions of Corporate Governance by **Redington (India) Limited** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
  - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with the stock exchange for the period from April 01, 2015 to November 30, 2015.
  - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange for the period from April 01, 2015 to September 01, 2015.
  - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016; and
  - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

Place: Chennai  
Date: May 24, 2016

# Management Discussion and Analysis

## Economic Outlook

Your Company's business interests are spread across emerging economies and developed / under developed nations, covering India, South Asia, Middle East, Turkey, Africa (META) and CIS regions. The sensitive and fragile nature of the economies of these nations means that they are significantly impacted by any shifts in the Global economic scenario. Hence, in order to understand the performance of your Company during FY 15-16 better, it is important to juxtapose it against the developments in Global and Domestic economic conditions.

## Global Economy - Review and Outlook

After years of stagnation, the Global economy showed small signs of recovery, albeit in pockets. The traditional economic powerhouses - USA, Germany, UK etc. led the way with sustained growth indices. However, the Japanese economy remained stagnant and most European countries were faced with continuing contraction in demand. The sustainability and resilience of overall Global economic recovery is challenged by several serious geopolitical developments.

The refugee crisis - brought about by the ISIS phenomena - that threatens to overwhelm the economies of Greece, Turkey and Mediterranean European nations is a serious impediment towards global economic growth. Apart from the economic burdens that this imposes on nations, the crisis is a very serious political and humanitarian challenge.

The continuing low oil prices have seriously impacted the economies of all oil-producing nations : be it in Middle-East & West Asia, or African nations like Nigeria, or Latin American nations, or a global super-power like Russia. This has seriously dented the ability of all these nations to invest in critical infrastructure or, for that matter, to maintain state-subsidized lifestyle that many of these nations offer its citizens. With fast depleting national reserves, most of these nations face serious demand contraction and are likely to witness political and social upheavals in future, unless the oil prices recover to a sustainable level.

The world's growth engine of the past, China, has witnessed a gradual and continuous economic slowdown. The cessation of the frenetic infrastructural spending by China has decimated demand for commodities like steel, various other metals / minerals and cement and this has in turn seriously impacted the economies of commodity producing nations like Australia. China's economic growth is expected to remain moderate in near future.

According to the International Monetary Fund (IMF), average growth in emerging markets and developing economies is expected to pick up gradually from 4.0% in 2015 to about 4.1% in 2016 and to 4.6% in 2017. The baseline projection for global growth in 2016 is projected at a promising 3.2%, though broadly in line with that in 2015. The recovery is projected to strengthen in 2017 and beyond, driven by growth recovery in the major economies in western nations, coupled with gradual easing of the stressed economies of many nations.

The GDP growth in Middle East and African countries during 2015 de-accelerated sharply, due to - as mentioned above - continuing very low oil prices, decline in prices of other commodities, and the geopolitical and domestic strife in a few countries. The Governments in some of these countries have taken steps to restrain its spending, cut subsidies, and raise non-oil revenues. This is expected to show results in the next few years, but is likely to be coupled with social unrest, unless handled judiciously and with appropriate messaging to the populace.

## Indian Economy - Review and Outlook

On the back of prudent monetary policies of RBI and incremental fiscal reforms being carried out by the Government, the Indian economy has emerged as a bright spot, becoming one of the fastest growing large economies in the world. The 7.6% growth in the GDP at constant market prices in 2015-16, according to the advanced estimates of the Central Statistics Office, shows a sustained growth impetus, when compared to the figures of the previous 3 years: 7.3% in 2015, 7.2% in 2014 and 6.6% in 2013.

The IMF, in its regional economic outlook for Asia and Pacific, retained India's growth projections at 7.5% for 2016 and 2017. The economic activity in India is expected to be underpinned by recovering private consumption, which has benefited from lower energy prices and higher real incomes. Latest projections predict that India's GDP growth in FY 16-17 might be substantially higher than predicted earlier and may even cross the coveted 8% mark.

With implementation of the unified tax system (GST) and gradual but sustained fiscal and structural reforms being undertaken by the government, a more conducive business environment is forecast, giving all-round fillip to the economic progress of the nation. While the "Make in India" should boost investments in the manufacturing sector, the projects aimed at "Smart Cities" and "Digital India" would not only transform the way the citizens interact with various government departments, but should provide a further impetus to business activities and consumer demand within the country.



## Industry Structure, Developments, Opportunities and Threats

Accelerated shift towards Opex based consumption of IT products and services as opposed to the traditional Capex based purchases, coupled with continued economic stress in most global economies resulted in stagnant / muted growth in the IT industry during FY 2015-16.

Global Personal Computer (PC) shipments once again declined by 8% during the calendar year 2015 and by a steep 9.6% YOY during the first quarter of CY 2016, marking the sixth straight quarter of de-growth in worldwide PC shipments.

This decline is largely attributed to longer refresh cycles of technology products by customers, Microsoft's offer of free upgrade to their new operating system, Windows 10 and currency upheavals in many markets, adversely impacting prices in local currencies.

Asia/Pacific PC shipments reached 23.3 million units in the first quarter of CY 2016, a YOY decline of 5.1%. With high PC penetration in the major cities, brands faced a challenge to persuade customers to go in for replacements just on the appeal of incremental improvements in technology.

PC shipments in EMEA totaled 19.5 million units in the first quarter of 2016, a decline of 10% year over year.

In India, CY 2015 witnessed decline in PC shipments, however, the Indian market still retains the potential for future growth with continued under-penetration in Tier-3 and Tier-4 towns and the untapped potential of the huge SMB base. Increased adoption of Security and Storage solutions also augur well for increased demand for Enterprise products and software. Enhanced spends by government towards implementation of various Digital India and Smart City projects will boost demand of IT products in the medium term.

While adoption of Cloud technology in India is still low, it is accelerating rapidly and in 3-5 years will definitely impact the overall demand for Servers, Storage and Software products.

Global smart phone sales also witnessed substantial slow-down in growth. Although for the full CY 2015, Smartphone shipments stood at 1.4 Billion Units, an increase of 14.4% over CY 2014, during the last quarter of the CY 2015 (October-November-December), the growth tapered to a YOY growth of just 9.7%, the slowest since 2008.

The smart phone market is today a highly fragmented one, with many erstwhile ODMs themselves venturing out by introducing their own brands in the mix.

As per Gartner, low-cost smart phones remain demand drivers in emerging markets with 85% of buyers in the Asia-Pacific region replacing their smart phones with products of similar category / price range. Smart phone demand is expected to further taper off and is expected to grow by only 7% worldwide during CY 2016.

Gartner has estimated that the combined shipment of devices (PCs, tablets, ultra-mobiles and mobile phones) in India is forecast to be 300 million units in 2015, an increase of 4.5% over 2014.

After recording growth of 16 percent in 2014, sales of smartphones in China were flat in 2015. "In this saturated yet highly competitive smartphone market, there is little growth expected in China in the next five years," said Gartner.

Hence India remains amongst the few growth markets for phone vendors, even as the total phone shipments are experiencing a distinct slowdown. Sales of feature phones showing continuing de-growth which is however counter-balanced by growth in smart phone shipments.

With the Average Selling Prices (ASPs) of low-end models declining continuously in Rupee terms, Gartner estimates that 139 million smartphones will be sold in India in CY 2016, resulting in a YOY growth of nearly 30%, contributing to approximately 50% of total phone sales in CY 2016.

The E-commerce space remains one of the fastest growing sectors in India. However, recent policy announcements which impose stricter regulations in investments in E-commerce companies has resulted in these companies being forced to bring about a change in pricing models, sharply reducing the discounts they can offer to customers. This has in turn resulted in tempering the break-neck growth of E-commerce companies and has led to a sharp reduction in their valuations and investment-attracting potential. This segment is expected to undergo a major shake-up in the years to come while retaining the potential of an attractive GTM option to many consumer brands.

## Key Business Strategies

Your Company has positioned itself effectively to capture all possible growth opportunities that are likely to open up across IT, Mobility, Cloud and Solutions space. It has emerged one of the very few distributors globally, which has effectively emerged as the most viable partner for all vendors in the Volume, Consumer, Enterprise as well as the Mobility space.

Your Company offers a diverse range of services to its vendors in the areas of Volume and Value Distribution, Logistics Solutions and Product Support Services, continuously adding to its offerings and infrastructural and Human Resource capabilities.

Your Company is fully geared up to meet the rapidly changing business eco-system and remain relevant to its customers in emerging Indian market.

With its strong core of Volume Distribution, your Company is engaged in continuously increasing its operational efficiencies in order to remain as the most cost-effective option for all its Consumer product vendors in the markets where your Company operates.

Already the "Value Distributor-of-Choice" for all its vendors offering technology solutions to SMBs and Enterprises, your Company continues to enhance its skills in Technical Sales and Pre-sales; in order to act as "Force Multiplier" for its vendors and a valuable business associate for its channel partners in their quest to effectively service their customers' requirements.

The convergence of IT & Mobility continues at a rapid pace and mobile phones are fast becoming an integral part of technology consumption. Your Company is strongly engaged with vendors in developing capabilities that would enable it to be a relevant and essential partner for addressing the swiftly changing consumer landscape.

## Internal Control System and their adequacy

A detailed note on the Internal Controls systems of the Company and its adequacy is given in Annexure A to the Board's Report forming part of this Annual Report.

## Human Resource Management

Your organization fosters through a faster growth trajectory, expanding and diversifying for business opportunities. Team HR at Redington too has evolved to cater the Human Power needs, aimed to realize our business goals. 'Attract, Excel, and Retain' is the philosophy on which the HR Team is thrusting their efforts. Learning Opportunities & Employee Engagements have been consistently rendered and the HR policies are continuously retuned to suit changing needs. Employee loyalty is rewarded and efforts to integrate the employee's family have been initiated. Your Company is progressing to become 'A Great Place to Work' with action plans devised and being driven by the senior employees. HR Team at Redington is all set to achieve Human Excellence, constantly listening to the current employees and market expectations.

## Financial Performance Analysis

The Consolidated financials of your Company and its subsidiaries (including 49 overseas subsidiaries and step-down subsidiaries) have been prepared in accordance with Generally Accepted Accounting Principles in India, in compliance with the Accounting Standards and the relevant provisions of the Companies Act 2013. The audited financial statements of the Company and all its subsidiaries and step-down subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company.

## Segment-wise Performance Analysis

Your Company identified geographical segment as the primary segment and business segment as the secondary segment based as a measure of risk and return of the business in different countries.

Geographical segments reported are India and Overseas. Business segments identified are Distribution and Services (includes logistics and support services).

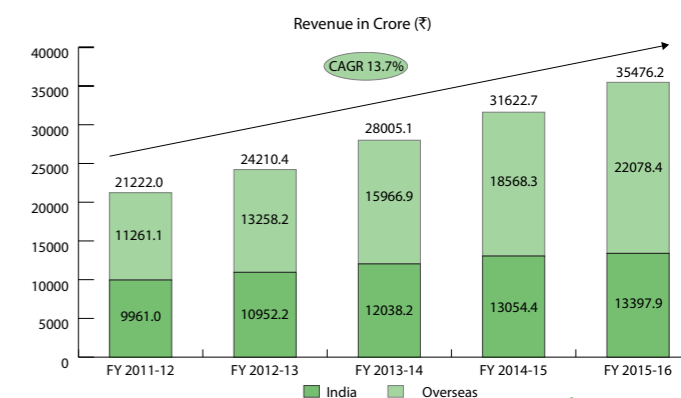
In both geographies, your Company has performed well during this fiscal year. Despite a subdued demand environment in India, Turkey, Geo-political tensions in MEA region and various countries, the Company has managed to post double digit growth in its revenue and earnings during the year.

Your Company's consolidated financial performance is marked by healthy revenue and profit mix from both domestic and overseas markets and a strong position in both these markets.

## Analysis on the Consolidated Financial Performance

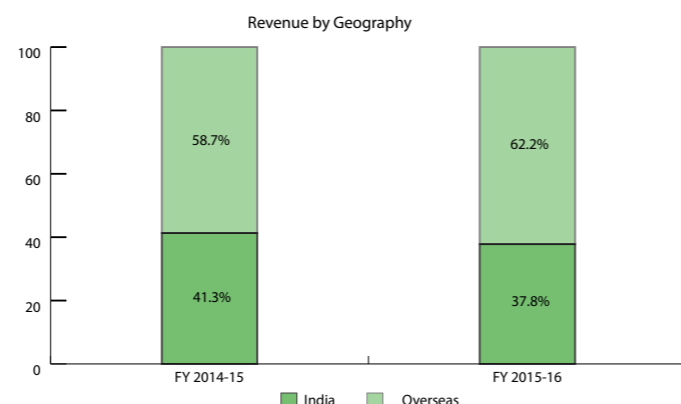
### Revenue

Your Company's consolidated revenue has grown by 12.2% during the fiscal year 2015-16, with a CAGR of 13.7% for the last 5 fiscal years. India operation posted a revenue growth of 2.9% with a CAGR of 7.7% for the previous 5 fiscal years while the overseas operations posted a revenue growth of 18.7% with a CAGR of 18.3% for the last 5 fiscal years.



India operation posted a strong growth of 12.3% during the fiscal year 2015-16 in IT business. Non-IT business de-grew which resulted in a lower revenue growth during the fiscal year 2015-16. De-growth in Non-IT is due to reduced revenue from Apple iPhones due to change in Go-To-Market strategy by the vendor.

Revenue from Overseas operation was higher on account of strong growth in Apple iPhone and increase in market share in the IT volume space and depreciation of Indian Rupee against US Dollar by 6.9% during the fiscal year 2015-16.



There is a marginal shift in the composition of segmental revenue in favour of overseas operation. Share of overseas revenue increased as a percentage of total revenue due to higher growth in overseas revenue and modest growth in the India revenue during the fiscal year 2015-16.

### Gross Margin

Gross margin dropped marginally to 5.93% from 5.98% during the fiscal year 2015-16. This drop is mainly on account of change in the revenue mix, whereby Non-IT revenue as a % of overall revenue increased from 20.9% during the fiscal year 2014-15 to 22.9% during the fiscal year 2015-16.

### Expenses

All the expenses of overseas operation were higher by 6.9% during the year on account of depreciation of Indian Rupee against US Dollar.

### Employee Costs

Employee cost increased by 15.4% during the fiscal year 2015-16. This increase is primarily on account of increment to the existing employees and additional man power mainly in the form of investment in new business verticals like Cloud Computing and "Direct To Retail" (DTR) model in telecom space.

### Other Expenses

Other expenses increased by 13.0% during the fiscal year 2015-16. This increase is primarily on account of increase in the ensuing costs.

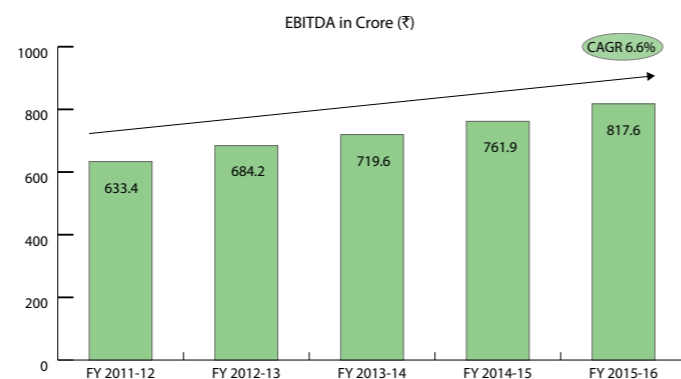
**Foreign Exchange Loss** – due to depreciation of Nigerian Naira, Tanzanian shillings, Kazakhstani Tenge against US Dollar. The loss is more in the case of Naira where the risk could not be mitigated as there was no option to hedge.

**Rent expense** – on account of contractual obligation.

**Consultancy charges** – Your Company had appointed a consultant to study the existing and new business opportunities in the distribution and logistics space. This resulted in onetime cost which doubled the professional charges during the fiscal year 2015-16.

### EBITDA

Growth in EBITDA is 7.3% in fiscal year 2015-16 as compared to the CAGR of 6.6% for the last five years. The percentage of EBITDA to revenue has come down from 2.4% to 2.3% during the fiscal year 2015-16 mainly on account of change in product mix.



### Finance Costs

Finance cost increased by 13.3% during the fiscal year 2015-16. This increase is primarily due to higher utilization of working capital for Indian operations. There was no significant in finance cost in overseas operation except due to depreciation of Indian

currency against US dollar.

### PBT & PAT

PBT & PAT increased by about 7.0% and 10.1% respectively during the fiscal year 2015-16, resulting in yet another year of earnings growth.

PAT growth was higher than PBT growth due to lower tax expense. The lower tax expense is from overseas operation due to the ensuing reasons:

- Reduction in tax rate in Turkey.
- Increased profit contribution from Overseas operation where the weighted average tax rate is lower.

### Operating Cash Flow Statement

Cash flow from operation was negative for the fiscal year 2015-16. Negative cash flow is on account of more than proportionate investment in working capital, as compared to the increase in revenue. It was required to invest in the working capital to maintain market position when there was a subdued demand in the market.

Also, slower sales in Non-IT vertical in India compared to the expectation resulted in higher working capital days.

### Key Ratios

Particulars	FY 2015-16	FY 2014-15
Return on Average Capital Employed (%)*	16.0	17.2
Return on Average Equity (%)*	17.1	18.2
Book Value/ Share (in ₹)	67.2	57.6
EPS (in ₹)	10.7	9.7
Interest Cover (times)	4.3	4.5
Gross Debt : Equity (times)	0.8	0.7
Net Debt : Equity (times)	0.6	0.5

\* Goodwill has been excluded and Capital reserve has been included appropriately.

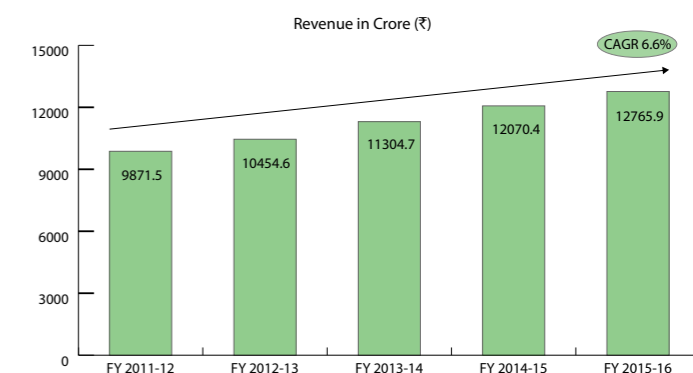
Return ratios have dropped due to more than proportionate increase in working capital.

Though the interest rates have come down in India operation during the fiscal year 2015-16, a higher increase in borrowings resulted in increased interest cost. Consequently, the Debt Equity Ratio has gone up.

### Analysis on the Standalone Financial Performance

#### Revenue

The revenue growth was 5.0% during the fiscal year 2015-16 with a CAGR of 6.6% for the last 5 fiscal years.



IT business grew strongly by 11.1% as compared to de-growth in Non-IT business. De-growth in Non-IT is due to reduced revenue from Apple iPhones due to change in Go-To-Market strategy by the vendor.

Other income declined by 24.1% during the fiscal year 2015-16 mainly on account of onetime income on sale of land amounting to ₹ 12.15 Crore during the previous fiscal year.



## Gross Margin

Gross margin has marginally increased to 5.7% during the current fiscal year 2015-16 as compared to 5.6% during the previous fiscal year.

## Expenses

### Employee benefit

Employee cost increased by 18.2% (₹ 14.54 Crore) during the current fiscal year 2015-16. The increase is attributable to the ensuing reasons:

- Additional statutory bonus provision was created in the books for the fiscal year 2015-16 subsequent to the change in the Payment of Bonus Act which contributed to increase of 3.3%.
- Nook Micro Distribution Limited (Nook), a wholly owned subsidiary of your Company till March 31, 2015, was merged with your Company with effect from April 1, 2015 (refer Note 34 to Standalone Financial Statement). The employee cost of Nook contributed to an increase of 5.9% in employee cost in the standalone financial statement during the fiscal year 2015-16.
- Other increase is primarily on account of increment to the existing employees and additional man power mainly in the form of investment in new business verticals like Cloud Computing and "Direct To Retail" (DTR) model in telecom space.

### Other expenses

Overall decrease in Other Expense is 4.6%.

Bank Charges reduced by 34.9% due to decrease in Letter of Credit Discounting.

The sales promotion expenses decreased 26.2% during the fiscal year 2015-16 mainly on account of lower spending for promotional activities in line with the revenue and commitments agreed with certain brands.

A part of the increase is also on account of merger of Nook Micro Distribution Limited (refer Note 34 to Standalone Financial Statement) with effect from April 01, 2015.

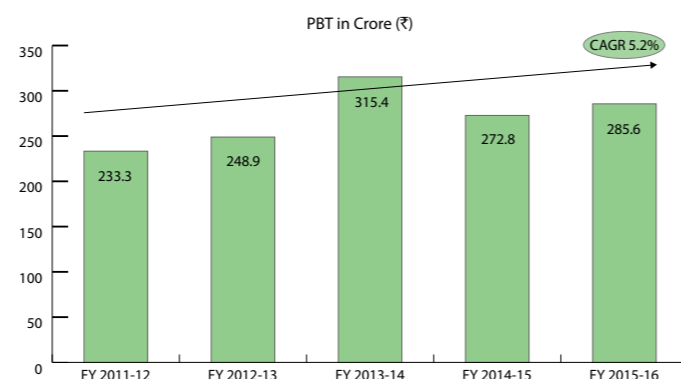
## Finance Costs

The Increase in finance cost is on account of increase in average working capital utilisation.

Interest cover ratio has also dropped to 4.49 times during the fiscal year 2015-16 as against 5.45 times for the previous fiscal year on account of this increase in interest cost.

### Profit before Tax (Before exceptional item)

Profit before tax grew by 4.7% during the fiscal year 2015-16.



The profit before tax as a percentage to revenue grew marginally if we eliminate the onetime income from sale of land during the previous fiscal year.

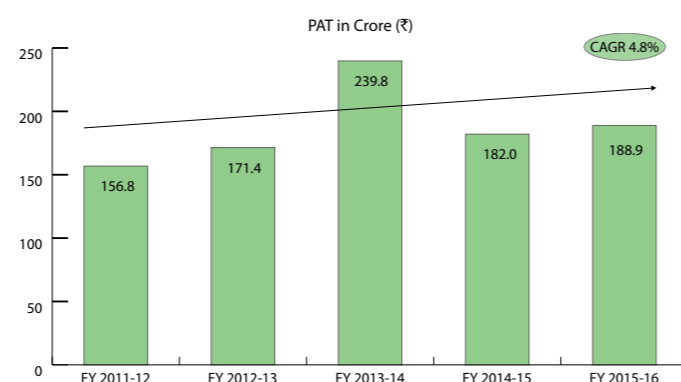
The spike during the fiscal year 2013-14 is on account of sale of shares in wholly owned subsidiary Easyaccess Financial Services Limited.

### Profit after Tax

Profit after tax grew by 3.8% during the fiscal year 2015-16.

The profit before tax as a percentage to revenue grew marginally if we eliminate the one time income from sale of land during the previous fiscal year.

The spike during the fiscal year 2013-14 is on account of sale of shares in wholly owned subsidiary Easyaccess Financial Services Limited.



## Cash Flow Statement

Your Company generated ₹ 29.1 Crore of positive cash flow from operation during the fiscal year 2015-16. Your Company has been consistently generating positive cash flow from operation signifying strong business fundamentals and prudent operational control.

Net cash outflow on account of investing activities was ₹ 53.6 Crore which is primarily due to investment of equity in its wholly-owned subsidiary, Redington International Mauritius Limited to repay the long term loan. Net cash inflow on account of financing activities was ₹ 48.4 Crore which is primarily due to increase in borrowing to manage the working capital requirements.

## Funds Employed

Shareholder funds increased to ₹ 1,438.7 Crore on March 31, 2016 from ₹ 1,360.6 Crore on March 31, 2015, due to transfer of profit earned post dividend distribution during the fiscal year 2015-16.

Debt as on March 31, 2016 increased to ₹ 477.5 Crore from ₹ 283.8 Crore as on March 31, 2015 due to increase in working capital utilization during the fiscal year 2015-16.

The Company has kept its debts under control at less than 0.35. The Company is therefore favorably poised to capture any upswing in the business opportunity in the ensuing years, without any need for additional equity capital.

## Dividend

With a comfortable Debt levels, the Board of Directors have recommended 105% dividend on the face value of shares for the year 2015-16, equivalent to ₹ 2.10 per share, making it the highest ever dividend payout.

## Book value and Earnings per Share

Book Value of the Company increased from ₹ 34.0/- per share to ₹ 36.0/- per share.

Earnings per share increased by 3.7% to ₹ 4.7 per share for the year ended March 31, 2016 compared to the previous fiscal year.

# Standalone Financial Statements

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **REDINGTON (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditor of the Company's branch at Singapore.

## Management's Responsibility for the Standalone 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 standalone 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 prescribed under section 133 of the Act, as applicable.

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 standalone 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements 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. 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 standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2016, and its profit and its cash flows for the year ended on that date.

## Other matter

- a) We did not audit the financial statements of a branch included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 5,778.00 Lakhs as at March 31, 2016 and total revenues of ₹ 14,556.61 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of the branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the branch, is based solely on the report of such branch auditor.
- b) We did not audit the financial statements of an erstwhile wholly owned subsidiary Nook Micro Distribution Limited, included in the standalone financial statements of the Company, on account of Merger of the subsidiary with the Company, with appointed date of April 1, 2015 (Refer Note 34), whose financial statements reflect total assets of ₹ 6,902.42 Lakhs as at March 31, 2016 and total revenues of ₹ 25,910.13 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of this erstwhile subsidiary has been audited by its statutory auditor whose report has been furnished

to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this erstwhile subsidiary, is based solely on the report of its auditor.

Our opinion is not modified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

##### 1. 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 and the reports of the auditors of the branch and the erstwhile subsidiary.
  - c) The reports on the accounts of the branch office of the Company audited under Section 143 (8) of the Act by branch auditor has been sent to us and have been properly dealt with by us in preparing this report.
  - d) 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.
  - e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
  - f) On the basis of the written representations received from the directors as on March 31, 2016 of the Company taken on record by the Board of Directors of the Company and the reports of the statutory auditors the aforesaid erstwhile subsidiary company, none of the directors of the Company is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on our audit of the internal financial controls over financial reporting of the Company and the audit report of the statutory auditor of the erstwhile subsidiary company incorporated in India, as referred above. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - h) 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;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

Place: Chennai  
Date: May 24, 2016

#### Annexure "A" to the Independent Auditors' report

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

#### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the standalone financial statements of the Company for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Redington (India) Limited ("the Company") and its erstwhile subsidiary Nook Micro Distribution Limited, incorporated in India which got merged with the company with Appointed date of April 1, 2015.

##### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its erstwhile subsidiary incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

##### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the statutory auditor of the erstwhile subsidiary, in terms of their report referred to in the Other Matters paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

##### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

##### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the erstwhile subsidiary Nook Micro Distribution Limited, a company incorporated in India, is based on the corresponding report of its statutory auditor of the said subsidiary incorporated in India.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

Place: Chennai

Date: May 24, 2016

## Annexure B to the Independent Auditors' report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes that relating to erstwhile subsidiary Nook Micro Distribution Limited, incorporated in India ("erstwhile subsidiary"), which got merged with the Company with Appointed date of April 1, 2015 and which has been audited by other auditor and our report in respect of this entity is based solely on the report of the said other auditor, to the extent considered applicable for reporting under the Order in the case of Standalone Financial Statements.

- (i) In respect of the fixed assets of the Company and based on the report of the auditor of the erstwhile subsidiary:
  - (a) The respective entities has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion and the opinion of the other auditor, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditor, no material discrepancies were noticed on such verification.
  - (c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and based on the examination of the registered title deeds/ Court orders approving scheme of amalgamation provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- (ii) In respect of the inventories of the Company, as explained to us, the inventories were physically verified during the year by an external firm of Chartered Accountants at reasonable intervals and no material discrepancies were noticed on physical verification. Based on the report of the auditor of the erstwhile subsidiary, inventories of the said subsidiary were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) In our opinion and according to the information and explanations given to us, and based on the report of the auditor of the erstwhile subsidiary, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. Based on the report of the auditor of the said erstwhile subsidiary, the erstwhile subsidiary has not granted any loans, made any investments or provided any guarantees and security.
- (v) According to the information and explanations given to us and based on the report of the auditor of the erstwhile subsidiary, the Company has not accepted any deposit during the year. There are no unclaimed deposits outstanding at any time during the year.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) on (Maintenance of Cost Records) of CARO 2016 Order is not applicable.
- (vii) According to the information and explanations given to us in respect of the Company and based on the report of the auditor of the erstwhile subsidiary, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.



(c) Details of dues of Sales Tax, Service Tax, Value Added Tax and Customs Duty which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in lakhs)	Unpaid Amount (₹ in lakhs)
Company					
Central Sales tax, 1956	Sales tax	Special Commissioner - VAT- New Delhi	2009-10	55.22	55.22
		Additional Commissioner (Appeals) - Goa	2007-08	64.78	64.78
		Joint Commissioner - (Appeals) - Mumbai	2006-07, 2007-08 & 2010-11	203.13	176.54
		Deputy Commissioner (Appeals) – Indore	2013-14	1.96	1.77
Sales Tax of Various States	Sales tax	Commercial Tax Appeal Board – Bhopal	2009-10	11.07	6.64
		Sales Tax Appellate Tribunal - New Delhi	2008-09	490.05	459.85
		Special Commissioner - VAT- New Delhi	2005-06, 2009-10 & 2010-11	1,722.24	1,722.24
		Additional Commissioner (Appeals) - Various States	2004-05 & 2005-06	1.35	1.08
		Deputy Commissioner (Appeals) - Various States	2009-10, 2010-11, 2011-12 & 2012-13	964.08	603.67
		Joint Commissioner (Appeals) - Various States	2006-07 & 2011-12	42.42	16.23
The Customs Act, 1962	Customs Duty	Customs Excise Service Tax Appellate Tribunal - Various States	2007-08 & Mar 2011- Nov 2012	2,174.84	1,774.84
The Finance Act, 1994	Service Tax	Customs Excise Service Tax Appellate Tribunal - Various States	Oct 2009 - Sept 2014	2,159.42	899.88
Erstwhile subsidiary					
Value Added tax	VAT	Deputy Commissioner (Appeals) Ernakulam	2012-13	0.61	0.61

(viii) In our opinion and according to the information and explanations given to us the Company has not defaulted in the repayment of loans or borrowings to banks and financial Institutions. The Company has not taken any loans or borrowings from government or has not issued any debentures. Based on the report of the auditor of the erstwhile subsidiary, the erstwhile subsidiary has not defaulted in the repayment made to banks and has not taken any loans or borrowings from financial institutions and government and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us and based on the report of the auditor of the erstwhile subsidiary no fraud by the Company and no material fraud on the Company by their officers or employees have been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and based on the report of the auditor of the erstwhile subsidiary, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, and based on the report of the auditor of the erstwhile subsidiary, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

Place: Chennai  
Date: May 24, 2016

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

Balance Sheet as at March 31, 2016

		(₹ in Lakhs)	
Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	7,996.26	7,994.06
Reserves and surplus	4	135,876.58	128,063.40
		<b>143,872.84</b>	<b>136,057.46</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	688.32	693.16
		<b>688.32</b>	<b>693.16</b>
<b>Current liabilities</b>			
Short-term borrowings	6	47,751.58	28,377.52
Trade payables	7		
(i) Total outstanding dues to Micro enterprises & Small enterprises	7 (i)	6,517.43	3,399.42
(ii) Total outstanding dues of creditor other than Micro enterprises & Small enterprises	7 (ii)	159,797.89	104,402.57
Other current liabilities	8	21,891.42	20,451.09
Short-term provisions	9	10,163.74	9,750.75
		<b>246,122.06</b>	<b>166,381.35</b>
<b>TOTAL</b>		<b>390,683.22</b>	<b>303,131.97</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
(i) Tangible assets	10 (i)	9,080.29	9,585.79
(ii) Intangible assets	10 (ii)	34.55	62.83
(iii) Capital work-in-progress		1,402.95	377.31
Non-current Investments	11	59,384.16	54,645.88
Deferred tax assets (net)	12	1,004.91	814.22
Long-term loans and advances	13	8,081.12	5,522.25
		<b>78,987.98</b>	<b>71,008.28</b>
<b>Current assets</b>			
Inventories	14	148,687.10	83,497.30
Trade receivables	15	145,846.82	126,761.51
Cash and cash equivalents	16	4,979.40	2,898.95
Short-term loans and advances	17	12,181.92	18,965.93
		<b>311,695.24</b>	<b>232,123.69</b>
<b>TOTAL</b>		<b>390,683.22</b>	<b>303,131.97</b>

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

**M K Ananthanarayanan**  
Partner

Place : Chennai  
Date : May 24, 2016

For and on behalf of the Board of Directors

**Raj Shankar**  
Managing Director  
(DIN-00238790)

**S V Krishnan**  
Chief Financial Officer

**M Raghunandan**  
Whole-Time Director  
(DIN-00082171)

**M Muthukumarasamy**  
Company Secretary

Statement of Profit and Loss for the Year Ended March 31, 2016

		(₹ in Lakhs)	
Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
Revenue from operations	18	1,263,872.93	1,202,137.93
Other income	19	3,714.60	4,900.03
<b>Total Revenue</b>		<b>1,267,587.53</b>	<b>1,207,037.96</b>
<b>Expenses</b>			
Purchases of trading stocks		1,254,937.46	1,138,813.30
Changes in inventories		(59,028.59)	(561.58)
Employee benefits expense	20	9,435.27	7,981.19
Finance costs	21	8,176.69	6,246.83
Depreciation & amortisation expense	10 (iii)	1,002.60	1,102.50
Other expenses	22	24,500.23	25,685.58
<b>Total Expenses</b>		<b>1,239,023.66</b>	<b>1,179,267.82</b>
<b>Profit Before Corporate social responsibility expenditure and Tax</b>		<b>28,563.87</b>	<b>27,770.14</b>
Allocation for CSR Expenditure		-	495.00
<b>Profit Before Tax</b>		<b>28,563.87</b>	<b>27,275.14</b>
Tax expense			
Current tax		9,864.93	8,842.62
Deferred tax	12	(190.69)	236.96
<b>Tax expense for the Year</b>		<b>9,674.24</b>	<b>9,079.58</b>
<b>Profit for the Year</b>		<b>18,889.63</b>	<b>18,195.56</b>
Earnings per equity share	23		
Basic		<b>4.73</b>	<b>4.55</b>
Diluted		<b>4.72</b>	<b>4.55</b>

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

**M K Ananthanarayanan**  
Partner

Place : Chennai  
Date : May 24, 2016

For and on behalf of the Board of Directors

**Raj Shankar**  
Managing Director  
(DIN-00238790)

**S V Krishnan**  
Chief Financial Officer

**M Raghunandan**  
Whole-Time Director  
(DIN-00082171)

**M Muthukumarasamy**  
Company Secretary

**Cash Flow Statement for the Year Ended March 31, 2016**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>A. Cash flow from operating activities:</b>		
<b>Profit before tax</b>	<b>28,563.87</b>	<b>27,275.14</b>
Adjustments for:		
- Depreciation & Amortisation expense	1,002.60	1,102.50
- Finance costs	8,176.69	6,246.83
- Interest income	(1,989.01)	(2,193.55)
- Bad Debts written off	382.51	848.22
- Provision for doubtful receivables	1,357.29	1,398.21
- Provision for warranty	180.20	169.59
- Provision no longer required written back	-	(240.18)
- Provision for Corporate social responsibility expenditure	-	495.00
- Dividend from Subsidiaries	(698.26)	(557.60)
- Dividend income from short-term Investments	(118.01)	(247.58)
- Unrealised foreign exchange loss/(Gain) (net) including translation adjustment	(712.26)	93.13
- Profit on sale of fixed assets (net)	(57.94)	(1,237.26)
<b>Operating Profit before working capital changes</b>	<b>36,087.68</b>	<b>33,152.46</b>
Increase in Trade receivables	(17,136.24)	(5,504.20)
(Increase)/Decrease in Long-term loans and advances	(338.93)	152.29
(Increase)/Decrease in Short-term loans and advances	(1,702.99)	3,271.18
Increase in Inventories	(59,028.59)	(448.73)
Increase/(Decrease) in Other current liabilities	1,113.20	(619.38)
Increase/(Decrease) in Trade payables	56,709.67	(4,448.96)
Decrease in Short Term provisions	(704.00)	(260.83)
Decrease in Long-term provisions	(41.29)	(212.91)
<b>Cash generated from operations</b>	<b>14,958.51</b>	<b>25,080.91</b>
Direct taxes paid (including TDS receivable), net of refund Received	(12,039.83)	(5,569.29)
<b>Net Cash flow from operating activities</b>	<b>2,918.68</b>	<b>19,511.62</b>
<b>B. Cash flow from investing activities:</b>		
Capital Expenditure	(1,509.72)	(1,608.59)
Proceeds from Sale of fixed assets	103.54	1,721.71
Interest received	1,566.71	2,075.34
Dividend Income from Subsidiaries	698.26	557.60
Loans disbursed to Subsidiaries & Associates	(20,870.00)	(15,815.00)
Loans settled by Subsidiaries & Associates	20,779.51	12,620.00
Dividend income from short-term Investments	118.01	247.58
Changes in Bank Deposit Balances, not treated as cash and cash equivalent	493.51	(494.61)
Investments in Subsidiaries/ Associates	(6,748.60)	(6,276.35)
<b>Net Cash used in investing activities</b>	<b>(5,368.78)</b>	<b>(6,972.32)</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds from allotment of shares including premium under Employee Stock Option, 2008	80.38	112.92
Proceeds from/ (Repayment) of Short-term borrowings (net)	21,890.30	(7,519.40)
Dividends paid (including dividend tax)	(8,997.91)	(4,112.00)
Finance costs paid	(8,128.80)	(7,875.43)
<b>Net cash generated from/(used in) financing activities</b>	<b>4,843.97</b>	<b>(19,393.91)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>2,393.87</b>	<b>(6,854.61)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,399.01</b>	<b>9,253.62</b>
<b>Cash and cash equivalents acquired pursuant to scheme of Amalgamation (Refer Note 34)</b>	<b>180.09</b>	
<b>Cash and cash equivalents at the end of the year</b>	<b>4,972.97</b>	<b>2,399.01</b>
<b>Reconciliation of Cash &amp; cash equivalents</b>		
<b>Cash &amp; cash equivalents as per Balance sheet (Refer Note 16)</b>	<b>4,979.40</b>	<b>2,898.95</b>
Less: Earmarked Balance - Dividend Account	6.34	4.85
Less: Balance held as Margin money	0.09	0.09
Less: Earmarked balances - Unspent for Corporate Social Responsibility	-	495.00
<b>Cash and cash equivalents as per Cash Flow Statement</b>	<b>4,972.97</b>	<b>2,399.01</b>
See accompanying notes forming part of financial statements		

In terms of our report attached

For and on behalf of the Board of Directors

 For Deloitte Haskins & Sells  
Chartered Accountants

 M K Ananthanarayanan  
Partner

 Raj Shankar  
Managing Director  
(DIN-00238790)

 S V Krishnan  
Chief Financial Officer

 M Raghunandan  
Whole-Time Director  
(DIN-00082171)

 M Muthukumarasamy  
Company Secretary

 Place : Chennai  
Date : May 24, 2016

**Notes to financial statements for the Year Ended March 31, 2016**
**1. Company Overview**

Redington (India) Limited ("the Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed on the bourses of BSE Limited and National Stock Exchange of India Limited. The Company operates in the Information Technology product distribution business supply chain solutions and after sales services of Information Technology products. The Company has a branch in Singapore which has become operational since financial year 2014-15. The Company and its subsidiaries operate in India, Middle East, Turkey, Africa, and South Asia countries.

**2. Basis of preparation of financial statements**

2.1 The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2.2 Summary of Significant Accounting Policies**
**a. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**b. Fixed assets**
**Tangible assets**

Tangible Assets are recorded at cost less accumulated depreciation. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use.

Gains or losses arising from derecognition of tangible fixed assets are measured as the difference between the net proceeds from disposal/net realisable value and carrying amount of the asset and are recognised in the Statement of Profit and Loss.

**Depreciation on Tangible assets**

1. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
2. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in which case the life of the assets have been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support, etc.

Class of Asset	Years
Buildings	20
Plant & Equipment	5
Furniture & Fixtures	4
Office Equipments	5
Computers	3
Vehicles	5

3. Depreciation on additions to fixed assets is provided from the month of addition.
4. Individual fixed asset whose cost does not exceed ₹ 5,000/- are fully depreciated in the year of acquisition.
5. Expenditure on Interiors on premises taken on lease (included in furniture & fixtures) are capitalized and depreciated over a period of five years.

#### Intangible assets

1. Intangible assets are recorded at cost less amortization.
2. Intangible assets are amortized on straight line basis over a period of three years.
3. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

#### c. Impairment of tangible and intangible assets

At each Balance Sheet date, the Company assesses whether there is any indication that the fixed assets with finite lives may be impaired. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. If there is any indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment if any. Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of cash-generating unit to which the asset belongs.

#### d. Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Lease Rentals under operating leases are recognised in the Statement of Profit and Loss.

#### e. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments which are strategic in nature are generally carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such diminution being determined and provision made for each investment individually.

#### f. Inventories

Inventories are stated at lower of cost and the net realizable value. Costs includes cost of purchase and other costs incurred in bringing the inventories to the warehouse, net of discounts and rebates and is determined on weighted average basis.

#### g. Foreign Currency Transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period at the prevailing exchange rates as on the Balance Sheet date and exchange gain/loss is considered in the Statement of Profit and Loss.

For Branch operations: Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

All assets and liabilities of non-integral foreign operations are translated at the year-end rates. The resulting exchange differences is accumulated in a foreign currency translation reserve until the disposal of the net investment.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which such cancellation or renewal is made.

#### h. Warranties

The Original Equipment Manufacturer generally warrants the products distributed by the Company. In a few cases, as per the terms of the contracts, the Company provides post-contract services / warranty support to its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

#### i. Revenue Recognition

1. Revenue from Sales is recognized when the ownership and title is transferred which generally coincides with delivery. Revenue is stated net of discounts, rebates and sales tax.

2. Service Income is recognized when services are rendered. Income from Warranty and Maintenance Contracts is recognized as per the terms of contract.
3. Income from supplier schemes is accrued, on fulfillment of terms of such programs.

#### j. Other Income

1. Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.
2. Interest income is recognised on the time proportion basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists. Interest income on overdue receivables is recognized only when there is a certainty of receipt.

#### k. Employee Benefits

##### 1. Short-term Employee Benefits

Short-term employee benefits including accumulated short-term compensated absences determined as per Company's policy/ scheme are recognized at the Balance Sheet date as expense based on the expected obligation on an undiscounted basis.

##### 2. Long-term Employee Benefits

###### Defined Benefit Plan

###### Compensated Absences & Gratuity

The liability for Gratuity and long term compensated absences, both unfunded, is provided based on actuarial valuation as at the Balance Sheet date, using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

###### Defined Contribution Plan

Contribution under statutory laws relating to employee benefits, including Provident Fund and Employee State Insurance, is made in accordance with the respective rules and is charged to the Statement of Profit and Loss as and when services are rendered by the employees.

#### l. Employee share based payments

Stock options granted to the employees under the Employee Stock Option Scheme are evaluated in accordance with the accounting treatment prescribed by "Securities and Exchange Board of India (Shares Based Employee Benefits) Regulations, 2014 and the Guidance Note on Employee share based payments issued by the Institute of Chartered Accountants of India. The Company follows the intrinsic value method of accounting for the options and accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on graded vesting basis over vesting period of the options.

#### m. Current and deferred tax

- i. Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit for the year.
- ii. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates under the provisions of the Income Tax Act, 1961.
- iii. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.
- iv. Tax on proposed distribution of dividend is based on the provisions of Income Tax Act, 1961 and disclosed as appropriation in the Reserves and Surplus in the Balance Sheet.





## n. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for

- Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements

## o. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash.

## p. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## q. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## r. Derivative Instruments and Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company does not hold derivative financial instruments for speculative purposes. The Company has applied to all such contracts outstanding as on March 31, 2016 the hedge accounting principles set out in Accounting Standard 30 "Financial Instruments : Recognition and Measurement" (AS 30) by marking them to market. Changes in the fair value of the contracts that are designated and effective hedges of future cash flows are recognised directly in the Hedge Accounting Reserve.

## 3. Share capital

- The Company has only one class of shares referred to as equity shares having a par value of ₹2/-

	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>Authorised shares</b>		
425,000,000 (Previous Year 425,000,000) Equity Shares of ₹ 2/- each	8,500.00	8,500.00
<b>Issued, Subscribed and fully paid up</b>		
399,813,230 (Previous Year 399,702,790) Equity Shares of ₹ 2/- each fully paid up	7,996.26	7,994.06

- Reconciliation of the number of shares outstanding and amount at the beginning and at the end of the reporting period;

Particulars	2015-16		2014-15	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	399,702,790	7,994.06	399,481,820	7,989.64
Allotment of shares under Employee Stock Option, 2008 issued during the year*	110,440	2.20	220,970	4.42
<b>Outstanding at the end of the year</b>	<b>399,813,230</b>	<b>7,996.26</b>	<b>399,702,790</b>	<b>7,994.06</b>

\* During the year, the Company allotted 110,440 (Previous Year 220,970) Equity Shares of ₹ 2 each to eligible employees pursuant to exercise of options under the Employee Stock Options Scheme at applicable premiums

- Terms/rights attached to equity shares;

Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. For the year ended March 31, 2016 a dividend of ₹ 2.10 per equity share has been proposed by the Board of Directors (Previous year ₹ 1.90 per equity share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting which includes an agenda item to consider declaration of dividend.

- Details of shares held by each shareholder holding more than 5 % of the paid-up equity capital

Particulars	31-Mar-2016		31-Mar-2015	
	No. of shares held	% of Share holding	No. of shares held	% of Share holding
Synnex Mauritius Limited	94,295,940	23.58	94,295,940	23.59
Harrow Investment Holding Limited	53,282,932	13.33	53,282,932	13.33
Standard Chartered Private Equity (Mauritius) Limited	39,736,500	9.94	39,736,500	9.94
Reliance Capital Trustee Company Limited	23,892,822	5.98	21,119,911	5.28
ICICI Prudential Life Insurance Company Limited	20,370,285	5.09	20,734,654	5.19

## 4. Reserves and surplus

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>i. Securities Premium Account</b>		
Balance as per the last Balance Sheet	35,374.35	35,265.85
Add: Premium on allotment of shares under Employee Stock Option, 2008 issued during the year	78.18	108.50
<b>Balance at the end of the Year</b>	<b>35,452.53</b>	<b>35,374.35</b>

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>ii. General Reserve</b>		
Balance as per the last Balance Sheet	9,040.45	9,040.45
Add: Transfer from Surplus in Statement of Profit and Loss	Nil	Nil
Less: Adjustments arising on Amalgamation (Refer Note 34)	(10.32)	Nil
<b>Balance at the end of the year</b>	<b>9,030.13</b>	<b>9,040.45</b>

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>iii. Hedge Accounting Reserve</b>		
Balance as per the last Balance Sheet	(3.14)	(9.86)
Add: Movement during the year (net)	(17.66)	6.72
<b>Balance at the end of the year</b>	<b>(20.80)</b>	<b>(3.14)</b>

₹ in Lakhs		
iv. Foreign Currency Translation Reserve	31-Mar-2016	31-Mar-2015
Balance as per the last Balance Sheet	1.38	-
Add: Movement during the year (net)	7.10	1.38
<b>Balance at the end of the year</b>	<b>8.48</b>	<b>1.38</b>

₹ in Lakhs		
v. Surplus in the Statement of Profit and Loss	31-Mar-2016	31-Mar-2015
Balance as per the last Balance Sheet	83,650.36	74,389.03
Adjustments arising on Amalgamation (Refer note-34)	(1,199.21)	-
Profit for the year	18,889.63	18,195.56
<b>Sub total</b>	<b>101,340.78</b>	<b>92,584.59</b>
<b>Less: Appropriations</b>		
Proposed equity dividend for the year	8,396.07	7,595.32
Dividend Distribution Tax on the Proposed Dividend	1,567.10	1,432.71
Dividend including Dividend distribution tax for previous year (Refer note below)	-	0.96
Dividend distribution tax credit on account of dividend received from subsidiary	(28.63)	(94.76)
<b>Balance at the end of the year</b>	<b>91,406.24</b>	<b>83,650.36</b>

**Total Reserves and surplus** **135,876.58**      **128,063.40**

Subsequent to the date of balance sheet as on March 31, 2015 and 2014 and before the book closure date, Nil (Previous Year 90,900) equity shares allotted under employee stock option plan 2008 and dividend of Nil ( Previous year ₹ 0.81 Lakhs) on these shares were paid. The total amount of Nil (Previous year ₹ 0.96 Lakhs) including tax on dividend has been appropriated from the Statement of Profit and Loss.

## 5. Long-term provisions

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Compensated Absences	149.07	151.83
Gratuity	539.25	541.33
<b>Total</b>	<b>688.32</b>	<b>693.16</b>

### Gratuity (included as part of Employee benefits in Note 20)

The Company's obligation towards Gratuity is a Defined Benefit Plan and the details of actuarial valuation as at the year end is given below:

#### a. Movement

₹ in Lakhs		
Particulars	2015-16	2014-15
<b>Projected Benefit Obligation at the beginning of the year</b>	<b>559.49</b>	<b>676.85</b>
Liability Transfer on account of Merger of Nook Micro Distribution Ltd.	22.64	Nil
<b>Total</b>	<b>582.13</b>	<b>676.85</b>
Service cost	41.66	24.17
Transfer of Employees to Ensure Support Services (India) Limited a wholly owned Subsidiary	Nil	(147.69)
Interest Cost	46.57	62.96
Actuarial (Gain)/Loss	(8.99)	41.40
Benefits paid	(90.91)	(98.20)

₹ in Lakhs		
Particulars	2015-16	2014-15
<b>Projected Benefit Obligation at the end of the year</b>	<b>570.46</b>	<b>559.49</b>
Amount recognized in the Balance Sheet:		
Projected benefit obligation at the end of the year	570.46	559.49
Liability recognized in the Balance Sheet	<b>570.46</b>	<b>559.49</b>

₹ in Lakhs		
Particulars	2015-16	2014-15
<b>Cost of the defined plan for the year:</b>		
Current service cost	41.66	24.17
Interest on obligation	46.57	62.96
Net actuarial loss recognized during the year	(8.99)	41.40
<b>Net cost recognized in the Statement of Profit and Loss</b>	<b>79.24</b>	<b>128.53</b>

#### b. Assumptions for Gratuity/ Compensated Absences:

₹ in Lakhs		
Particulars	2015-16	2014-15
Discount Rate	8%	9.3%
Salary escalation rate	5%	5%
Attrition rate	8%	5%
Demographic assumptions - Mortality	LIC (2006-08)	LIC (2006-08)

The amount provided for gratuity as per actuarial valuation has been arrived at after considering future salary increase, inflation, seniority and promotion.

The details of experience adjustments arising on account of plan liabilities to the extent available, is given below:

₹ in Lakhs		
Particulars	2015-16	2014-15
Experience Adjustment Loss for Plan Liabilities	147.27	170.55

## 6. Short-term borrowings

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
- Secured Loan from Banks (Refer note a)	27,194.79	8,634.43
- Unsecured Loan from Banks	20,556.79	1,543.09
- Commercial Paper (Refer note b)	Nil	18,200.00
<b>Total</b>	<b>47,751.58</b>	<b>28,377.52</b>

- Loans from Banks are secured by pari-passu charge on Inventories and Trade receivables and repayable on demand.
- Commercial Paper: The facility is unsecured and the maximum amount outstanding at any time during the year was ₹ 126,000 Lakhs (Previous Year ₹ 79,500 Lakhs).

## 7. Trade payables

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
(i) Total outstanding dues to Micro enterprises & Small enterprises	6,517.43	3,399.42
Total (i)	<b>6,517.43</b>	<b>3,399.42</b>
(ii) Total outstanding dues of creditors other than Micro enterprises & Small enterprises		
a) Trade payables	158,840.25	103,446.98
b) Other payables	957.64	955.59
Total (ii)	<b>159,797.89</b>	<b>104,402.57</b>
<b>Total (i+ii)</b>	<b>166,315.32</b>	<b>107,801.99</b>

Trade payables are dues in respect of goods purchased or services received (including from employees) in the normal course of business.

The Company has circulated letters to suppliers and based on confirmation received so far from the parties necessary disclosures relating to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 are made in the financial statements in accordance with the Notification No: GSR 719 (E) dated November 16, 2007 issued by the Ministry of Corporate Affairs. There is no overdue outstanding (including interest) payable to these enterprises.

## 8. Other current liabilities

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Creditors for other liabilities <sup>^</sup>	14,902.15	13,116.91
Statutory Liabilities	5,009.64	5,257.14
Other Liabilities	444.55	298.94
Advances/deposit received from Customers	1,396.79	1,656.99
Interest accrued but not due on loans	124.60	76.71
Unamortized Revenue	7.35	39.55
Earmarked Liability - Unclaimed Dividend*	6.34	4.85
<b>Total</b>	<b>21,891.42</b>	<b>20,451.09</b>

<sup>^</sup> Includes ₹ 1.23 Lakhs (Previous year ₹ 137.18 Lakhs) payable towards acquisitions of Tangible assets.

\* No Amount is due and outstanding to be credited to Investor Education and Protection Fund as on March 31, 2016.

## 9. Short-term provisions

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Compensated absences	13.25	7.99
Gratuity	31.21	18.16
Provision for warranty	156.10	201.57
Provision for Corporate social responsibility expense	0.01	495.00
Proposed Dividend	8,396.07	7,595.32
Dividend Tax on Proposed Dividend	1,567.10	1,432.71
<b>Total</b>	<b>10,163.74</b>	<b>9,750.75</b>

Movement in Provision for warranty

Description	₹ in Lakhs	
	2015-16	2014-15
Balance at the beginning of the year	201.57	251.54
Add: Provision made (part of Cost of Goods Sold)	180.20	169.59
Less: Provision Utilised (part of Cost of Goods Sold)	225.67	219.56
<b>Balance at the end of the year</b>	<b>156.10</b>	<b>201.57</b>

## 10. Fixed Assets – Owned

### i. Tangible Assets

Description	Gross Block		Accumulated Depreciation		Net Block	
	As at 01.04.15	Additions Pursuant to the scheme of Amalgamation (Ref Note No.34)	Deletions	For the Year	As at 31.03.16	As at 31.03.15
<b>Land (Freehold)</b>						
Current year	3,076.46	-	-	-	3,076.46	3,076.46
Previous year	2,741.46	Nil	109.31	-	3,076.46	2,741.46
<b>Buildings*</b>						
Current year	5,692.45	29.48	-	270.12	1,373.27	4,348.66
Previous year	4,999.62	Nil	-	292.43	1,075.96	4,616.49
<b>Plant and Machinery</b>						
Current year	1,022.00	0.23	12.46	107.10	748.59	278.26
Previous year	1,323.13	Nil	379.25	132.01	650.93	371.07
<b>Furniture &amp; Fixtures</b>						
Current year	2,478.14	19.40	4.97	264.39	2,007.11	493.39
Previous year	2,986.24	Nil	751.49	309.31	1,734.00	744.14
<b>Office Equipments</b>						
Current year	456.29	14.21	8.16	61.41	318.18	168.97
Previous year	566.82	Nil	137.01	63.51	257.19	199.10
<b>Computers</b>						
Current year	1,278.04	33.06	84.28	151.28	1,073.03	312.73
Previous year	1,684.56	Nil	617.10	142.43	970.42	307.62
<b>Vehicles</b>						
Current year	504.55	33.32	166.92	102.25	226.41	401.82
Previous year	562.74	Nil	151.93	92.07	233.64	270.91
<b>Tangible assets total</b>						
Current year	<b>14,507.93</b>	<b>129.70</b>	<b>276.79</b>	<b>956.55</b>	<b>5,746.59</b>	<b>9,080.29</b>
Previous year	<b>14,864.57</b>	<b>Nil</b>	<b>2,146.09</b>	<b>1,031.76</b>	<b>4,922.14</b>	<b>9,585.79</b>

\* Refer Note No 25(b)

Description	As at 01.04.15		As at 31.03.16		As at 01.04.15		As at 31.03.16		As at 31.03.16		As at 31.03.15	
	As at 01.04.15	As at 31.03.16	As at 01.04.15	As at 31.03.16	As at 01.04.15	As at 31.03.16	As at 01.04.15	As at 31.03.16	As at 01.04.15	As at 31.03.16	As at 01.04.15	As at 31.03.15
<b>Software</b>												
Current year	601.16	696.64	84.34	696.64	538.33	601.16	77.71	662.09	46.05	34.55	62.83	62.83
Previous year	619.16	601.16	Nil	601.16	504.22	504.22	Nil	538.33	70.74	62.83	114.94	114.94
<b>Intangible assets total</b>												
Current year	601.16	696.64	84.34	696.64	538.33	601.16	77.71	662.09	46.05	34.55	62.83	62.83
Previous year	619.16	601.16	Nil	601.16	504.22	504.22	Nil	538.33	70.74	62.83	114.94	114.94

## iii. Depreciation/Amortisation

Category	2015-16	2014-15
Tangible assets	956.55	1,031.76
Intangible assets	46.05	70.74
<b>Total</b>	<b>1,002.60</b>	<b>1,102.50</b>

## 11. Non-current Investments

## Trade Investments

## Investment in Equity Instruments—Unquoted

## Investment in Subsidiaries &amp; Associates:

## a. Investment in Indian Subsidiaries

Name of the Entity	31-Mar-2016	31-Mar-2015
1,301,294 (Previous Year 1,301,294) Equity Shares of ₹ 10/- each fully paid-up in Cadensworth (India) Limited (Refer Note No. 33)	612.27	612.27
Nil (Previous year 20,000,000) Equity Shares of ₹ 10/- each fully paid-up in Nook Micro Distribution Limited ( Refer Note No. 34)	Nil	2,010.32
4,550,000 (Previous Year 4,550,000) Equity Shares of ₹ 10/- each fully paid-up in ProConnect Supply Chain Solutions Limited	455.00	455.00
4,500,000 (Previous Year 2,050,000) Equity Shares of ₹ 10/- each fully paid-up in Ensure Support Services (India) Limited	450.00	205.00
<b>Total</b>	<b>1,517.27</b>	<b>3,282.59</b>

## b. Investment in Overseas Subsidiaries

Name of the Corporate Body	31-Mar-2016	31-Mar-2015
27,668,025 (Previous Year 26,700,987) Equity Shares of US\$ 1 each fully paid-up in Redington International Mauritius Limited	34,681.75	28,178.15
Add :- Inter Transfer of Investment of Redington International Holdings Ltd (RIHL)*	21,412.33	21,412.33
	<b>56,094.08</b>	<b>49,590.48</b>
3,800,000 (Previous Year 3,800,000) Equity Shares of US\$ 1 each fully paid-up in Redington Distribution Pte. Limited	1,762.81	1,762.81
<b>Total</b>	<b>57,856.89</b>	<b>51,353.29</b>

\* Represents transfer of investment held in Redington Gulf FZE by RIHL on July 10, 2013, to comply with the directive of the Reserve Bank of India

## c. Investment in associate:

Name of the Entity	31-Mar-2016	31-Mar-2015
100,000 (Previous Year 100,000 ) Equity Shares of ₹ 10/- each fully paid-up in Redington (India) Investments Limited	10.00	10.00
<b>Total Investments</b>	<b>59,384.16</b>	<b>54,645.88</b>

The Company has given undertakings on behalf of some of its subsidiaries to various banks/vendors, that it shall not dilute its shareholding in those subsidiaries below the agreed percentages.

## 12. Deferred tax assets (net)

Break-up of Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences:

Particulars	31-Mar-2016	31-Mar-2015
<b>Deferred Tax Assets:</b>		
Provision for doubtful Trade Receivables	724.85	552.37
Provision for Gratuity	201.05	193.64
Provision for Compensated absences	56.18	55.31
Depreciation	22.83	12.90
<b>Deferred Tax Assets</b>	<b>1,004.91</b>	<b>814.22</b>

Consequent to sale of the Company's investment in its wholly owned subsidiary Easyaccess Financial Services Limited in FY 2014-15, there was a long-term capital loss, under the Income Tax Act, 1961, which resulted in a deferred tax asset of ₹ 1,310.48 Lakhs. Of this, ₹ 249.48 Lakhs was recognised against Long Term Capital Gain realised. The balance deferred tax asset of ₹ 1,061 Lakhs will be recognised as and when there is a long-term capital gain.

### 13. Long-term loans and advances

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
<b>Unsecured &amp; Considered Good</b>		
Capital Advances	14.50	0.75
Income Taxes (Net of Provisions)*	4,955.34	2,750.81
Deposits	266.67	336.83
Receivable from Government authorities (Like Customs, Sales tax, Service tax etc)	2,844.61	2,433.86
<b>Total</b>	<b>8,081.12</b>	<b>5,522.25</b>

\* Includes Provision for Income Tax for Current year ₹66,192.28 Lakhs (Previous year ₹56,431.19 Lakhs).

### 14. Inventories

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Trading Stocks	116,964.75	71,850.56
Goods in Transit	31,722.35	11,646.74
<b>Total</b>	<b>148,687.10</b>	<b>83,497.30</b>

### 15. Trade receivables – Unsecured

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered Good	7,507.92	9,583.29
Considered Doubtful*	2,094.64	1,595.97
	<b>9,602.56</b>	<b>11,179.26</b>
Other trade receivables - Considered Good	138,338.90	117,178.22
	<b>147,941.46</b>	<b>128,357.48</b>
Less :- Provision for doubtful trade receivables*	2,094.64	1,595.97
<b>Total</b>	<b>145,846.82</b>	<b>126,761.51</b>

\* Provision for doubtful receivables transferred pursuant to amalgamation as referred to Note. 34 is ₹ 243.85 Lakhs

### 16. Cash and cash equivalents

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Cash on hand	11.50	14.76
<b>Balances with Banks</b>		
On Current Account	4,961.47	2,384.25
Earmarked Balances - Unclaimed Dividend account	6.34	4.85
Earmarked Balance -Unspent for Corporate Social Responsibility	Nil	495.00
Margin Money with Banks^	0.09	0.09
<b>Total</b>	<b>4,979.40</b>	<b>2,898.95</b>

^ Represents Margin Money with Banks having maturity period beyond 12 months

Reconciliation of Cash and cash equivalents:

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Cash and cash equivalents as per Cash Flow Statement	4,972.97	2,399.01
Add: Earmarked Balance — Dividend Account	6.34	4.85
Add: Balance held as Margin money	0.09	0.09
Add: Earmarked Balance — Unspent for Corporate Social Responsibility	Nil	495.00
<b>Cash and cash equivalents at the end of the year</b>	<b>4,979.40</b>	<b>2,898.95</b>

### 17. Short-term loans and advances

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
<b>Unsecured &amp; Considered Good</b>		
<b>Loans and Advances to related parties</b>		
Nook Micro Distribution Limited(Refer Note No- 34)	Nil	3,700.23
Cadensworth (India) Limited	2,600.03	2,200.00
Ensure Support Services (India) Limited	169.72	809.51
Currents Technologies Retail (India) Limited	2,431.29	1,940.04
<b>Others</b>		
Service tax receivable	4,309.36	6,141.29
Receivables Custom authorities	3.89	214.07
Other Advances	1,641.58	2,926.13
Prepaid expenses	560.73	585.55
Deposits	465.32	449.11
<b>Total</b>	<b>12,181.92</b>	<b>18,965.93</b>

The above loans have been given for working capital / business purposes

Particulars of maximum amount outstanding at any time during the year of loans and advances to Subsidiaries and associates to be disclosed by the Company pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

₹ in Lakhs		
Particulars	2015-16	2014-15
Nook Micro Distribution Limited (Refer Note 34)	Nil	5,101.35
Cadensworth (India) Limited	2,615.53	2,200.00
ProConnect Supply Chain Solutions Limited	348.86	156.32
Redington International Mauritius Limited	0.01	0.01
Ensure Support Services (India) Limited	2,096.64	2,226.51
Currents Technologies Retail (India) Limited	2,964.20	2,053.45

### 18. Revenue from operations

₹ in Lakhs		
Particulars	2015-16	2014-15
Sales	1,229,694.75	1,165,125.48
Service Income	2,594.61	5,007.04
Rebates	31,579.91	32,004.20
Other operating revenue	3.66	1.21
<b>Total</b>	<b>1,263,872.93</b>	<b>1,202,137.93</b>

## 19. Other income

Particulars	₹ in Lakhs	
	2015-16	2014-15
Dividend from subsidiaries	698.26	557.60
Interest on loan to related parties	357.60	659.65
Interest from dealers	1,070.28	1,251.70
Interest on Bank deposits	5.37	28.45
Provision no longer required written back	Nil	240.18
Dividend from Short term Investments	118.01	247.58
Bad Debts Written off in earlier years recovered	64.35	62.25
Exchange gain (Net)	147.78	66.57
Profit on Sale of Fixed Assets (Net)	57.94	1,237.26
Interest on Income tax refund	555.76	253.75
Rental Income	334.11	194.48
Other non-operating incomes	305.14	100.56
<b>Total</b>	<b>3,714.60</b>	<b>4,900.03</b>

## 20. Employee benefits

Particulars	₹ in Lakhs	
	2015-16	2014-15
Salaries & Bonus	8,567.85	6,719.21
Contribution to Provident Fund & Other Funds	461.63	361.84
Welfare Expenses (including compensated absences)	326.55	771.61
Gratuity	79.24	128.53
<b>Total</b>	<b>9,435.27</b>	<b>7,981.19</b>

## 21. Finance costs

Particulars	₹ in Lakhs	
	2015-16	2014-15
Interest on Borrowings	7,945.54	6,028.02
Other Borrowing Costs	231.15	218.81
<b>Total</b>	<b>8,176.69</b>	<b>6,246.83</b>

## 22. Other expenses

Particulars	₹ in Lakhs	
	2015-16	2014-15
Rent (Refer note: 25)	980.01	702.89
Warehouse Product/Handling Charges	6,125.30	5,736.99
Freight	413.31	334.75
Commercial Taxes	1,776.44	1,769.90
Repairs & Maintenance	378.63	345.47
Utilities	238.98	195.38
Insurance	622.32	234.04

₹ in Lakhs

Particulars	2015-16	2014-15
Rates and Taxes	38.67	77.26
Communication	440.83	367.68
Travel	1,001.31	707.53
Conveyance	260.73	262.21
Bad debts	1,485.21	2,072.32
Less:- Written off against provision	1,102.70	1,224.10
Bad debts (net)	382.51	848.22
Provision for doubtful receivables	1,357.29	1,398.21
Auditor's Remuneration (Refer details below)	67.32	58.82
Factoring charges	1,470.31	1,395.08
Directors sitting fee	11.03	9.00
Directors commission <sup>†</sup>	104.27	74.30
Outsourced resource cost	332.72	233.53
Bank charges	399.32	712.30
Sales Promotion expenses	7,057.40	9,566.93
Miscellaneous expenses	1,041.53	655.09
<b>Total</b>	<b>24,500.23</b>	<b>25,685.58</b>

## Auditor's Remuneration

Particulars	₹ in Lakhs	
	2015-16	2014-15
Audit fees	23.50	23.00
Tax Audit fee	1.70	1.70
Certification	10.86	16.45
Reimbursement of expenses including taxes	7.12	6.05
Remuneration to Branch Auditors	19.91	11.62
Remuneration of NOOK Auditors	4.23	Nil
<b>Total</b>	<b>67.32</b>	<b>58.82</b>

<sup>†</sup> Commission to non whole time directors requires approval of shareholders at the ensuing Annual General Meeting

## 23. Earnings per Equity Share

Description	2015-16	2014-15
Profit after Tax (₹ In Lakhs)	18,889.63	18,195.56
Weighted Average Number of equity shares (Basic)	399,777,814	399,591,493
Earnings per share- Basic ₹	4.73	4.55
Add: Effect of ESOPs	174,657	200,108
Weighted Average Number of equity shares on account of Employee Stock Option Plan 2008 (Diluted)	399,952,471	399,791,601
Earnings per share- Diluted ₹	4.72	4.55
Face Value per share in ₹	2/-	2/-



## 24. Contingent Liabilities & Commitments

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
i. Bills Discounted	6,011.01	6,200.79
ii. Channel financing	750.00	1,975.00
iii. Factoring	8,750.00	7,525.00
iv. Claims not acknowledged as debts	281.57	359.36

### v. Disputed Customs Duty/Income Tax/Sales Tax/Service Tax demands

Nature of Dues	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Customs duty*	2,255.38	97.03
Income Tax	530.19	952.79
Sales Tax	3,771.12	1,566.34
Service Tax^	2,159.42	Nil

\* 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 ₹ 2,160.00 Lakhs (including interest & penalty). The Company had deposited ₹ 400.00 Lakhs under protest during the proceedings. The Company has contested the demand before CESTAT - Mumbai. Basis the opinion of legal counsel, the demand is not sustainable in law and accordingly no provision is presently considered necessary.

^ The Company has received a Service tax demand of ₹ 2,159.42 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 ₹ 400.00 Lakhs has been deposited under protest during the proceedings. The company is contesting the demand before the appropriate legal forum. Basis the opinion of legal counsel, the demand is not sustainable in law and accordingly no provision is presently considered necessary.

### vi. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 486.29 Lakhs (Previous Year ₹ 34.25 Lakhs).

## 25. Operating Leases

- The Company has taken a cancelable operating lease for its office premises, which is for a period ranging from 11 months to 9 years.
- The Company's ADCs are mainly used for storing its own inventories. Also certain portion of the building has been provided on operating lease to its wholly owned subsidiary Pro Connect Supply Chain Solutions Limited and rental income earned on such lease arrangement is included as Other Income under Note No.19.

## 26. Accounting for Financial Instruments

Pursuant to the announcement of the Institute of Chartered Accountants of India (ICAI) in respect of "Accounting for Derivatives", the Company had opted to follow the recognition and measurement principles relating to derivatives as specified in AS 30 "Financial Instruments, Recognition and Measurement", issued by the ICAI, from the year ended March 31, 2008.

Consequently, as of March 31, 2016, the Company has recognised Mark to Market (MTM) loss of ₹ 20.80 Lakhs. (Previous Year loss of ₹ 3.14 Lakhs) relating to forward contracts and other derivatives entered into to hedge the foreign currency risk of highly probable forecast transactions that are designated as effective cash flow hedges, in the Hedge Accounting Reserve as part of the Shareholders Funds.

The Mark to Market (MTM) net loss on undesignated / ineffective forward contracts amounting to ₹ 72.11 Lakhs (Previous Year ₹ 17.68 Lakhs) has been recognised in the Statement of Profit and Loss.

Details of Derivative Exposures are as under :-

Type of Derivative	31-Mar-2016		31-Mar-2015	
	\$ in Lakhs	₹ in Lakhs	\$ in Lakhs	₹ in Lakhs
Outstanding Forward Exchange Contracts entered into by the Company on account on payables including forecast payables				
Payables including forecast payables	516.30	35,254.75	475.62	30,087.32
The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise				
Payables	109.26	7,238.85	95.99	5,999.60
Receivables	48.01	3,180.36	83.68	5,230.08

Management covers foreign currency transactions through hedging foreign exchange, while the unhedged balances relate to balance in vendor account which to a larger extent have natural hedge. However the foreign currency exposure is closely monitored in consultation with Authorised dealers.

## 27. Related party disclosures (As per AS 18)

### 1) Key Management Personnel

Mr. R Srinivasan, Managing Director (Till October 17, 2014)  
Mr. Raj Shankar, Managing Director (From October 17, 2014)  
Mr. M Raghunandan, Wholetime Director

Refer Note 28 below for remuneration

### 2) Names of the related parties

Party where the Company has control	Redington Employee Share Purchase Trust*
Parties having Significant Influence on the Company	Synnex Mauritius Limited, Mauritius* Harrow Investment Holding limited, Mauritius (up to September 3, 2014)*
Subsidiary Companies	Nook Micro Distribution Limited, India (Refer Note No. 34) Cadensworth (India) Limited, India* Redington International Mauritius Limited, Mauritius* Redington Gulf FZE, Dubai Cadensworth FZE, Dubai Redington Gulf & Co. LLC, Oman Redington Nigeria Ltd, Nigeria Redington Egypt Ltd, Egypt Redington Kenya Ltd, Kenya Redington Middle East LLC, Dubai Redington Qatar WLL, Qatar Ensure Services Arabia LLC, Saudi Arabia Redington Africa Distribution FZE, Dubai Ensure Services Bahrain SPC, Bahrain Redington Distribution Pte Ltd, Singapore* Redington Bangladesh Limited, Bangladesh Redington Qatar Distribution WLL, Qatar Redington Kenya EPZ Ltd, Kenya Redington Limited, Ghana Redington Uganda Limited, Uganda Africa Joint Technical Services, Libya Redington Gulf FZE Co, Iraq



Subsidiary Companies	Cadensworth UAE LLC, Dubai
	Redington Morocco Limited, Morocco
	Redington Tanzania Ltd., Tanzania
	Redington SL (Private) Limited, Sri Lanka
	Redington Angola Limited, Angola
	Redington Turkey Holdings S.A.R.L., Luxembourg
	Arena Bilgisayar Sanayi Ve Ticaret Anonim Sirketi, Turkey
	Arena International FZE, Dubai
	Ensure IT Services (PTY) Limited, South Africa
	ProConnect Supply Chain Solutions Limited, India *
	Ensure Gulf FZE, Dubai
	Ensure Technical Service (PTY) Limited, South Africa
	Ensure Middle East Trading LLC, Dubai
	Ensure Technical Services Kenya Limited, Kenya
	Ensure Technical Services Tanzania Limited, Tanzania
	Ensure Services Uganda Limited, Uganda
	Ensure Solutions Nigeria Limited, Nigeria
	Redington Rwanda Limited, Rwanda
	Redington Kazakhstan LLP, Kazakhstan Republic
	Sensonet Teknoloji Elelektronik Ve Bilisim Hizmetlen Sanayi Ve Ticaret Limited, Turkey
	ProConnect Supply Chain Logisitcs LLC, Dubai
	Ensure Ghana Limited, Ghana
	Ensure Support Services (India) Limited, India *
	Ensure Technical Services Morocco Limited (SARLAU), Morocco
	Ensure Digital FZ LLC, Dubai **
	ADEO Bilişim Danışmanlık Hizmetleri San. ve Tic. A.Ş. (" ADEO"), Turkey
	Redington Senegal Limited SARL
	Redington Saudi Arabia for Distribution, Saudi Arabia
	Paynet Ödemet Hizmetleri Anonim Şirketi, Turkey
	<b>Formed during the year</b>
	CDW International Trading FZE, UAE
	RNDC Alliance West Africa Limited, Nigeria
	<b>Acquired during the year</b>
	Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S, (Turkey)
Associate	Redington (India) Investments Limited, India *
Subsidiary of Associate	Currents Technology Retail (India) Limited, India *

\* Represents related parties with whom transactions have taken place during the year.  
Related Parties are as identified by the management.

\*\* Liquidated during the year

### 3) Nature of Transactions

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
	Party Where Control Exists	Party Where Control Exists
<b>Redington Employee Share Purchase Trust</b>		
Dividend paid	Nil	0.11
Deficit absorbed	0.07	Nil

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
	Parties having Significant Influence	Parties having Significant Influence
<b>Harrow Investment Holding Limited</b>		
Dividend Paid	1,012.38	756.25
<b>Synnex Mauritius Limited</b>		
Dividend Paid	1,791.62	848.66

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
	Subsidiary Companies	Subsidiary Companies
<b>Cadensworth (India) Limited</b>		
Sales/Service Charges - Expenses	1.32	0.03
Sales/Service Charges - Income	50.28	106.40
Rent received	12.58	12.36
Trading Purchases	Nil	1,390.53
Interest Income	108.73	17.43
Loan disbursed	9,700.00	3,400.00
Loan settled	9,300.00	1,200.00
Loan outstanding at the year end	2,600.00	2,200.00
Amount Receivable at the year end	0.03	Nil
<b>Nook Micro Distribution Limited</b>		
Rent Paid		8.82
Rent received		3.48
Interest Income		369.99
Loan disbursed	Refer Note No. 34	7,400.00
Loan Settled		7,400.00
Sales/Service Charges- Income		438.82
Amount Receivable at the year end		80.75
Loan outstanding at the year end		3,700.00
<b>Redington Distribution Pte Limited</b>		
Trading Purchases	5,277.07	6,437.90
Sales/Service Charges - Income	260.42	764.13
Dividend Income	698.26	557.60
Amount Receivable at the year end	115.08	127.82
Amount Payable at the year end	114.16	2,351.80
<b>Redington International (Mauritius) Limited</b>		
Equity contribution	6,503.60	6,271.34
<b>ProConnect Supply Chain Solutions Limited</b>		
Sales/Service Charges- Income	84.75	107.29
Sales/Service Charges - Expense	157.63	18.52
Interest Income	2.21	Nil
Rent received	378.12	240.62
Warehouse/Product handling charges - Expense	5,355.20	5,736.99
Sale of fixed assets - Income	Nil	0.33
Loan disbursed	1,575.00	Nil
Loan settled	1,575.00	Nil





₹ in Lakhs		
Nature of Transactions	2015-16	2014-15
Amount Receivable at the year end	27.94	30.98
Amount Payable at the year end (Net)	837.67	621.78
<b>Ensure Support Services (India) Limited</b>		
Sales/Service Charges - Income	53.91	873.21
Rental Income	49.87	45.31
Interest Income	37.06	58.56
Purchases - Expenses	98.52	557.15
Sales/Service Charges - Expense	529.50	3,368.30
Sale of fixed assets - Income	Nil	364.41
Loan disbursed	4,465.00	3,075.00
Loan settled	5,274.51	2,280.00
Loan outstanding at the year end	Nil	809.51
Equity Contribution	245.00	Nil
Amount Payable at the year end	745.96	677.44
Amount Receivable at the year end	915.77	1,763.44

₹ in Lakhs		
Nature of Transactions	2015-16	2014-15
	Associate Company	Associate Company
<b>Redington (India) Investments Limited</b>		
Equity Contribution	Nil	5.00
	Subsidiary of Associate	Subsidiary of Associate
<b>Currents Technology Retail (India) Limited</b>		
Sales/Service Charges - Income	6,577.08	4,055.69
Interest Income	209.60	213.67
Loan disbursed	5,130.00	1,940.00
Loan settled	4,630.00	1,740.00
Loan outstanding at the year end	2,440.00	1,940.00
Amount receivable at the year end	1,015.56	905.50

## 28. Key Managerial remuneration

₹ in Lakhs		
Nature of Transactions	2015-16	2014-15
Remuneration paid to Whole-Time director	24.00	40.00

The remuneration paid to Mr M Raghunandan for the period from March 1, 2016 up to March 31, 2016 is subject to approval of shareholders at the ensuing Annual General Meeting.

## 29. CIF Value of Imports

₹ in Lakhs		
Particulars	2015-16	2014-15
Trading Stocks	132,834.92	127,579.59

## 30. Expenditure in Foreign Currency

₹ in Lakhs		
Particulars	2015-16	2014-15
Royalty (Cost of Software included under purchases)	1,103.20	1,770.76
Travel	68.24	34.49
License fee	49.70	39.04
Directors' sitting fee	4.70	3.85
Directors' Commission	47.25	34.65

## 31. Earnings in Foreign Exchange

₹ in Lakhs		
Particulars	2015-16	2014-15
Rebates	7,510.36	6,073.69
Warranty claims	415.87	924.64
Dividend from Overseas Subsidiaries	698.26	557.60
FOB value of exports	3,591.58	1,058.64
Others	202.65	9.97

## 32. Dividend remitted in Foreign Currency

Particulars	2015-16	2014-15
No. of non-resident shareholders	9	9
No. of Equity shares held (Face value of ₹ 2)	148,324,318	179,169,188
Amount remitted (₹ in Lakhs)	2,818.16	1,612.52
Financial Year to which it relates	2014-15	2013-14

33. 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.

## 34. Merger of Nook Micro Distribution Limited

- Nook Micro Distribution Limited is engaged in trading on IT, Consumer Durable and Telecom products. Nook is a wholly owned subsidiary of the Company.
- Pursuant to the scheme of amalgamation of Nook Micro Distribution Limited, a 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 requirements under the Companies Act, 1956 / Companies Act, 2013 have been complied with.
- The amalgamation has been accounted for under the 'pooling of interests' method as prescribed by Accounting Standard 14 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the assets, liabilities and reserves of the Transferor Company as at April 1, 2015 have been taken over at their book values and in the same form.
- There were no differences between the accounting policies of the transferor company and the Company which requires adjustment in the books of the Company.

- (v) Consequent to the scheme of amalgamation, the authorized share capital of the Transferor Company stands cancelled. Also since the merger is of the wholly owned subsidiary with its Parent Company, no shares were exchanged to effect the amalgamation.
- (vi) Since the amalgamation is an 'amalgamation in the nature of merger', the identity of the reserves is preserved and they appear in the financial statements of the transferee company in the same form in which they appeared in the financial statements of the transferor company. Accordingly and as provided in the scheme of amalgamation, the following amounts have been adjusted against the general reserve / Credit Balance of Profit and Loss of the Company:

Particulars	₹ in Lakhs
a) Debit balance in the Statement of Profit and Loss of the Transferor Company as on April 1, 2015 — adjusted against Credit Balance of Profit and Loss of the Transferee Company	1,199.21
b) Difference between the amount recorded as investments in the books of the Transferee Company and the amount of share capital of the Transferor Company	10.32

- vii) Details of assets and liabilities taken over on Amalgamation:

Particulars	₹ in Lakhs
	Balance as at April 1, 2015
<b>Assets :</b>	
<b>Non Current Assets</b>	
- Fixed Assets (Net)	44.08
- Long-term loans and advances	31.29
<b>Current Assets</b>	
- Trade Receivables	3,740.01
- Cash and Bank Balances	180.09
- Inventories	6,161.21
- Loans and Advances and Other Assets	262.57
<b>Total Assets</b>	<b>10,419.25</b>
<b>Liabilities :</b>	
<b>Non Current Liabilities</b>	
- Long-term provisions	36.45
<b>Current Liabilities</b>	
- Trade Payables	2,576.24
- Short Term Borrowing	6,746.12
- Other Current Liabilities	258.00
- Short Term provision	1.65
<b>Total Liabilities</b>	<b>9,618.46</b>

35. Redington Employees Share Purchase Trust administers the Employee Share Purchase Scheme (ESPS), which is in accordance with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The deficit of the trust for the year ended March 31, 2016 amounting to ₹ 0.07 Lakhs (Previous Year Nil) has been absorbed in the Profit and Loss Account.

36. As per the Companies Act, 2013, the Company is required to spend ₹ 516.78 Lakhs on "Corporate Social Responsibility (CSR)" during the financial year 2015-16. The Company has spent during the year ₹ 495 Lakhs towards CSR Expenditure for the previous financial year.

### 37. Segment Reporting

Since the Company prepares consolidated financial statements as per AS-17 "Segment Reporting", segment information has been disclosed in consolidated financial statements.

### 38. Employee Stock Option Plan 2008

The Company follows the intrinsic value method of accounting for employee stock options. No compensation costs have been recognized in these accounts as the options have been granted at the prevailing market prices.

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	29-Feb-08	25-Jul-08	28-Jan-09	22-May-09	05-Dec-11
Exercise Price (₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	28-Feb-09	24-Jul-09	27-Jan-10	21-May-10	04-Dec-12
Options granted	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	587,670	4,000	-	-	41,500
Options vested	1,748,303	7,000	276,143	25,000	131,712
Options exercised at the beginning of the year	1,745,603	6,250	276,143	25,000	21,816
Options exercised during the year	2,700	-	-	-	19,388
Total options outstanding and not exercised as on March 31, 2016	0	750	-	-	90,508

\* Out of the total options granted in 2008, 1,959,830 options were repriced at ₹ 130/- on January 28, 2009 and 75,000 options were repriced at ₹ 165/- on May 22, 2009

Out of the lapsed options the Board/Committee of directors at their meetings had approved reissue of options as follows:

Date of Grant	25-Jul-08	28-Jan-09	22-May-09	5-Dec-11
No. of options	11,000	276,143	25,000	173,212

The fair value of options based on the valuation of the independent valuer as of the respective dates of grant are given below:

Grant Date	29-Feb-08	Repriced on 28-Jan-09	Repriced on 22-May-09	25-Jul-08	Repriced on 28-Jan-09	28-Jan-09	22-May-09	5-Dec-11
Fair Value	171.33	25.56	33.04	159.71	23.77	47.46	79.82	171.72

The impact on the profit of the Company as at the year end and the basic and diluted earnings per share, had the Company followed the fair value method of accounting for stock options is set out below:

Particulars	₹ in Lakhs	
	2015-16	2014-15
Profit after tax as per Statement of Profit and Loss (a)	18,889.63	18,195.56
Add: Employee Stock Compensation Expense as per Intrinsic Value Method	Nil	Nil
Less : Employee Stock Compensation Expense as per Fair Value Method*	Nil	(33.60)
Profit after tax recomputed for recognition of employee stock compensation expense under fair value method (b)	18,889.63	18,229.16
Earnings per share based on earnings as per (a) above		
- Basic	4.73	4.55
- Diluted	4.72	4.55
Earnings per share had fair value method been employed for accounting of employee stock options as per (b) above		
- Basic	4.73	4.56
- Diluted	4.72	4.56

\* Employee Stock Compensation cost as per Fair Value is a net credit on account of cancellation/lapse of Options, as these cost have already been considered in the previous years when the options were outstanding

39. The figures of the previous year have been regrouped wherever necessary to conform to the classification of the current year. Comparative figures do not include the figures of erstwhile Nook Micro Distribution Limited which is amalgamated with the Company effective April 1, 2015. Consequently, the comparative figures are not comparable with the figures for the year ended March 31, 2016.

**For and on behalf of the Board of Directors**

**Raj Shankar**  
Managing Director  
(DIN-00238790)

**M Raghunandan**  
Whole Time Director  
(DIN-00082171)

**S V Krishnan**  
Chief Financial Officer

**M Muthukumarasamy**  
Company Secretary

Place: Chennai  
Date: May 24, 2016

## Consolidated Financial Statements



**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Redington (India) Limited ("Company") including its erstwhile wholly owned subsidiary Nook Micro Distribution Limited which got merged with the Company with an appointed date of April 1, 2015 (collectively hereinafter referred to as "the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and its subsidiary (herein after referred as "Associate"), comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a), (b) and (c) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its Associate as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

**Other Matters**

a) We did not audit the financial statements of 53 subsidiaries, whose financial statements reflect total assets of ₹ 647,496.03 Lakhs as at March 31, 2016, total revenues of ₹ 2,281,222.05 Lakhs and net cash flows amounting to ₹ 2,772.01 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ Nil for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of its Associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and its subsidiary, is based solely on the reports of the other auditors.

- b) We did not audit the financial statements of a branch included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 5,778.00 Lakhs as at March 31, 2016 and total revenues of ₹ 14,556.61 Lakhs for the year ended on that date, as considered in the standalone financial statements of the Company. The financial statements of the branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the branch, is based solely on the report of the branch auditor.
- c) We did not audit the financial statements of the erstwhile wholly owned subsidiary company Nook Micro Distribution Limited which got merged with the Company with Appointed of April 1, 2015, included in the standalone financial statements of the Company, whose financial statements reflect total assets of ₹ 6,902.42 Lakhs as at March 31, 2016 and total revenues of ₹ 25,910.13 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of this erstwhile subsidiary has been audited by its statutory auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this erstwhile subsidiary, is based solely on the report of its auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and Associate incorporated in India, none of the directors of the Group companies and its Associate is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies and Associate incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and subsidiaries and Associate incorporated in India.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Associate.
    - ii. The Group and its Associate did not have any material foreseeable losses 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 Holding Company and its subsidiary companies and Associate incorporated in India.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

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

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Redington (India) Limited ("Company") including its erstwhile wholly owned subsidiary Nook Micro Distribution Limited which got merged with the Company with appointed date of April 1, 2015 (collectively hereinafter referred to as "the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and its subsidiary (herein after referred as "Associate"), which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and Associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, the aforesaid erstwhile subsidiary company, associate company and its subsidiary, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, its aforesaid erstwhile subsidiary company and its associate company and its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3 subsidiary companies, 1 aforesaid erstwhile subsidiary company, 1 associate company and its subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**M K Ananthanarayanan**  
Partner  
Membership No. 19521

Place: Chennai  
Date: May 24, 2016



Consolidated Balance Sheet as at March 31, 2016

		(₹ in Lakhs)	
Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	3	7,996.26	7,994.06
Reserves and Surplus	4	270,744.50	229,423.05
		<b>278,740.76</b>	<b>237,417.11</b>
<b>Minority Interest</b>			
		25,187.85	20,604.34
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	-	21,374.87
Deferred Tax Liabilities (net)	14	297.59	756.55
Long-Term Provisions	6	6,224.23	4,950.08
		<b>6,521.82</b>	<b>27,081.50</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	223,964.21	152,181.01
Trade Payables	8		
(i) Total outstanding due to Micro Enterprises and Small Enterprises		6,517.43	3,399.42
(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		413,945.15	323,969.05
Other Current Liabilities	9	67,256.74	61,849.89
Short-Term Provisions	10	12,872.54	11,788.83
		<b>724,556.07</b>	<b>553,188.20</b>
<b>TOTAL</b>		<b>1,035,006.50</b>	<b>838,291.15</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets	11		
(i) Tangible Assets		19,047.54	17,742.96
(ii) Intangible Assets		2,998.65	2,443.55
(iii) Capital Work-In-Progress		1,425.38	1,331.19
Goodwill on Consolidation / acquisition	12	9,940.23	7,379.67
Non-Current Investments	13	-	-
Deferred Tax Assets (net)	14	2,022.00	1,029.23
Long-Term Loans and Advances	15	8,911.93	6,370.40
		<b>44,345.73</b>	<b>36,297.00</b>
<b>Current Assets</b>			
Inventories	16	376,815.35	285,433.77
Trade Receivables	17	534,454.06	441,899.49
Cash and Cash Equivalents	18	55,055.61	53,137.15
Short-Term Loans and Advances	19	23,150.16	20,433.91
Other Current Assets	20	1,185.59	1,089.83
		<b>990,660.77</b>	<b>801,994.15</b>
<b>TOTAL</b>		<b>1,035,006.50</b>	<b>838,291.15</b>

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

**M K Ananthanarayanan**

Partner

For and on behalf of the Board of Directors

**Raj Shankar**

Managing Director  
(DIN-00238790)

**S V Krishnan**

Chief Financial Officer

**M Raghunandan**

Whole-time Director  
(DIN-00082171)

**M Muthukumarasamy**

Company Secretary

Place : Chennai  
Date : May 24, 2016

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

		(₹ in Lakhs)	
Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>Income:</b>			
Turnover / Revenue from Operations	21	3,542,964.64	3,155,915.50
Other Income	22	4,668.24	6,351.90
<b>Total Revenue</b>		<b>3,547,632.88</b>	<b>3,162,267.40</b>
<b>Expenses:</b>			
Purchases of Traded goods		3,428,621.88	3,030,197.99
Changes in Inventories of Traded goods		(91,381.58)	(56,907.64)
Employee Benefits Expense	23	53,997.35	46,771.57
Finance Costs	24	17,967.06	15,860.04
Depreciation & Amortisation Expense	11	4,330.52	4,258.69
Other Expenses	25	74,638.66	66,016.34
<b>Total Expenses</b>		<b>3,488,173.89</b>	<b>3,106,196.99</b>
Profit before Corporate Social Responsibility Expenditure and Tax		59,458.99	56,070.41
Corporate Social Responsibility Expenditure	35	49.51	524.19
Profit before tax		<b>59,409.48</b>	<b>55,546.22</b>
Tax expense:			
Current tax		15,993.63	13,951.96
Deferred tax		(1,354.20)	552.74
Tax expense for the year		<b>14,639.43</b>	<b>14,504.70</b>
Profit after Tax		<b>44,770.05</b>	<b>41,041.52</b>
Share in loss of Associate		-	5.00
Profit After Tax Before Share of Profit attributable to Minority Interest		44,770.05	41,036.52
Share of Profit attributable to Minority Interest		2,204.33	2,383.63
Profit for the year attributable to the Shareholders of the Company		<b>42,565.72</b>	<b>38,652.89</b>
Earnings per Equity Share: (Face value ₹ 2 each)	26		
Basic (in ₹)		<b>10.65</b>	<b>9.67</b>
Diluted (in ₹)		<b>10.64</b>	<b>9.67</b>

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

**M K Ananthanarayanan**

Partner

For and on behalf of the Board of Directors

**Raj Shankar**

Managing Director  
(DIN-00238790)

**S V Krishnan**

Chief Financial Officer

**M Raghunandan**

Whole-time Director  
(DIN-00082171)

**M Muthukumarasamy**

Company Secretary

Place : Chennai  
Date : May 24, 2016



**Consolidated Cash Flow Statement for the year ended March 31, 2016**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>A. Cash flow from operating activities:</b>		
Profit before tax	59,409.48	55,546.22
Adjustments for:		
– Depreciation and Amortisation expense	4,330.52	4,258.69
– Finance Costs	17,967.06	15,860.04
– Interest Income	(2,376.82)	(2,331.87)
– Provision no longer required written back	(28.33)	(240.18)
– Provision for Doubtful Receivables	3,089.22	2,741.57
– Provision for Corporate Social Responsibility Expenditure	-	524.19
– Provision for Warranties	593.71	526.50
– Bad debts written off	519.89	863.78
– Dividend Income from Short-Term Investments	(118.01)	(247.58)
– Goodwill written off on merger of an wholly-owned subsidiary	10.32	-
– Unrealised foreign exchange (Gain)/loss (net) including translation adjustment	(103.23)	1,120.30
– Profit on sale of fixed assets (net)	(51.40)	(1,133.96)
<b>Operating Profit before working capital changes</b>	<b>83,242.41</b>	<b>77,487.70</b>
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Trade Receivables	(79,544.20)	(42,307.39)
Long-Term Loans and Advances	397.64	(781.45)
Loans and Advances	(10,281.30)	5,396.49
Inventories	(80,403.20)	(51,568.79)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Non-Current Liabilities	50.28	661.66
Other Current Liabilities	5,225.22	1,999.30
Trade Payables	84,648.38	44,361.36
Short-Term Provisions	(502.99)	178.25
Long-Term Provisions	1,091.07	800.60
<b>Cash generated from operations</b>	<b>3,923.31</b>	<b>36,227.73</b>
Direct taxes paid (including TDS receivable), net of refunds	(18,137.79)	(10,544.64)
<b>Net Cash (used in) / generated from operating activities</b>	<b>(14,214.48)</b>	<b>25,683.09</b>
<b>B. Cash flow from investing activities:</b>		
Capital Expenditure	(5,733.69)	(5,056.15)
Proceeds from sale of fixed assets	159.27	1,801.95
Interest received	2,530.26	2,666.51
Dividend Income from Short-Term Investments	118.01	247.58
Loan granted to Associates	(5,130.00)	(1,745.00)
Loan settled by Associates	4,630.00	1,940.00
Changes in Bank Deposit Balances, not treated as cash and cash equivalent	830.56	(409.23)
Consideration paid for acquisition of step-down a subsidiary	(3,812.34)	-
<b>Net Cash (used in) investing activities</b>	<b>(6,407.93)</b>	<b>(554.34)</b>

(₹ in Lakhs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>C. Cash flow from financing activities:</b>		
Proceeds from allotment of shares including premium under Employee Stock Option, 2008	80.38	112.92
Repayment of Long-Term Borrowings	(22,659.07)	(11,834.44)
Proceeds from Short-Term Borrowings (net)	70,854.05	11,293.52
Dividend paid by step-down subsidiary to minority shareholders	(631.46)	(565.48)
Dividends Paid (including dividend tax)	(8,997.91)	(4,112.00)
Finance Costs paid	(18,482.22)	(17,379.57)
<b>Net Cash generated from / (used in) financing activities</b>	<b>20,163.77</b>	<b>(22,485.05)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(458.64)</b>	<b>2,643.70</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>51,441.78</b>	<b>47,211.82</b>
Add : Effect of Exchange differences on restatement of foreign currency cash and bank balances	2,961.41	1,586.26
<b>Cash and Cash equivalents at the end of the year</b>	<b>53,944.55</b>	<b>51,441.78</b>
<b>Reconciliation of Cash and Cash equivalents with the Consolidated Balance Sheet</b>		
<b>Cash and Cash equivalents at the end of the year as per Balance Sheet (Refer Note 18)</b>	<b>55,055.61</b>	<b>53,137.15</b>
Less: Bank Deposits with original maturity for more than three months not treated as cash equivalent	22.86	188.91
Less: Earmarked Balance -Dividend Account	6.34	4.85
Less: Cash acquired on acquisition of a step-down subsidiary	246.25	-
Less: Earmarked balances - Unspent for Corporate Social Responsibility	-	524.19
Less: Balance held as Margin money	835.61	977.42
<b>Cash and Bank balances at the end of the year</b>	<b>53,944.55</b>	<b>51,441.78</b>
<b>See accompanying notes forming part of consolidated financial statements</b>		

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins &amp; Sells

Chartered Accountants

**M K Ananthanarayanan**

Partner

**Raj Shankar**

 Managing Director  
(DIN-00238790)

**M Raghunandan**

 Whole-time Director  
(DIN-00082171)

**S V Krishnan**

Chief Financial Officer

**M Muthukumarasamy**

Company Secretary

Place : Chennai

Date : May 24, 2016

## Notes to Consolidated Financial Statements for the year ended March 31, 2016

### 1. Overview

Redington (India) Limited ("the Company/Holding Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed on the bourses of BSE Limited and National Stock Exchange of India Limited. The Company and its fifty two subsidiaries (including forty nine overseas subsidiaries and step-down subsidiaries) operate in India, Middle East, Turkey, Africa and South Asian countries and are engaged mainly in Information Technology product distribution business besides supply chain solutions and after sales service business. The Company has a branch in Singapore which has become operational since financial year 2014-15.

### 2. Basis of Preparation of financial statements and Consolidation

- The Consolidated Financial Statements of the Company and its subsidiaries (together the 'Group') and an associate and its subsidiary have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable.
- The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Consolidated Financial Statements are consistent with those followed in the previous year.
- The Consolidated Financial Statements encompass financials of the Company and its subsidiaries for the year ended March 31, 2016. These Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21, "Consolidated Financial Statements". These Consolidated financials also include results of an Associate and its subsidiary accounted under Equity method as specified in Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

#### A. (i) Direct Subsidiaries

Name of the Company	Country of incorporation	Ownership Interest % (As at March 31, 2016 and 2015)
Nook Micro Distribution Limited*	India	100
Cadensworth (India) Limited	India	100
ProConnect Supply Chain Solutions Limited	India	100
Ensure Support Services (India) Limited	India	100
Redington International Mauritius Limited (RIML)	Mauritius	100
Redington Distribution Pte. Limited (RDPL)	Singapore	100

\* Merged with the Holding Company with an Appointed Date of April 1, 2015

- Pursuant to the scheme of amalgamation of Nook Micro Distribution Limited, an wholly-owned subsidiary ("transferor Company") with the Holding 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 Holding 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, 1956/Companies Act, 2013 have been complied with.
- The amalgamation has been accounted for in the Holding Company under the 'Pooling of Interests' method as prescribed by Accounting Standard 14 specified under Section 133 of the Companies Act, 2013. Accordingly, the assets, liabilities and reserves of the transferor Company as at April 1, 2015 have been taken over at their book values by the Holding Company and in the same form. Considering that the merger was between the Holding Company and its wholly-owned subsidiary, there is no impact on the Consolidated Financial Statements on account of this, except for the difference between the amount recorded as investments in the Holding Company and Share Capital in the transferor Company, recorded as Goodwill in the Consolidated Financial Statements (₹ 10.32 Lakhs), being written off in the Statement of Profit and Loss for the year ended March 31, 2016. (Refer note 25).

The affairs of subsidiaries and an associate are conducted by respective Board of Directors. These have been audited by their respective Statutory Auditors. The Consolidated Financial Statements of the Company and its subsidiaries and an associate and its subsidiary should therefore be read in conjunction with respective standalone financial statements, their accounting policies, financial notes, cash flow statements, and Statutory Auditors' reports thereon.

#### B. (i) Step-down Subsidiaries

Name of the Company	Country of incorporation	Ownership Interest %	Beneficial Interest %
<b>As at March 31, 2016 and 2015</b>			
Redington Gulf FZE	Dubai, UAE	100	100
Redington Egypt Limited	Egypt	100	100
Redington Nigeria Limited	Nigeria	100	100
Redington Gulf & Co. LLC	Oman	70	100
Redington Kenya Limited	Kenya	100	100
Cadensworth FZE	Dubai, UAE	100	100
Redington Middle East LLC <sup>^</sup>	Dubai	49	100
Ensure Services Arabia LLC	Saudi Arabia	100	100
Redington Africa Distribution FZE	Dubai, UAE	100	100
Redington Qatar WLL <sup>^</sup>	Qatar	49	100
Ensure Services Bahrain SPC	Bahrain	100	100
Redington Qatar Distribution WLL <sup>^</sup>	Qatar	49	100
Redington Limited	Ghana	100	100
Redington Kenya EPZ Limited	Kenya	100	100
Africa Joint Technical Services	Libya	65	100
Redington Uganda Limited	Uganda	100	100
Cadensworth UAE LLC <sup>^</sup>	Dubai	49	100
Redington Tanzania Limited	Tanzania	100	100
Redington Morocco Limited	Morocco	100	100
Redington Angola, Lda	Angola	100	100
Ensure IT Services (PTY) LTD	Johannesburg	100	100
Redington Gulf FZE**, Iraq	Iraq	100	100
Redington Turkey Holdings S.A.R.L	Luxembourg	100	100
Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi <sup>#@</sup>	Turkey	49.40	49.40
Arena International FZE <sup>#@</sup>	Dubai, UAE	49.40	49.40
Sensonet Teknoloji Elektronik Ve Bilişim Hizmetleri Sanayi Ve Ticaret Anonim Şirketi <sup>#@</sup>	Turkey	49.29	49.29
Redington Bangladesh Limited	Bangladesh	99	100
Redington SL (Private) Limited	Sri Lanka	100	100
Redington Rwanda Ltd	Rwanda	100	100
Redington Kazakhstan LLP	Kazakhstan Republic	100	100
Ensure Gulf FZE <sup>^</sup>	Dubai, UAE	49	100
Ensure Technical Services (PTY) LTD**	South Africa	100	100
Ensure Middle East Trading LLC <sup>^</sup>	UAE	49	100
Ensure Solutions Nigeria Limited	Nigeria	99.90	100
Ensure Technical Services Kenya Limited	Kenya	100	100
Ensure Services Uganda Limited	Uganda	100	100
Ensure Technical Services Tanzania Limited	Tanzania	100	100
Ensure Ghana Limited	Ghana	100	100
Proconnect Supply Chain Logistics LLC <sup>^</sup>	Dubai, UAE	49	100
Ensure Technical Services Morocco Limited (Sarlau)	Morocco	100	100
ADEO Bilişim Danışmanlık Hizmetleri San. ve Tic. A.Ş. <sup>#@</sup>	Turkey	25.19	25.19
Redington Senegal Limited, SARL	Senegal	100	100
Ensure Digital FZ-LLC***	Dubai, UAE	100	100
Redington Saudi Arabia for Distribution	Saudi Arabia	75	100
Paynet Ödemet Hizmetleri Anonim Şirketi <sup>#@</sup>	Turkey	49.40	49.40





## (ii) Step-down subsidiaries incorporated during the year

Name of the Company	Country of incorporation	Ownership Interest %	Beneficial Interest %
<b>As at March 31, 2016</b>			
CDW International Trading FZE	UAE	100	100
RNDC Alliance West Africa Limited	Nigeria	100	100

<sup>^</sup> Although the percentage of holding is less than 50, Redington Gulf FZE has the power to govern the strategic operating and financial policies and exercise control. Consequently, the above-mentioned entities are considered as subsidiaries and consolidated with the Group's Financial Statements.

<sup>#@</sup> As Redington Turkey Holdings S.A.R.L., Luxembourg has control over the composition of Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi's Board of Directors, Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi and its subsidiaries are considered as subsidiaries of RIML for the purpose of preparation of Consolidated Financial Statements.

<sup>\*\*\*</sup> Liquidated during the year

<sup>\*\*</sup> Yet to commence operations.

## Acquired during the year

Name of the Company	Country of incorporation	Ownership Interest %	Beneficial Interest %
<b>As at March 31, 2016</b>			
Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret AS*	Turkey	70	70

\* The Company's wholly owned subsidiary Redington Gulf FZE has completed the acquisition of 70% stake in Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret AS, Turkey for a consideration of USD 5.75 Mn.

The 100% value of Net assets acquired are as follows. Remaining 30% value of Net assets acquired is accounted as Minority Interest.

Particulars	₹ in Lakhs
Consideration paid (A)	3,812.34
Net Assets (B)	1,241.46
<b>Goodwill (A-B)</b>	<b>2,570.88</b>

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 subsequent to the Balance Sheet Date.

## C. (i) Associate of the Company

Name of the Company	Country of Incorporation	Ownership/ Beneficial Interest % (As at March 31, 2016)	Ownership/ Beneficial Interest % (As at March 31, 2015)
Redington (India) Investments Limited	India	47.62	47.62

## (ii) Subsidiary of Associate

Name of the Company	Country of Incorporation	Ownership/Beneficial Interest % of the Group (As at March 31, 2016)	Ownership/Beneficial Interest % of the Group (As at March 31, 2015)
Currents Technology Retail (India) Limited	India	47.62	47.62

Basis and Principles of Consolidation:

The following are considered in preparing the Consolidated Financial Statements:

- Financial Statements of Redington (India) Limited is prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention, on accrual basis and audited by Deloitte Haskins & Sells, Chennai.
- Financial Statements of Cadensworth (India) Limited and erstwhile subsidiary Nook Micro Distribution Limited and the Consolidated Financial Statements of Redington (India) Investments Limited (Associate) and its subsidiary are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention, on accrual basis and audited by M/s. A.S.Varadharajan & Co, Chennai.

- Financial Statements of ProConnect Supply Chain Solutions Limited and Ensure Support Services (India) Limited are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention, on accrual basis and audited by BSR & Co. LLP, Chennai.
- Consolidated Financial Statements of Redington International Mauritius Limited are prepared in accordance with International Financial Reporting Standards (IFRS) and audited by Deloitte & Touche, Mauritius.
- Consolidated Financial Statements of Redington Distribution Pte. Limited and the Singapore Branch of the Company are prepared in accordance with Singapore Financial Reporting Standards (SFRS) and audited by Ernst & Young LLP, Singapore.

Necessary adjustments have been made in the Consolidated Financial Statements to conform to Indian GAAP wherever there are significant differences between Indian GAAP / SFRS / IFRS.

The audited financial statements of the Company and all its subsidiaries and step-down subsidiaries used in the Consolidation are drawn up to the same reporting date as that of the Company.

The Consolidated Financial Statements have been prepared using uniform Accounting Policies and on the following basis:

- The financial information of the Company and its subsidiaries have been combined on a line-by-line basis of assets, liabilities, income and expenses. Inter Company balances and transactions and unrealized profits or losses have been eliminated.
- The difference between the cost of investment in the subsidiaries and the Company's share of Net assets at the time of acquisition of shares in the subsidiaries is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be. The 'Goodwill'/'Capital Reserve' is determined separately for each subsidiary Company/jointly controlled entity and such amounts are not set off between different entities.
- With respect to our Associate, the loss to the extent of cost of our investment is written off and the investment is reported at NIL value in line with Equity method of accounting in AS 23.

## 2.1. Summary of Significant Accounting Policies

### a. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

### b. Fixed assets

#### Tangible assets

Tangible Assets are recorded at cost less accumulated depreciation. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use. For the purpose of Consolidation, additions to fixed assets of overseas subsidiaries have been converted at average rate and closing balance at closing rate.

Gains or losses arising from de-recognition of tangible fixed assets are measured as the difference between the net proceeds from disposal/net realizable value and carrying amount of the asset and are recognized in the Statement of Profit and Loss.

#### Depreciation on Tangible assets:

- Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Asset	Years
Buildings	20-40
Plant & Equipment	05-10
Furniture & Fixtures	04-10
Office Equipments	05-08
Computers	03-05
Vehicles	03-10

3. Depreciation on additions to fixed assets is provided from the month of addition.
4. Individual fixed asset whose cost does not exceed ₹ 5,000/- are fully depreciated in the year of acquisition in India operations.
5. Expenditure on Interiors on premises taken on lease (included in furniture & fixtures) are capitalized and depreciated over a period of five years/over the period of lease.

#### Intangible assets

1. Intangible assets are recorded at cost less amortization. For the purpose of Consolidation of overseas subsidiaries, additions have been converted at average rate and closing balance at closing rate.
2. Intangible assets are amortized over the estimated useful economic life, on a straight-line basis.

Class of Asset	Years
Software	03-05
Non-compete fees	03-05

3. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

#### c. Impairment of tangible and intangible assets

At each Balance Sheet date, the Group assesses whether there is any indication that the fixed assets with finite lives may be impaired. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. If there is any indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment if any. Where it is not possible to estimate the recoverable amount of individual asset, the Group estimates the recoverable amount of cash-generating unit to which the asset belongs.

#### d. Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Lease Rentals under operating leases are recognized in the Statement of Profit and Loss.

#### e. Inventories

Inventories are stated at lower of cost and net realizable value. Costs include cost of purchase and other costs incurred in bringing the inventories to the warehouse, net of discounts and rebates and are determined on weighted average basis.

#### f. Foreign Currency Transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period at the prevailing exchange rates as on the Balance Sheet date and exchange gain/loss is considered in the Statement of Profit and Loss.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which such cancellation or renewal is made.

The assets and liabilities of foreign subsidiaries whose operations are of non-integral nature are translated at the closing exchange rates, the items of income and expense of foreign subsidiaries are translated at average exchange rate and resulting exchange differences are debited/credited to Foreign Currency Translation Reserve.

**For Branch operations of the Company:** Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. All assets and liabilities of non-integral foreign operations are translated at the year-end rates and resulting exchange differences are debited / credited to Foreign Currency Translation Reserve.

#### g. Warranties

The Original Equipment Manufacturer generally warrants the products distributed by the Group. In a few cases, as per the terms of the contracts, the Group provides post-contract services/warranty support to its customers. The Group accounts for the post-

contract support/provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

#### h. Revenue Recognition

1. Revenue from Sales is recognized when the ownership and title is transferred which generally coincides with delivery. Revenue is stated net of discounts, rebates and sales tax.
2. Revenue from rendering of services is recognized as and when services are rendered and in accordance with the terms of agreement with the customers. Revenue from maintenance contract is considered on annuity basis proportionately over the period of the contract. Unbilled revenue represents services rendered and revenue is recognized on contracts to be billed in subsequent periods as per the terms of the related contract.
3. Income from supplier schemes is accrued, based on the fulfillment of terms of such programs.

#### i. Other Income

1. Lease income is accrued over the period of lease.
2. Interest income is recognized on the time proportion basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists. Interest income on overdue receivables is recognized only when there is a certainty of receipt.

#### j. Employee Benefits

##### i. Short-Term Employee Benefits

Short-Term Employee Benefits including accumulated short-term compensated absences determined as per Group's policy/scheme are recognized at the Balance Sheet date as expense based on expected obligation on an undiscounted basis.

##### ii. Long-Term Employee Benefits

###### Defined Benefit Plan

###### Compensated Absences and Gratuity

The liability for Gratuity and long-term compensated absences, both unfunded, is provided based on actuarial valuation as at the Balance Sheet date, using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost. With respect to overseas subsidiaries, provision for employee's end of service indemnity is made in accordance with the laws as applicable in respective countries.

###### Defined Contribution Plan

Contribution to provident fund, superannuation fund and employee state insurance scheme by the entities in the Group are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employee.

#### k. Employee share based payments

Stock options granted to the employees under the Employee Stock Option Scheme are evaluated in accordance with the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India and the Guidance Note on Employee share based payments issued by the Institute of Chartered Accountants of India. The Group follows the intrinsic value method of accounting for the options and accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of options.

#### l. Current and deferred tax

- i. Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit for the year.
- ii. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.
- iii. Tax on proposed distribution of dividend is based on the provisions of Income Tax Act, 1961 and disclosed as appropriation in the Reserves and Surplus in the Balance Sheet.
- iv. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the



tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### m. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for

- Possible obligation which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements.

#### n. Segment Reporting

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments. Segment revenue and segment results include transfers between segments and such transfers are eliminated in the Consolidation of the segments. Expenses that are directly identifiable to segments are considered for determining the segment result. Segment assets and liabilities include those directly identifiable with the respective segments.

#### o. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in rate.

#### p. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

#### q. Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

#### r. Derivative Instruments and Hedge Accounting

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Group does not hold derivative financial instruments for speculative purposes. The Group has applied to all such contracts outstanding as on March 31, 2016 the hedge accounting principles as set out in Accounting Standard 30 "Financial Instruments Recognition and Measurement" (AS 30) by marking them to market. Changes in the fair value of the contracts that are designated and effective hedges of future cash flows are recognized directly in Hedge Accounting Reserve.

### 3. Share Capital

#### i. The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>Authorized shares</b>		
425,000,000 (Previous Year 425,000,000) Equity Shares of ₹ 2/- each	8,500.00	8,500.00
<b>Issued, Subscribed and fully paid up</b>		
399,813,230 (Previous Year 399,702,790) Equity Shares of ₹ 2/- each fully paid up	7,996.26	7,994.06
<b>Total</b>	<b>7,996.26</b>	<b>7,994.06</b>

#### ii. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	2015-16		2014-15	
	No of shares	₹ in Lakhs	No of shares	₹ in Lakhs
At the beginning of the year	399,702,790	7,994.06	399,481,820	7,989.64
Allotment of shares under Employee Stock Option, 2008 issued during the year	110,440	2.20	220,970	4.42
<b>Outstanding at the end of the year</b>	<b>399,813,230</b>	<b>7,996.26</b>	<b>399,702,790</b>	<b>7,994.06</b>

During the year, the Company allotted 110,440 (Previous Year 220,970) Equity Shares of ₹ 2/- each to eligible employees pursuant to exercise of options under the Employee Stock Options Scheme at applicable premiums.

#### iii. Terms/rights attached to equity shares:

Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. For the year ended March 31, 2016 a dividend of ₹ 2.10 per equity share has been proposed by the Board of Directors (Previous Year ₹ 1.90 per equity share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting which includes an agenda item to consider declaration of dividend.

#### iv. Details of shares held by each shareholders holding more than 5 % of the paid-up equity capital

Particulars	31-Mar-2016		31-Mar-2015	
	No. of shares held	% of Share holding	No. of shares held	% of Share holding
Synnex Mauritius Limited	94,295,940	23.58	94,295,940	23.59
Harrow Investment Holding Limited	53,282,932	13.33	53,282,932	13.33
Standard Chartered Private Equity (Mauritius) Limited	39,736,500	9.94	39,736,500	9.94
Reliance Capital Trustee Company Limited	23,892,822	5.98	21,119,911	5.28
ICICI Prudential Life Insurance Company Limited	20,370,285	5.09	20,734,654	5.19

### 4. Reserves and Surplus

(a) Capital Reserve	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Balance as per last Balance Sheet date	21.34	21.34
<b>Balance at the end of the year</b>	<b>21.34</b>	<b>21.34</b>
<b>(b) Securities Premium Account</b>	<b>31-Mar-2016</b>	<b>31-Mar-2015</b>
Balance as per last Balance Sheet date	35,374.35	35,265.85
Add: Premium on shares issued on exercise of ESOP, 2008	78.18	108.50
<b>Balance at the end of the year</b>	<b>35,452.53</b>	<b>35,374.35</b>
<b>(c) General Reserve</b>	<b>31-Mar-2016</b>	<b>31-Mar-2015</b>
Balance as per last Balance Sheet date	10,961.30	10,961.30
<b>Balance at the end of the year</b>	<b>10,961.30</b>	<b>10,961.30</b>



₹ in Lakhs		
(d) Hedge Accounting Reserve	31-Mar-2016	31-Mar-2015
Balance as per last Balance Sheet date	(3.30)	(9.86)
Add: Net movement during the year	(17.50)	6.56
<b>Balance at the end of the year</b>	<b>(20.80)</b>	<b>(3.30)</b>
(e) Surplus in the Statement of Profit and Loss	31-Mar-2016	31-Mar-2015
Balance as per last Balance Sheet date	161,767.90	132,049.24
Profit for the year	42,565.72	38,652.89
<b>Sub total</b>	<b>204,333.62</b>	<b>170,702.13</b>
<b>Less: Appropriations</b>		
Proposed final equity dividend for the year	8,396.08	7,595.32
Dividend Distribution Tax	1,567.10	1,432.71
Dividend including Dividend distribution tax for previous year ( Refer note below)	-	0.96
Dividend distribution tax credit on account of dividend received from Indian subsidiary	(28.63)	(94.76)
Transfer to Statutory Reserve	27.24	
<b>Balance at the end of the year</b>	<b>194,371.83</b>	<b>161,767.90</b>

**Note:** Subsequent to the date of Balance Sheet as on March 31, 2015 and 2014 and before the book closure date, NIL (Previous Year 90,900) equity shares were allotted under Employees Stock Option Plan 2008 and dividend of NIL (Previous Year ₹ 0.81 Lakhs) on these shares were paid. The total amount of NIL (Previous Year ₹ 0.96 Lakhs) including tax on dividend, has been appropriated from the Statement of Profit and Loss.

(f) Statutory Reserves	31-Mar-2016	31-Mar-2015
Balance as per last Balance sheet date	36.89	36.89
Add: Additions during the year	27.24	-
<b>Balance at the end of the year</b>	<b>64.13</b>	<b>36.89</b>

(g) Foreign Currency Translation Reserve	31-Mar-2016	31-Mar-2015
Balance as per last Balance Sheet date	21,264.57	15,814.81
Movement during the year	8,629.60	5,449.76
<b>Balance at the end of the year</b>	<b>29,894.17</b>	<b>21,264.57</b>

<b>Total Reserves and Surplus</b>	<b>270,744.50</b>	<b>229,423.05</b>
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## 5. Long-Term Borrowings

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Loans from Banks-Secured*	-	21,079.55
Loans from others-Unsecured	-	295.32
<b>Total</b>	<b>-</b>	<b>21,374.87</b>

\* As of March 31, 2016 the amount of loan outstanding towards Long-Term debt of ₹ 10,946.96 Lakhs which is repayable within one year from the Balance Sheet date is shown under Other Current Liabilities (Refer Note 9).

## 6. Long-Term Provisions

₹ in Lakhs		
Particulars	Non-Current	
	31-Mar-2016	31-Mar-2015
<b>(a) Employee Benefits</b>		
(i) Compensated absences	219.63	251.26
(ii) Gratuity	5,995.13	4,685.23
(iii) Provision for warranties (Refer Note 10)	9.47	13.59
<b>Total</b>	<b>6,224.23</b>	<b>4,950.08</b>

## Movement Details for Gratuity Provision (Including Short-Term Provisions)

₹ in Lakhs		
Particulars	2015-16	2014-15
<b>Projected Benefit Obligation at the beginning of the year</b>	<b>4,715.60</b>	<b>3,432.31</b>
Add:		
Amount charged to the Statement of Profit and Loss (Refer Note 23)	1,782.82	2,248.35
Amount transferred on account of acquisition	60.38	-
Benefits paid	(651.47)	(823.76)
Currency Translation Adjustment	143.03	(141.30)
<b>Projected Benefit Obligation at the end of the year</b>	<b>6,050.36</b>	<b>4,715.60</b>
<b>Long-Term Provision</b>	<b>5,995.13</b>	<b>4,685.23</b>
<b>Short-Term Provision</b>	<b>55.23</b>	<b>30.37</b>

## 7. Short-Term Borrowings

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
Secured Loans from Banks (Refer note a)	186,553.74	129,298.94
Unsecured Loans from Banks	36,083.89	1,543.09
Commercial paper (Refer note b) - Unsecured	-	18,200.00
Loan from others (Refer note c) - Unsecured	1,326.58	3,138.98
<b>Total</b>	<b>223,964.21</b>	<b>152,181.01</b>

a. Loan from Banks are secured by pari-passu charge on Inventories and Trade Receivables and includes Letter of Awareness issued by the Parent Company.

b. **Commercial paper:** Maximum amount outstanding at any time during the year was ₹ 126,000 Lakhs (Previous Year ₹ 79,500 Lakhs).

c. One of the Group's suppliers provided support to the Group through subscription of Redington Gulf FZE's unsecured promissory notes. The funds received were used by the Group to invest in the supplier's business in six countries in Africa. The unsecured promissory notes are repayable annually commencing September 30, 2014.

## 8. Trade Payables

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
<b>Trade payables</b>		
(i) Total outstanding due to Micro Enterprises and Small Enterprises	6,517.43	3,399.42
<b>Total (i)</b>	<b>6,517.43</b>	<b>3,399.42</b>
(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
a. Trade Payables	412,430.21	321,809.95
b. Other Payables	1,514.94	2,159.10
<b>Total (ii)</b>	<b>413,945.15</b>	<b>323,969.05</b>
<b>Total (i+ii)</b>	<b>420,462.58</b>	<b>327,368.47</b>

Trade payables are dues in respect of goods purchased or services received (including from employees) in the normal course of business.

## 9. Other Current Liabilities

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Creditors for other liabilities <sup>^</sup>	36,753.66	31,993.69
Interest accrued but not due on loans	140.68	133.41
Earmarked liability - Unclaimed Dividend*	6.34	4.85
Unamortized revenue	676.36	803.93
Statutory liabilities	6,220.76	6,167.21
Advances/Deposits received from customers	6,744.00	5,339.91
Dividend Payable	367.82	595.67
Current Maturities of Long-Term Borrowings (Refer Note 5)	10,946.96	13,105.91
Others liabilities**	5,400.16	3,705.31
<b>Total</b>	<b>67,256.74</b>	<b>61,849.89</b>

\* No Amount is due and outstanding to be credited to Investor Education and Protection Fund as on March 31, 2016 and 2015.

<sup>^</sup> Includes ₹ 1.23 Lakhs (Previous year ₹ 137.18 Lakhs) payable towards acquisitions of Tangible assets.

\*\* During the month of December 2015, one of the Group Company's warehouses was affected by flood which has resulted in the loss of fixed assets, inventory owned by that Company and inventory held under trust on behalf of its vendors. The subsidiary had filed an insurance claim for loss of inventory (owned and held under trust) and expenses incurred during flood etc and have received an amount of ₹ 2,774.58 Lakhs towards such claim.

The subsidiary had written off the fixed assets which were damaged and is in the process of replacing the fixed assets and providing necessary documents to the Insurance Company. The management is confident of recovering the same relating to fixed assets from the Insurance Company.

## 10. Short-Term Provisions

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>(a) Provision for employment benefits</b>		
(i) Compensated absences	20.52	14.17
(ii) Gratuity	55.23	30.37
<b>(b) Others</b>		
(i) Provision for Taxation (net of advance taxes)	2,262.67	1,767.15
(ii) Provision for warranties	570.93	424.92
(iii) Proposed dividend	8,396.08	7,595.32
(iv) Dividend Tax on Proposed Dividend	1,567.10	1,432.71
(v) Provision for CSR expenditure	0.01	524.19
<b>Total</b>	<b>12,872.54</b>	<b>11,788.83</b>

### Movement in Provision for warranties

Description	2015-16	2014-15
Balance as per the last Balance Sheet	438.51	251.54
Add: Provision made (part of Cost of Goods Sold)	593.71	526.50
Less: Provision Utilised (part of Cost of Goods Sold)	451.82	339.53
<b>Balance at the end of the year</b>	<b>580.40</b>	<b>438.51</b>
<b>Short-Term Provision (Note 10)</b>	<b>570.93</b>	<b>424.92</b>
<b>Long-Term Provision (Note 6)</b>	<b>9.47</b>	<b>13.59</b>

## 11. Fixed Assets—Owned

Description	Gross Block			Accumulated Depreciation			Net Block			
	As at 01.04.15	Additions	Acquired by a step-down subsidiary	Deletions	Other Adjustments	As at 31.03.16	Deletions	Other Adjustments	As at 31.03.16	As at 31.03.15
<b>A. Tangible Assets</b>										
<b>Land</b>										
Current year	3,068.93	-	-	-	-	3,068.93	-	-	3,068.93	3,068.93
Previous year	2,733.93	444.31	-	109.31	-	3,068.93	-	-	3,068.93	2,733.93
<b>Buildings</b>										
Current year**	9,932.90	-	-	252.42	489.93	10,185.32	-	60.70	2,604.16	7,879.37
Previous year	9,066.30	692.83	-	173.77	501.39	9,932.90	-	35.65	2,053.53	7,549.81
<b>Plant and Equipment</b>										
Current year	2,500.03	413.25	-	43.08	371.84	2,929.71	30.46	45.62	2,176.28	710.75
Previous year	2,638.15	233.21	-	408.57	341.05	2,500.03	330.99	26.56	1,789.28	885.49
<b>Furniture &amp; Fixtures</b>										
Current year	11,664.99	1,418.14	284.33	180.76	542.74	13,729.44	50.02	433.85	10,384.35	2,589.62
Previous year	11,687.84	698.79	-	1,083.84	362.20	11,664.99	857.11	282.85	9,075.37	3,148.81
<b>Office Equipment</b>										
Current year	5,662.83	557.99	40.82	81.45	310.40	6,490.59	31.32	211.31	4,606.63	1,945.15
Previous year	5,373.24	347.02	-	264.77	207.34	5,662.83	214.37	129.71	3,717.68	2,284.68
<b>Computers</b>										
Current year	3,590.92	1,360.95	53.92	777.38	96.82	4,325.23	723.49	77.89	2,657.16	956.65
Previous year	3,225.75	1,038.65	-	736.07	62.59	3,590.92	616.79	51.88	2,634.27	653.62
<b>Vehicles</b>										
Current year	1,735.61	475.13	16.23	296.30	67.37	1,998.04	205.74	65.87	1,251.14	592.49
Previous year	1,666.57	260.90	-	238.11	46.25	1,735.61	163.84	35.38	1,143.12	633.60
<b>Tangible assets—Total</b>										
<b>Current year</b>	<b>38,156.21</b>	<b>4,225.46</b>	<b>395.30</b>	<b>1,378.97</b>	<b>1,329.26</b>	<b>42,727.26</b>	<b>1,041.03</b>	<b>895.24</b>	<b>23,679.72</b>	<b>17,742.96</b>
<b>Previous year</b>	<b>36,391.78</b>	<b>3,715.71</b>	<b>-</b>	<b>2,840.67</b>	<b>889.39</b>	<b>36,156.21</b>	<b>2,183.10</b>	<b>562.03</b>	<b>20,413.25</b>	<b>17,889.94</b>

\*\* The building consists of a distribution center in Jebel Ali Free Zone which is constructed on land leased for a period of 10 years expiring in 2017 renewable for another 10 years.

Description	Gross Block			Accumulated Amortization			Net Block	
	As at 01.04.15	Additions	Acquired by a step-down subsidiary	Deletions	Other Adjustments	As at 31.03.16	As at 31.03.16	As at 31.03.15
<b>B. Intangible Assets</b>								
<b>Software</b>								
Current year	5,618.66	1,344.58	4.37	50.67	308.61	7,225.55	4,326.57	2,898.98
Previous year	3,118.42	2,474.41	-	127.99	153.82	5,618.66	3,432.59	2,186.07
<b>Non-compete fee*</b>								
Current year	961.54	-	-	-	57.77	1,019.31	919.64	99.67
Previous year	921.77	-	-	-	39.77	961.54	704.06	257.48
<b>Intangible assets-Total</b>								
Current year	6,580.20	1,344.58	4.37	50.67	366.38	8,244.86	5,246.21	2,998.65
Previous year	4,040.19	2,474.41	-	127.99	193.59	6,580.20	4,136.65	2,443.55

\* One of the subsidiaries of the Group signed a non-competite agreement with its former Chief Executive Officer. Based on the terms of the non-competite agreement, the former Chief Executive Officer agreed not to compete with the subsidiary and not to engage in any business transaction which may harm the subsidiary's relations with its business partners until June 30, 2016. In return, the subsidiary had committed to pay a non-competite fee to the former chief executive. The non-competite agreement had been accounted for as an intangible asset with a corresponding liability recorded to reflect the amount payable. The non-competite fee was paid on June 30, 2014 and has been fully amortized.

Description	₹ in Lakhs	
	2015-16	2014-15
Tangible assets	3,412.26	3,532.48
Intangible assets	918.26	726.21
Total	4,330.52	4,258.69

## C. Depreciation / Amortization

## 12. Goodwill on Consolidation / acquisition \*

Particulars	31-Mar-2016	31-Mar-2015
Balance as per last Balance sheet date	7,379.67	7,379.67
Add: On acquisition of step-down subsidiary (Refer Note 2(B)(ii))	2,570.88	-
Less: Written off on merger of an wholly-owned subsidiary during the year (Refer Note 2(A)(i))	10.32	-
<b>Total</b>	<b>9,940.23</b>	<b>7,379.67</b>

\* Goodwill arising on Consolidation is tested for Impairment on annual basis and is not amortized.

## 13. Non-Current Investments

## Investment in Associate

Name of the Corporate Body	31-Mar-2016	31-Mar-2015
50,000 Equity Shares (Previous Year 50,000) of ₹ 10/- each fully paid-up in Redington (India) Investments Limited	-	5.00
Add: Investment during the year- (NIL)/50,000 Equity Shares of ₹ 10/- each fully paid-up in Redington (India) Investments Limited	-	5.00
Less: Share of Loss (Recognized in line with AS 23)	-	10.00
<b>Total</b>	<b>-</b>	<b>-</b>

## 14. Deferred Tax Assets (net)

## Break-up of Deferred Tax Assets arising on account of timing differences\*

Particulars	31-Mar-2016	31-Mar-2015
Deferred Tax Assets		
Provision for Doubtful Trade Receivables	820.55	561.90
Gratuity	680.79	359.89
Compensated absences	56.18	57.00
Depreciation	463.01	50.27
Others	1.47	0.17
<b>Deferred Tax Asset</b>	<b>2,022.00</b>	<b>1,029.23</b>

\* Consequent to sale of the Company's investment in its wholly owned subsidiary Easyaccess Financial Services Limited in FY 2013-14, there was a Long-Term capital loss, under the Income Tax Act, 1961, which resulted in a deferred tax asset of ₹ 1,310.48 Lakhs. Of this, ₹ 249.48 Lakhs was recognized against Long-Term capital gain realized. The balance deferred tax asset of ₹ 1,061.00 Lakhs will be recognized as and when there is a Long-Term capital gain.

## Break up of Deferred Tax liability arising on account of timing differences (In respect of Overseas subsidiaries)

Particulars	31-Mar-2016	31-Mar-2015
i. Deferred Tax Liability (A)		
Depreciation	177.58	160.68
Arising out of timing difference on components of financial statements (net)	120.01	631.85
<b>Total</b>	<b>297.59</b>	<b>792.53</b>
ii. Deferred Tax Assets (B)		
Provision for Doubtful Debts	-	35.98
<b>Total</b>	<b>-</b>	<b>35.98</b>
<b>Deferred Tax Liability (Net) (A-B)</b>	<b>297.59</b>	<b>756.55</b>

## 15. Long-Term Loans and Advances (Unsecured and considered good)

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
(a) Capital advances	106.21	39.65
(b) Security deposits	838.31	681.25
(c) Advance taxes (net of provisions)	5,121.59	2,871.74
(d) Receivable from customs/sales tax department	2,844.61	2,433.86
(e) Others	1.21	343.90
<b>Total Long-Term Loans and Advances</b>	<b>8,911.93</b>	<b>6,370.40</b>

## 16. Inventories

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Trading Stocks	335,594.49	250,859.62
Goods in Transit	40,733.20	34,064.54
Service Spares	487.66	509.61
<b>Total</b>	<b>376,815.35</b>	<b>285,433.77</b>

## 17. Trade Receivables—Unsecured

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>(a) Trade Receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Considered Good	8,424.99	10,687.26
Considered Doubtful	2,634.31	1,890.84
Less: Provision for doubtful receivables	2,634.31	1,890.84
<b>(b) Other Trade Receivables</b>		
Considered Good	526,029.07	431,212.23
Considered Doubtful	10,516.66	9,745.61
Less: Provision for doubtful receivables	10,516.66	9,745.61
<b>Total</b>	<b>534,454.06</b>	<b>441,899.49</b>

## 18. Cash and Cash Equivalents

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Cash on hand	726.00	470.32
<b>Balances with Banks</b>		
(i) In current accounts	45,147.12	38,300.22
(ii) In deposit accounts	8,340.54	12,860.15
(iii) In earmarked accounts		
a. Margin money with banks*	835.61	977.42
b. Earmarked balances – Unclaimed Dividend account	6.34	4.85
c. Earmarked balance – Unspent for Corporate Social Responsibility	-	524.19
<b>Total</b>	<b>55,055.61</b>	<b>53,137.15</b>

\* Margin Deposits having maturity period beyond 12 months pertaining to an wholly-owned subsidiary, Redington International Mauritius Limited (RIML) are held by Banks against Letters of Guarantee.

## Reconciliation of Cash and cash equivalents:

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
<b>Cash and cash equivalents as per above</b>	<b>55,055.61</b>	<b>53,137.15</b>
Less:		
Bank Deposits with original maturity for more than three months not treated as cash equivalents	22.86	188.91
Margin money with banks	835.61	977.42
Earmarked balances – Unclaimed Dividend account	6.34	4.85
Cash acquired on acquisition of a step-down subsidiary	246.25	-
Earmarked balance – Unspent for Corporate Social Responsibility	-	524.19
<b>Cash and cash equivalents as per Cash flow Statement</b>	<b>53,944.55</b>	<b>51,441.78</b>

## 19. Short-Term Loans and Advances (Unsecured and considered good)

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
(a) Security deposits	1,577.79	1,233.16
(b) Loans and advances to employees	456.65	412.44
(c) Prepaid expenses	3,320.27	2,989.86
(d) Balances with government authorities		
(i) Receivables from Customs authorities	3.89	216.75
(ii) VAT & Service Tax Credit Receivable	8,031.94	8,642.74
(e) Advances to suppliers	9,759.62	6,938.96
<b>Total</b>	<b>23,150.16</b>	<b>20,443.92</b>

## 20. Other Current Assets

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Unbilled Revenue	1,182.20	1,086.41
Interest Accrued and not due on Bank Deposits	3.39	3.42
<b>Total</b>	<b>1,185.59</b>	<b>1,089.83</b>

## 21. Turnover/Revenue from Operations

Particulars	₹ in Lakhs	
	2015-16	2014-15
Sales	3,372,486.45	3,007,491.27
Service Income	64,815.72	59,752.53
Rebates	105,636.91	88,658.32
Other operating revenues	25.56	13.38
<b>Total</b>	<b>3,542,964.64</b>	<b>3,155,915.50</b>

## 22. Other Income

Particulars	₹ in Lakhs	
	2015-16	2014-15
Interest on loan	209.60	213.67
Interest from dealers	1,070.28	1,426.36
Interest on Bank deposits	541.18	438.09



Interest refund on Income Tax	555.76	253.75
Profit on sale of Fixed assets (net)	51.40	1,133.96
Dividend from Short-Term Investments	118.01	247.58
Bad Debts Written off in earlier years recovered	64.35	62.25
Provision no longer required written back	28.33	240.18
Paynet Charges	1,310.78	1,880.91
Other Non-operating income	718.55	455.15
<b>Total</b>	<b>4,668.24</b>	<b>6,351.90</b>

### 23. Employee Benefits Expense

₹ in Lakhs		
Particulars	2015-16	2014-15
Salaries & Bonus	50,457.15	42,428.88
Contribution to Provident Fund & Other Funds	912.99	784.67
Welfare Expenses	844.39	1,309.67
Gratuity	1,782.82	2,248.35
<b>Total</b>	<b>53,997.35</b>	<b>46,771.57</b>

### 24. Finance Costs

₹ in Lakhs		
Particulars	2015-16	2014-15
Interest on Borrowings	17,735.91	15,641.23
Other Borrowing Costs	231.15	218.81
<b>Total</b>	<b>17,967.06</b>	<b>15,860.04</b>

### 25. Other Expenses

₹ in Lakhs		
Particulars	2015-16	2014-15
Rent	8,458.82	7,201.82
Freight	8,785.61	8,343.83
Commercial Taxes	2,042.45	1,978.95
Repairs and Maintenance	2,027.07	2,240.87
Utilities	777.00	731.95
Insurance	3,196.86	3,047.00
Communication	2,652.37	2,399.22
Sales Promotion Expenses	12,338.47	13,791.13
Travelling Expenses	4,542.55	4,180.23
Goodwill written off on merger of an wholly-owned subsidiary (Refer Note 2(A)(i))	10.32	-
Professional Charges	2,997.93	1,559.94
Warehouse handling charges	753.10	631.10
Bad debts	1,518.89	2,087.88
Less :-Written off against provision	999.00	1,224.10
Bad debts (net)	519.89	863.78
Provision for Doubtful Debts	3,089.22	2,741.57
Audit remuneration (including remuneration to subsidiaries' auditors)	908.43	741.83
Exchange loss (net)	5,091.52	1,622.15
Factoring Charges	1,470.31	1,395.08
Directors' Sitting Fee	14.44	10.57
Directors' Commission*	109.27	73.31

Outsourced Resource Cost	4,882.66	3,594.27
Security Charges	972.76	765.94
Packing Charges	607.01	201.08
Software Expenses	2,315.85	2,072.58
Bank Charges	2,201.04	2,338.89
Miscellaneous Expenses	3,873.71	3,489.25
<b>Total</b>	<b>74,638.66</b>	<b>66,016.34</b>

\* Commission to non whole-time directors requires approval of shareholders at the ensuing Annual General Meeting.

### 26. Earnings per Equity Share

Description	2015-16	2014-15
Profit after Tax (₹ In Lakhs)	42,565.72	38,652.89
Weighted Average Number of equity shares (Basic)	399,777,814	399,591,493
Earnings per share- Basic ₹	10.65	9.67
Add: Effect on ESOPs	174,657	200,108
Weighted Average Number of equity shares including on account of Employee Stock Option Plan 2008 (Diluted)	399,952,471	399,791,601
Earnings per share- Diluted ₹	10.64	9.67
Face Value per share in ₹	2/-	2/-

### 27. Contingent Liabilities & Commitments

₹ in Lakhs		
Particulars	31-Mar-2016	31-Mar-2015
i. Bank Guarantees	693.92	556.83
ii. Bills Discounted	6,011.01	6,200.79
iii. Channel financing	750.00	1,975.00
iv. Factoring	8,750.00	7,525.00
v. Claims not acknowledged as debts	281.57	359.36

vi. Disputed Customs Duty/Income Tax/Sales Tax/Service Tax demands

₹ in Lakhs		
Nature of Dues	31-Mar-2016	31-Mar-2015
Customs duty*	2,255.38	97.03
Income Tax	576.89	999.01
Sales Tax	3,778.29	1,566.34
Service Tax <sup>#</sup>	2,159.00	NIL

\* 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. Basis the opinion of legal counsel, the demand is not sustainable in law and accordingly no provision is presently considered necessary.

<sup>#</sup> 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. Basis the opinion of legal counsel, the demand is not sustainable in law and accordingly no provision is presently considered necessary.

vii. Lawsuit filed by Redington Turkey Holdings S.A.R.L (RTHS)

As at March 31, 2016, the administrative lawsuit filed by Redington Turkey Holdings S.A.R.L. (RTHS) before the 8th Administrative Court of Ankara, as the plaintiff, requesting the cancellation of the decision of the Capital Markets Board (CMB) dated August 25, 2011, requiring RTHS to file an application with the aim to conduct a mandatory tender offer towards the shareholders of Arena Bilgisayar Sanayi ve Ticaret A.S. (Arena) in connection with its purchase of 49.4% stake in Arena on November 29, 2010 has been concluded in favor of RTHS' request and the decision of the CMB dated August 25, 2011 has been cancelled. On January 3, 2013, the CMB appealed this decision following which RTHS filed its responses on February 3, 2013. Although the lawsuit file





has been assigned to the 13<sup>th</sup> Chamber of the Council of State for appellate review, the Chamber had not concluded its appellate review as at March 31, 2016.

The CMB had later imposed an administrative monetary fine against RTHS in the amount of US\$ 68,041 by its decision dated April 11, 2012, stating RTHS' non-compliance with its decision dated August 25, 2011, as the reason. On May 9, 2012, RTHS challenged this fine by filing a lawsuit before the 20<sup>th</sup> Peace Criminal Court of Istanbul. As at March 31, 2016, the 20<sup>th</sup> Peace Criminal Court of Istanbul had not yet resolved on this lawsuit.

The CMB's decision dated August 25, 2011 was based on an injunction decision given by the 13<sup>th</sup> Chamber of the Council of State on July 18, 2011, as a result of a lawsuit filed by an individual investor against the CMB requesting injunction on and the cancellation of certain provisions of the CMB Communiqué regulating tender offers in Turkish public companies and the CMB decision turning down the request of the investor seeking a tender offer to be launched by RTHS in connection with its purchase of 49.4% stake in Arena on November 29, 2010. The injunction decision given by the 13<sup>th</sup> Chamber of the Council of State was challenged by the CMB before the Council of Administrative Chambers of the Council of State which ruled for the revoke of the stay of execution on February 2, 2012. Prior to the decision rendered by the Council of Administrative Chambers, on October 10, 2011, RTHS had applied to the 13<sup>th</sup> Chamber of the Council of State to join and become a party in this lawsuit on the side of the defendant CMB. RTHS also submitted a detailed petition explaining why the challenge by the CMB should be upheld. On September 20, 2012, the court accepted RTHS' request to become a party to the lawsuit on the side of the defendant CMB. On July 2, 2015, the prosecutor of Council of State had issued his opinion mentioning that the law suit should be rejected. The 13<sup>th</sup> Chamber held a hearing on October 15, 2015 and heard the parties. The Chamber has not rendered its decision yet.

Management believes that no capital outflow or material impact on the income statement will arise out of the pending case and therefore no special reserve has been allocated as of the reporting date.

#### viii. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 515.70 Lakhs (Previous Year ₹ 49.84 Lakhs).

### 28. Operating Leases

The Company and its Indian Subsidiaries have taken cancellable operating leases for its office premises, which is for a period ranging from 11 months to 9 years. The rental expense charged to the Statement of Profit and Loss towards such cancellable operating leases amounts to ₹ 3,294.21 Lakhs (Previous Year ₹ 2,830.97 Lakhs).

With respect to Overseas subsidiaries, at the reporting date there are outstanding commitments under non-cancellable operating land lease, which fall due as follows:

Particulars	₹ in Lakhs	
	31-Mar-2016	31-Mar-2015
Payable within one year	327.96	357.01
Payable after one year	330.90	420.11
<b>Total</b>	<b>658.86</b>	<b>777.12</b>

The rental expense charged to the Statement of Profit and Loss towards such non-cancellable operating leases amounts to ₹ 5,164.62 Lakhs (Previous Year ₹ 4,370.85 Lakhs).

### 29. Segment Reporting

The Company has identified geographical segment as its primary segment. Geographical segments are reported viz., India and Overseas. Secondary segment identified are Distribution, and others. Others include Service income and supply chain business.

#### PRIMARY SEGMENT

Particulars	India		Overseas		Eliminations		Corporate Unallocated		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Revenue</b>										
External	1,339,791.97	1,300,631.59	2,207,840.91	1,861,635.81	-	-	-	-	3,547,632.88	3,162,267.40
Inter-segment	957.75	1,321.73	6,393.00	7,515.25	(7,350.75)	(8,836.98)	-	-	-	-
<b>Total</b>	<b>1,340,749.72</b>	<b>1,301,953.32</b>	<b>2,214,233.91</b>	<b>1,869,151.06</b>	<b>(7,350.75)</b>	<b>(8,836.98)</b>	-	-	<b>3,547,632.88</b>	<b>3,162,267.40</b>
Segment results	32,599.83	30,467.38	27,507.91	25,636.44	(698.26)	(557.60)	-	-	59,409.48	55,546.22
Segment Assets	361,018.30	291,303.15	668,775.55	547,668.83	(6,749.58)	(9,089.73)	11,962.23	8,408.90	1,035,006.50	838,291.15
Segment Liabilities	268,087.07	203,182.08	462,934.37	378,902.04	(241.14)	(2,570.97)	297.59	756.55	731,077.89	580,269.70
<b>Other Information</b>										
Depreciation	1,429.53	1,430.98	2,900.99	2,827.71	-	-	-	-	4,330.52	4,258.69
Capital Expenditure	1,573.56	545.97	4,160.13	4,510.18	-	-	-	-	5,733.69	5,056.15

#### SECONDARY SEGMENT

Particulars	Distribution		Others		Eliminations		Corporate Unallocated		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Revenue</b>										
External	3,489,226.08	3,086,259.31	58,406.80	76,008.09	-	-	-	-	3,547,632.88	3,162,267.40
Inter-segment	852.34	2,346.68	6,498.41	6,490.30	(7,350.75)	(8,836.98)	-	-	-	-
<b>Total</b>	<b>3,490,078.42</b>	<b>3,088,605.99</b>	<b>64,905.21</b>	<b>82,498.39</b>	<b>(7,350.75)</b>	<b>(8,836.98)</b>	-	-	<b>3,547,632.88</b>	<b>3,162,267.40</b>
Segment Assets	1,007,947.86	805,195.24	21,845.99	26,085.19	(6,749.58)	(1,398.18)	11,962.23	8,408.90	1,035,006.50	838,291.15
<b>Other Information</b>										
Depreciation	3,530.03	3,523.93	800.49	734.76	-	-	-	-	4,330.52	4,258.69



### 30. Accounting for Financial Instruments

The Company and its Indian subsidiaries, wherever, applicable have recognized Mark to Market (MTM) loss of ₹ 20.80 Lakhs (Previous Year loss of ₹ 3.30 Lakhs) relating to forward contracts and other derivatives entered into to hedge the foreign currency risk of highly probable forecast transactions that are designated as effective cash flow hedges, in the Hedge Accounting Reserve as part of the Shareholders Funds. The Mark to Market (MTM) net loss on undesignated/ineffective forward contracts amounting to ₹ 72.11 Lakhs (Previous Year ₹ 19.70 Lakhs) has been recognized in the Statement of Profit and Loss.

### 31. Related party disclosures (As per AS 18)

#### 1) Key Management Personnel

Mr. Raj Shankar, Managing Director  
Mr. R. Srinivasan, Director (Overseas subsidiary)  
Mr. M Raghunandan, Whole-time Director

Refer note 32 below for remuneration

#### 2) Names of the related parties

Party where the Company has control	Redington Employee Share Purchase Trust *
Parties having Significant Influence on the Company	Synnex Mauritius Limited, Mauritius* Harrow Investment Holding limited, Mauritius (up to September 3, 2014)*

\* Represents related parties with whom transactions have taken place during the year.

#### 3) Nature of Transactions

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
	Party Where Control Exists	Party Where Control Exists
<b>Redington Employee Share Purchase Trust</b>		
Dividend Paid	NIL	0.11
Deficit absorbed*	0.07	NIL

\* Redington Employees Share Purchase Trust administers the Employee Share Purchase Scheme (ESPS), which is in accordance with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The deficit of the trust for the year ended March 31, 2016 amounting to ₹ 0.07 Lakhs (Previous Year NIL) has been absorbed in the Profit and Loss Account of the Company.

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
	Parties having Significant Influence	Parties having Significant Influence
<b>Harrow Investment Holding Limited, Mauritius</b>		
Dividend Paid	1,012.38	756.25
<b>Synnex Mauritius Limited</b>		
Dividend Paid	1,791.62	848.66

₹ in Lakhs

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
	Associate Company	Associate Company
<b>Redington (India) Investments Limited</b>		
Equity Contribution	NIL	5.00
	Subsidiary of Associate	Subsidiary of Associate
<b>Currents Technology Retail (India) Limited</b>		
Sales/Service Charges - Income	6,577.08	4,055.69
Interest Income	209.60	213.67
Loan disbursed	5,130.00	1,940.00
Loan settled	4,630.00	1,740.00
Loan outstanding at the year end	2,440.00	1,940.00
Amount receivable at the year end	1,015.56	905.50

### 32. Key Managerial Remuneration

Nature of Transactions	₹ in Lakhs	
	2015-16	2014-15
Remuneration paid to Whole-time director by the Company	24.00	40.00

The remuneration paid to whole-time director for the period from March 1, 2016 up to March 31, 2016 is subject to approval of shareholders at the ensuing Annual General Meeting.

Remuneration paid to other KMPs' from an wholly-owned overseas subsidiary is as below:

Particulars	₹ in Lakhs	
	2015-16	2014-15
Salaries and Bonus	643.54	845.98
Contribution to provident fund	8.19	4.91
<b>Total</b>	<b>651.73</b>	<b>850.89</b>

### 33. Events occurring after Balance Sheet Date

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.

Name of the Entity	Net assets (Total assets less Total liabilities)			Share in Profit			
	As a % of Consolidated Net Assets 31-Mar-16	Amount in ₹ in Lakhs 31-Mar-15	Amount in ₹ in Lakhs 31-Mar-16	As a % Consolidated Net Profit 2015-16	Amount in ₹ in Lakhs 2014-15	Amount in ₹ in Lakhs 2015-16	Amount in ₹ in Lakhs 2014-15
<b>Parent</b>	27.79	31.55	84,498.69	42.68	45.88	18,167.74	17,733.57
<b>Subsidiaries:</b>							
<b>a. Indian</b>							
Nook Micro Distribution Limited	-	0.31	-	-	(1.15)	-	(445.72)
Cadensworth (India) Limited	1.97	1.86	5,972.48	3.64	3.63	1,548.61	1,403.49
ProConnect Supply Chain Solutions Limited	0.77	0.62	2,328.46	2.24	1.55	955.32	598.59
Ensure Support Services (India) Limited	0.41	0.27	1,235.58	0.72	1.14	305.23	439.78
<b>b. Foreign</b>							
Redington International Mauritius Limited (RIML)- Before Minority Interest	53.90	51.40	163,828.89	43.87	46.56	18,672.04	17,998.25
Redington Distribution Pte. Limited (RDPL)	6.87	6.01	20,876.66	12.03	8.56	5,121.11	3,308.56
Minority Interests(Foreign)	8.29	7.98	25,187.85	(5.18)	(6.17)	(2,204.33)	(2,383.63)
Associate(Indian)	-	-	-	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>303,928.61</b>	<b>100.00</b>	<b>100.00</b>	<b>42,565.72</b>	<b>38,652.89</b>

35. As per the Companies Act, 2013, the Group is required to spend ₹ 566.29 Lakhs on "Corporate Social Responsibility (CSR)" during the financial year 2015-16. The Group has spent during the year ₹ 524.19 Lakhs towards CSR Expenditure for the previous financial year.

### 36. Employee Stock Option Plan 2008

The Group follows intrinsic value method of accounting for employee stock options. No compensation costs have been recognized in these accounts as the options have been granted at the prevailing market prices.

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	29-Feb-08	25-Jul-08	28-Jan-09	22-May-09	05-Dec-11
Exercise Price(₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	28-Feb-09	24-Jul-09	27-Jan-10	21-May-10	04-Dec-12
Options granted	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	587,670	4,000	-	-	41,500
Options vested	1,748,303	7,000	276,143	25,000	131,712
Options exercised at the beginning of the year	1,745,603	6,250	276,143	25,000	21,816
Options exercised during the year	2,700	-	-	-	19,388
Total options outstanding and not exercised as on March 31, 2016	-	750	-	-	90,508

\* Out of the total options granted in 2008, 1,959,830 options were repriced at ₹ 130/- on January 28, 2009 and 75,000 options were repriced at ₹ 165/- on May 22, 2009

Out of the lapsed options the Board/Committee of directors at their meetings had approved reissue of options as follows

Date of Grant	25-Jul-08	28-Jan-09	22-May-09	5-Dec-11
No. of options	11,000	276,143	25,000	173,212

The fair value of options based on the valuation of the independent valuer as of the respective dates of grant are given below:

Grant Date	29-Feb-08	Repriced on 28-Jan-09	Repriced on 22-May-09	25-Jul-08	Repriced on 28-Jan-09	28-Jan-09	22-May-09	5-Dec-11
Fair Value	171.33	25.56	33.04	159.71	23.77	47.46	79.82	171.72

The impact on the profit of the Company as at the year end and the basic and diluted earnings per share, had the Company followed the fair value method of accounting for stock options is set out below:

Particulars	₹ in Lakhs	
	2015-16	2014-15
Profit after tax as per Statement of Profit and Loss (a)	42,565.72	38,652.89
Add: Employee Stock Compensation Expense as per Intrinsic Value Method*	NIL	NIL
Less: Employee Stock Compensation Expense as per Fair Value Method	NIL	(33.60)
Profit after tax recomputed for recognition of employee stock compensation expense under fair value method (b)	42,565.72	38,686.49
Earnings per share based on earnings as per (a) above		
- Basic	10.65	9.67
- Diluted	10.64	9.67
Earnings per share had fair value method been employed for accounting of employee stock options as per (b) above		
- Basic	10.65	9.68
- Diluted	10.64	9.68

\* Employee Stock Compensation Expense for the year as per Fair Value is a net credit on account of cancellation / lapse of Options, as these cost have already been considered in the previous years when the options were outstanding.



37. The figures of the Previous Year have been regrouped wherever necessary to conform to the classification of the Current Year.

For and on behalf of the Board of Directors

**Raj Shankar**  
Managing Director  
(DIN-00238790)

**M Raghunandan**  
Whole-time Director  
(DIN-00082171)

**S V Krishnan**  
Chief Financial Officer

**M Muthukumarasamy**  
Company Secretary

Place: Chennai  
Date: May 24, 2016

**FORM - AOC1**  
**Salient Features of Financial Statements of Subsidiaries/Associates as per Companies Act, 2013**

**Part (A) SUBSIDIARIES**

Sl. No.	Name of Company	Reporting Currency	Reporting Period	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Turnover	Profit before taxation	Provision for taxation	Profit after tax	Proposed dividend	Owner-ship Interest %	Bene-ficial Interest %
1	Cadensworth (India) Limited	INR	March 31, 2016	1.0000	130.13	5,842.34	27,372.23	21,399.75	70,074.47	2,380.74	832.13	1,548.61	375.89	100	100
2	ProConnect Supply Chain Solutions Limited	INR	March 31, 2016	1.0000	455.00	1,873.46	4,022.37	1,693.91	11,205.50	1,470.38	515.06	955.32	219.05	100	100
3	Ensure Support Services India Ltd	INR	March 31, 2016	1.0000	450.00	785.58	7,707.06	6,471.48	12,925.11	471.47	166.23	305.23	-	100	100
4	Redington International Mauritius Limited	USD	March 31, 2016	66.2550	18,331.45	80,870.91	108,786.13	9,583.77	-	5,555.66	-	5,555.66	-	100	100
5	Redington Distribution Pte. Limited	USD	March 31, 2016	66.2550	2,650.20	17,209.91	83,796.15	63,936.03	328,502.15	6,306.47	1,228.89	5,077.58	706.94	100	100
6	Redington Gulf FZE	AED	March 31, 2016	18.0375	2,164.50	143,519.22	535,509.04	389,825.31	1,537,808.33	14,238.56	52.72	14,185.85	6,419.65	100	100
7	Redington Egypt Limited	EGP	December 31, 2015	8.4500	4.23	858.22	9,356.52	8,494.07	29,456.81	329.49	74.46	255.03	-	100	100
8	Redington Nigeria Limited	NGN	March 31, 2016	0.3332	33.32	(146.62)	19,861.70	19,975.00	23,998.71	134.72	65.50	69.22	-	100	100
9	Redington Gulf and Co. LLC	OMR	March 31, 2016	172.0900	258.14	317.61	1,797.15	1,221.41	3,028.67	37.92	7.78	30.15	-	70	100
10	Redington Kenya Limited	KES	March 31, 2016	0.6534	6.53	41.74	11,420.77	11,372.49	29,946.01	163.25	52.72	110.53	-	100	100
11	Cadensworth FZE	AED	March 31, 2016	18.0375	180.38	11,383.25	25,700.87	14,137.24	53,447.62	1,677.49	-	1,677.49	-	100	100
12	Redington Middle East LLC	AED	March 31, 2016	18.0375	54.11	732.45	156,634.65	155,848.09	390,489.69	104.26	-	104.26	-	49	100
13	Ensure Services Arabia LLC	SAR	March 31, 2016	17.6675	176.68	575.95	3,023.87	2,271.25	4,370.91	9.86	3.51	6.35	-	100	100
14	Redington Africa Distribution FZE	AED	March 31, 2016	18.0375	180.38	12,753.32	12,933.69	-	3,739.17	(0.97)	-	(0.97)	-	100	100
15	Redington Qatar WLL	QAR	March 31, 2016	18.1950	36.39	3,531.11	5,752.05	2,184.54	3,011.91	189.60	4.39	185.21	-	49	100
16	Ensure Services Bahrain SPC	BHD	March 31, 2016	175.7250	87.86	236.11	975.58	651.61	335.63	22.41	-	22.41	-	100	100
17	Redington Qatar Distribution Company W.L.L	QAR	March 31, 2016	18.1950	36.39	211.50	9,575.69	9,327.81	45,470.74	74.90	5.42	69.48	-	49	100
18	Redington Limited	GHS	March 31, 2016	17.4058	96.69	(18.74)	378.76	300.81	138.34	(35.74)	-	(35.74)	-	100	100
19	Redington Kenya EPZ Limited	KES	March 31, 2016	0.6534	0.65	(99.14)	188.60	287.09	-	(29.90)	-	(29.90)	-	100	100
20	Africa Joint Technical Services Company	LYD	March 31, 2016	48.2696	144.81	17.28	234.75	72.66	-	-	-	-	-	65	100
21	Redington Uganda Limited	UGX	March 31, 2016	0.0197	2.96	152.13	2,844.44	2,689.35	7,453.92	130.32	34.81	95.51	-	100	100
22	Cadensworth UAE LLC	AED	March 31, 2016	18.0375	54.11	436.68	74,369.88	73,879.08	49,278.88	126.87	-	126.87	-	49	100
23	Redington Tanzania Limited	TZS	March 31, 2016	0.0358	0.04	43.97	3,085.11	3,041.11	11,487.47	24.29	12.09	12.20	-	100	100
24	Redington Morocco Ltd	MAD	March 31, 2016	6.8801	20.64	126.66	9,237.44	9,090.14	12,085.23	95.42	60.95	34.47	-	100	100
25	Redington Angola, Lda	AOA	March 31, 2016	0.4144	0.76	(3.80)	14.62	17.66	-	(1.78)	-	(1.78)	-	100	100
26	Ensure IT Services (PTY) Ltd	ZAR	March 31, 2016	4.5000	31.45	97.98	650.52	521.10	1,211.38	101.44	30.79	70.66	-	100	100
27	Redington Turkey Holdings S.A.R.L.	USD	March 31, 2016	66.2550	298.15	366.77	31,353.32	30,688.40	-	58.31	35.44	22.86	-	100	100
28	Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi	USD	December 31, 2015	66.1550	14,765.13	29,192.88	110,408.73	66,450.71	315,204.01	4,826.21	2,539.88	2,286.34	1,209.28	49.40	49.40
29	Arena International FZE	AED	December 31, 2015	18.0100	180.10	1,675.79	14,634.76	12,778.87	92,150.92	1,625.93	-	1,625.93	935.34	49.40	49.40
30	Sensonet Teknoloji Elektronik Ve Bilisim Hizmetleri Sanayi Ve Ticaret Anonim Şirketi	USD	December 31, 2015	66.1550	161.42	1,571.84	9,923.25	8,189.99	9,280.79	437.75	125.81	311.95	-	49.29	49.29
31	Redington Bangladesh Limited	BDT	March 31, 2016	0.8470	25.41	15.21	69.49	28.87	-	0.95	0.32	0.64	-	99	100
32	Redington SL (Private) Limited	LKR	March 31, 2016	0.4558	129.63	194.45	3,265.00	2,940.92	11,913.51	12.03	(30.92)	42.95	-	100	100
33	Redington Rwanda Ltd	RWF	March 31, 2016	0.0886	-	(3.14)	87.00	90.14	-	(12.29)	-	(12.29)	-	100	100
34	Redington Kazakhstan LLP	KZT	December 31, 2015	0.1943	27.24	(4,597.27)	4,515.73	9,085.76	14,690.36	(3,332.75)	-	(3,332.75)	-	100	100
35	Ensure Gulf FZE	AED	March 31, 2016	18.0375	180.38	630.43	14,307.05	13,496.24	2,256.67	(14.57)	-	(14.57)	-	49	100





**FORM - AOC1**  
**Salient Features of Financial Statements of Subsidiaries/Associates as per Companies Act, 2013 (continued)**

Sl. No.	Name of Company	Reporting Period/ Latest Audited Balance sheet date	Shares Held by the Company	Amount of investment	Ownership interest	Beneficial interest	Reason for significant influence	Total Liabilities	Networth attributable	Loss considered in consolidation	Loss not considered in consolidation			
36	Ensure Middle East Trading LLC	March 31, 2016	AED	18.0375	54.11	410.68	22,523.05	9,952.71	339.87	-	339.87	-	49	100
37	Ensure Solutions Nigeria Limited	March 31, 2016	NGN	0.3332	3.33	117.96	1,870.93	1,514.49	100.26	45.21	55.04	-	99.90	100
38	Ensure Technical Services Kenya Limited	March 31, 2016	KES	0.6534	6.53	(21.85)	402.25	340.32	(2.01)	-	(2.01)	-	100	100
39	Ensure Services Uganda Limited	March 31, 2016	UGX	0.0197	5.14	52.61	142.03	340.60	30.79	0.13	30.66	-	100	100
40	Ensure Technical Services Tanzania Limited	March 31, 2016	TZS	0.0358	0.36	(10.14)	422.35	432.14	192.04	0.25	0.08	0.17	-	100
41	Ensure Ghana Limited	March 31, 2016	GHS	17.4058	44.56	81.60	341.12	214.96	289.92	71.46	-	71.46	-	100
42	Proconnect Supply Chain Logistics LLC	March 31, 2016	AED	18.0375	54.11	(319.56)	821.61	1,087.05	2,356.24	(242.54)	-	(242.54)	-	49
43	Ensure Technical Services Morocco Limited (Sarlau)	March 31, 2016	MAD	6.8801	6.88	(37.05)	305.48	335.65	376.31	1.20	-	1.20	-	100
44	ADEO Bilişim Danışmanlık Hizmetleri San. ve Tic. A.Ş.	December 31, 2015	TRY	22.6737	0.04	0.46	2.09	1.59	4.73	0.27	0.03	0.25	-	25.19
45	Redington Senegal Limited, SARL	March 31, 2016	XAF	0.1150	5.75	265.82	3,944.44	3,672.87	38,703.02	48.37	-	48.37	-	100
46	Ensure Digital FZ - LLC**	January 31, 2016	AED	18.4550	9.23	(448.46)	-	-	578.53	(295.91)	-	(295.91)	-	100
47	Redington Saudi Arabia for Distribution	March 31, 2016	SAR	17.6675	4,770.23	589.69	67,992.46	62,632.55	118,411.02	595.33	78.32	517.01	-	75
48	Paymet Ödeme Hizmetleri Anonim Şirketi (Turkey)	December 31, 2015	TRY	22.6737	0.45	0.21	1.70	1.04	1.26	0.28	0.06	0.22	-	49.40
49	CDW International Trading FZE, UAE	March 31, 2016	AED	18.0375	0.18	(321.00)	624.98	945.80	498.24	(321.27)	-	(321.27)	-	100
50	RNDC Alliance West Africa Limited, Nigeria	March 31, 2016	NGN	0.3332	33.15	33.12	4,515.12	4,448.85	1,384.29	33.52	-	33.52	-	100
51	Link Plus Bilgisayar Sistemleri Sanayi Ve Ticaret AS	December 31, 2015	TRY	22.6737	226.74	2,767.70	14,737.52	11,743.09	7,435.24	383.85	76.72	307.13	-	70

**Note: No investments made other than investment in subsidiaries.**

**Part (B) Associate and its subsidiary**

Sl. No.	Name of Company	Reporting Period/ Latest Audited Balance sheet date	Shares Held by the Company	Amount of investment	Ownership interest	Beneficial interest	Reason for significant influence	Total Liabilities	Networth attributable	Loss considered in consolidation	Loss not considered in consolidation
1	Redington (India) Investments Limited and its Subsidiary*	March 31, 2016	1000000	10.00	47.62	47.62	Share holding is more than 20%	3,954.22	(10.00)	-	(625.77)

\* Includes its Subsidiary Currents Technology Retail (India) Limited

\*\* Liquidated during the year.

Redington Gulf FZE, Iraq, Ensure Technical Services (PTY) Ltd, South Africa are yet to commence operations.

**Abbreviation:**

INR - Indian Rupee; AED - UAE Dirham; QAR - Qatari Riyal; OMR - Omani Riyal; USD - US Dollar; NGN - Nigerian Naira; KES - Kenyan Shilling; SAR - Saudi Riyal; EGP - Egyptian Pound; BHD - Bahrain Dinar; GHS - Ghanaian Cedi; UGX - Uganda Shilling; LYD - Libyan Dinar; MAD - Moroccan Dirham; XAF - Central African Franc; BDT - Bangladesh Taka; TZS - Tanzania Shilling ZAR - South African Rand ;RWF - Rwandan Franc; KZT - Kazhakstani tenge; AOA - Angolan Kwanza; LKR - Sriankan Rupee ;TRY - Turkish Lira.

**For and on behalf of the Board of Directors**

**Raj Shankar**  
Managing Director  
(DIN-00238790)

**M Raghunandan**  
Whole-time Director  
(DIN-00082171)

**SV Krishnan**  
Chief Financial Officer

**M Muthukumarasamy**  
Company Secretary

Place: Chennai

Date: May 24, 2016

**REDINGTON (INDIA) LIMITED**

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai 600 032

CIN : L52599TN1961PLC028758

Website: www.redingtonindia.com

Email id: investors@redington.co.in

Phone No.: 044 42243353

Fax No.: 044 22253799

**NOTICE**

NOTICE is hereby given that the TWENTY THIRD ANNUAL GENERAL MEETING of the Company will be held on Wednesday, 27<sup>th</sup> July 2016 at 10.00 A.M. at the Mini Hall, Narada Gana Sabha, No. 314, T.T.K. Road, Alwarpet, Chennai - 600 018, to transact the following business:

**ORDINARY BUSINESS:**

- To receive, consider and adopt the Standalone audited Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date and the Report of Auditors and Directors thereon.
- To receive, consider and adopt the Consolidated audited Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date and the Report of Auditors thereon.
- To declare Dividend on the equity shares of the Company for the Financial Year ended 31<sup>st</sup> March 2016.
- To appoint a Director in place of Mr. Tu Shu-Chyuan (DIN 02336015), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Lin Tai-Yang (DIN 05110881), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No: 008072S) as Auditors to hold office for one year from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on such remuneration to be fixed by the Board of Directors.

**SPECIAL BUSINESS:**

- To consider and if thought fit, to pass, the following as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, read with Schedule V to the Companies Act, 2013, the Company hereby approves the appointment of Mr. M. Raghunandan (DIN 00082171) as Whole Time Director of the Company for a period from 1<sup>st</sup> March 2016 to 24<sup>th</sup> May 2016 and the remuneration paid to him as set out in explanatory statement attached to this notice."

- To consider and if thought fit, to pass, the following as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. E H Kasturi Rangan (DIN 01814089), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director on the Board of the Company"

"**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the appointment of Mr. E H Kasturi Rangan (DIN 01814089), as a Whole-time Director of the Company for a period of three years effective from 24<sup>th</sup> May 2016, on the terms and conditions of appointment and remuneration as set out in explanatory statement attached to this notice"



"RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013"

9. To consider and if thought fit, to pass, the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to recommendation of Nomination and Remuneration Committee and approval of Board and subject to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. B. Ramaratnam (DIN 07525213), who was appointed as an Additional Director of the Company by the Board of Directors, in terms of Section 161(1) of the Act and Article 26(b) of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company and his term of appointment is liable to retire by rotation."

10. To consider and if thought fit, to pass, the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 143(8) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, approval of the Company be and is hereby accorded to appoint M/s. Ernst & Young LLP as Auditor(s) for the Branch Office of the Company at Singapore, on such terms and conditions as may be fixed by the Board of Directors in consultation with Audit Committee".

By Order of the Board  
For Redington (India) Limited

Place : Chennai  
Date : May 24, 2016

M. Muthukumarasamy  
Company Secretary

#### Notes:

1. The relative explanatory statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under items 7 to 10 is attached hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. A BLANK PROXY FORM IS ENCLOSED FOR USE BY MEMBERS, IF REQUIRED. THIS MUST BE SUBMITTED WITH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 21<sup>st</sup> July 2016 to Wednesday, 27<sup>th</sup> July 2016 (both days inclusive) for the purpose of payment of Dividend.
4. The Dividend as recommended by Board of Directors if approved at the meeting, will be paid as under:
  - to all beneficial owners in electronic form as per data made available by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
  - to all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 20<sup>th</sup> July 2016.
5. All correspondence with regard to share transfers/dividends and matters related therewith may be addressed directly to the Company's Registrar and Share Transfer Agents at M/s. Cameo Corporate Services Limited, 'Subramanian Building', No. 1, Club House Road, Chennai - 600 002.
6. The members are requested to lodge/notify the transfer deeds, communication for change of address, Bank details, ECS details, wherever applicable, mandates (if any) with the Company's Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Ltd., for shares held in physical mode.

7. The members / beneficial owners holding shares in electronic form are requested to lodge the above details to their depository participants and not to the Company or to the Registrar and Share Transfer Agents of the Company, as the Company is obliged to use only the data provided by the Depositories while making payment of dividend.
8. 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.
9. The Companies Act, 2013 authorises the Company to send all statutory communications via email to the members who have registered their email ID. The Company, therefore, requests
  - a. The members who are holding shares in Physical mode to submit their valid E-mail ID to M/s. Cameo Corporate Services Limited, the Registrar and Share Transfer Agents, by quoting their folio number and also any change therein from time to time  
and
  - b. The members / beneficial owners holding shares in dematerialized form are requested to inform/update their valid E-mail ID to their respective depository participants from time to time.
10. Members/Proxy holders are requested to produce the admission slip duly completed and signed at the entrance of the auditorium.
11. The detailed information of Unclaimed Dividend is uploaded in the Company's website [www.redingtonindia.com](http://www.redingtonindia.com) for the benefit of members.
12. Members who have not yet en-cashed the dividend warrants for the financial years from 2008-09 to 2014-15 are requested to present the same for revalidation to our Registrar and Share Transfer Agents. The unclaimed and unpaid dividend for the financial year 2008-2009, is due to be transferred to the Investor Education & Protection Fund on 31<sup>st</sup> August 2016. Members, who are yet to claim the final dividend for the said financial year, are requested to submit their claims to the Registrar & Share Transfer Agent, viz., M/s. Cameo Corporate Services Ltd.
13. SEBI has mandated all the Companies to print the bank account details of the investors on the payment instruments. Hence, while making revalidation requests the Members are requested to give their bank account details to print the same in the dividend payment instruments.
14. Brief profiles of the Directors seeking appointment/re-appointment at the Annual General Meeting are provided in Annexure A to this notice.
15. Electronic copies of the Annual Report and Notice are being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice is being sent in the permitted mode.

#### Voting through Electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company offers remote e-voting facility (e-voting from a place other than venue of the AGM) to all the members of the Company to cast their votes electronically on all the resolutions set forth in the notice. The Company has availed the facilities with National Securities Depositories Limited (NSDL) for facilitating e-voting. The Notice to the Meeting, inter alia explains the process and manner of e-voting.

The facility for voting shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Ms CS R Bhuvana, Practising Company Secretary, as the 'Scrutiniser' for conducting the E-Voting process in a fair and transparent manner.

The Board of Directors has appointed Mr. S. V. Krishnan, Chief Financial Officer and Mr. M. Muthukumarasamy, Secretary of the Company as the persons severally responsible for the entire e-voting process.

The Scrutiniser shall immediately after the conclusion of the General Meeting, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman within a period not exceeding three (3) working days from the conclusion of the General Meeting.

The results would be declared at or after the date of AGM of the Company by the Chairman or the person authorised by him. The Results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.redingtonindia.com](http://www.redingtonindia.com) and on the website of NSDL and shall be forwarded to the Stock Exchanges.



## The Instructions for members for e-voting are as under

### A. In case of members receiving e-mail from NSDL:

- i. (a) For members whose e-mail addresses have been registered: Open the attached PDF file "Redingtonevoting.pdf" by giving your "Client ID" (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as default password. This contains your "User ID" and "Password" for e-voting.
  - (b) For members who have not registered their email address: please refer to the "User-Id" and "Password" printed on the notice.
  - ii. Please note that the Password is an initial password.
  - iii. Open internet browser and enter the URL: <http://www.evoting.nsdl.com>.
  - iv. Click on "Shareholders Login".
  - v. Enter User Id and Password as initial password as mentioned in step (i) (a) or (b) above and click Login.  
**For security purposes, the Company strongly urges you to change your initial password once you login into the website.**
  - vi. Password Change Menu appears. Change the password with the new password of your choice with minimum 8 digits/ characters or combination thereof.
  - vii. Please note your new password. We strongly recommend that you do not share your new password and take utmost care to keep your password confidential.
  - viii. In case you are already registered with NSDL, you can use your existing User ID and Password for casting your e-vote.
  - ix. Home page of "e-voting" opens. Click on "e-voting-Active Voting Cycles".
  - x. Select "EVEN" of Redington (India) Limited.
  - xi. Now you are ready for "e-voting" as "Cast Vote" page opens.
  - xii. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted.
  - xiii. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xiv. Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorized to vote, to the Scrutiniser through email on [bhuvana.r@akshayamcorporate.com](mailto:bhuvana.r@akshayamcorporate.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - xv. The e-voting period commences on 24<sup>th</sup> July 2016 (9:00 am) and ends on 26<sup>th</sup> July 2016 (5:00 pm). The e-voting module will be disabled by NSDL for voting thereafter.
  - xvi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - xvii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - xviii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 20<sup>th</sup> July, 2016.
  - xix. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20<sup>th</sup> July, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [investor@cameoindia.com](mailto:investor@cameoindia.com).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- xx. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM
  - xxi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

**B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants or requesting physical copy], the initial password is provided as below at the bottom of the Attendance Slip**

EVEN (E-Voting Event Number)	USER ID	PASSWORD

## Explanatory Statement to the Notice

### Item Nos. 7 & 8

Mr. M. Raghunandan (DIN: 00082171) was re-appointed as a Whole Time Director at the Annual General Meeting held on 3<sup>rd</sup> August 2015 for a period of one year with effect from 1<sup>st</sup> March 2015. His term of appointment as a Whole Time Director of the Company came to an end on 29<sup>th</sup> February 2016. The Board taking into the recommendation of the Nomination and Remuneration Committee and inputs of Mr. M Raghunandan, at their meeting held on 3<sup>rd</sup> February 2016 re-appointed Mr. M. Raghunandan (DIN: 00082171) as a Whole Time Director of the Company for a further period of one year with effect from 1<sup>st</sup> March 2016 subject to the approval of members on the following terms and conditions:

Basic Salary	: ₹ 1,00,000 /- per month
Allowances	: ₹ 86,333 /- per month
Contribution to Provident Fund	: 12% of basic salary
Leave Travel Allowance	: As per the policy of the Company

While considering his re-appointment, Mr. Raghunandan consented to continue as Whole Time Director until the Board appoints a candidate in his position as he intended to retire from the services of the Company.

Nomination and Remuneration Committee at its meeting held on 23<sup>rd</sup> May 2016, considering the contribution by Mr. E H Kasturi Rangan, Joint Chief Operating Officer, towards overall progress of the Company and his specific contribution in the fields of Non IT vertical and Supply Chain Management, recommended elevation of Mr. E H Kasturi Rangan as the Whole Time Director of the Company in the place of Mr. M Raghunandan. Considering the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 24<sup>th</sup> May 2016, approved appointment of Mr. E H Kasturi Rangan as Whole Time Director for a period of 3 years up to 23<sup>rd</sup> May 2019 on the terms and conditions as set out below. Post induction of Mr. E H Kasturi Rangan as the Whole Time Director, Mr. M Raghunandan tendered his resignation from the services of the Company with effect from 24<sup>th</sup> May 2016 and the Board took note of the same.

Terms and Conditions of appointment of Mr.E.H.Kasturi Rangan (DIN: 01814089) as a Whole Time Director are tabled below:

Basic Salary	: ₹ 1,83,517 /- per month
Allowances	: ₹ 1,59,827 /- per month
Contribution to Provident Fund	: 12% of basic salary
Leave Travel Allowance	: As per the policy of the Company

#### Performance Linked bonus

As may be approved by the Nomination and Remuneration Committee subject to a maximum of ₹ 24 lakhs Per Annum

#### Annual Revision

The salary and performance linked bonus shall be with an annual increment as may be decided by the Nomination and Remuneration committee. The annual increments will be effective April 1, each year and will be merit based and taking into account the Company's performance

#### Employee benefits

During the term of office, Mr. E H Kasturi Rangan will be entitled to all Employee benefit as per the policies of the Company

### Expenses

The Company will reimburse the expenses incurred by Mr. E H Kasturi Rangan in furtherance of or in connection with the performance of his duties, in accordance with the Company's policy.

### Minimum Remuneration

The remuneration as set out above may be paid as the minimum remuneration to Mr. E.H.Kasturi Rangan, in the event of absence or inadequacy of profits in any financial year, provided that the total remuneration payable by way of salary, perquisites and any other allowance shall not exceed the ceiling provided in Section II of Part II of Schedule V of the Companies Act, 2013.

Mr. M. Raghunandan was paid salary on a pro rata basis upto the period of 24<sup>th</sup> May 2016. As his appointment and remuneration is subject to the approval of shareholders of the Company, the members of the Company are required to approve the appointment of Mr. M. Raghunandan (DIN: 00082171) as a Whole Time Director and the remuneration paid to him upto the period 24<sup>th</sup> May 2016.

Your Directors recommend the resolutions 7 & 8 set out in the notice above, for the approval of members.

None of the Directors except Mr. E. H. Kasturi Rangan (DIN: 01814089) and Key Managerial Personnel, of the Company or their relatives are concerned or interested in the resolution set out in item No. 7 & 8 to this Notice.

A Brief profile of Mr. E. H. Kasturi Rangan (DIN: 01814089) is provided at Annexure A of this Notice.

### Item No. 9

The Board of Directors at their meeting held on May 24, 2016 appointed Mr. B. Ramaratnam (DIN 07525213) as an Additional Director under Section 161(1) of the Companies Act, 2013 ("The Act") and Article 26(b) of the Articles of Association of the Company and as a Non-executive Director of the Company and liable to retire by rotation.

The Company has received a notice under Section 160(1) of the Act from a member along with a requisite deposit amount proposing Mr. B. Ramaratnam (DIN 07525213) for the office of Director.

None of the Directors except Mr. B. Ramaratnam (DIN 07525213) and, Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set out in item No. 9 to this Notice.

A Brief profile of Mr. B. Ramaratnam (DIN 07525213) is provided at Annexure A to this Notice.

### Item No. 10

To meet an increased demand for software products among certain Indian customers to be billed from Singapore in Dollar terms, the Company incorporated a Branch office in Singapore. Provisions of Companies Act, 2013 provides that the branch office of the Company should be audited either by the statutory auditor of the Company or by any other qualified person.

While, the Statutory Auditors of the Company, Deloitte Haskins & Sells, Chartered Accountants can extend their audit service to the Company's Branch office at Singapore, it will not meet the local regulations at Singapore and would require another auditor to be appointed separately.

To comply with the requirements of Companies Act, 2013, it is proposed to appoint M/s. Ernst & Young, LLP Singapore as Auditors for the Branch office at Singapore.

Your Directors recommend the resolution set out in the notice above, for the approval of members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set out in item No. 10 to this Notice.

## Annexure A Details of Directors seeking appointment/ re-appointment at the Annual General Meeting

Name of the Director	Mr. E.H. Kasturi Rangan (DIN: 01814089)	Mr. B. Ramaratnam (DIN: 07525213)	Mr. Tu, Shu-Chyuan (DIN: 02336015)	Mr.Lin Tai-Yang (DIN: 05110881)
<b>Date of Birth</b>	June 11, 1964	February 13, 1955	January 18, 1958	August 26, 1968
<b>Date of Appointment/ Re-Appointment</b>	May 24, 2016	May 24, 2016	24/10/2008 (Original date of appointment)	05/08/2011 (Original date of appointment)
<b>Experience</b>	Mr. E.H. Kasturi Rangan, (DIN: 01814089) starting his career as a chartered accountant in practice for more than a decade, joined the Company in 1999 as its Credit Consultant and was instrumental in developing the Company's system for granting credit facilities to channel partners. In 2004, he took the responsibility of operations including supply chain management. Prior to his appointment as a Whole Time Director, he was the Joint Chief Operating Officer - NON IT Division of the Company	Mr. B. Ramaratnam (DIN 07525213) graduated from the University of Mumbai and after qualifying as a Chartered Accountant joined Pricewaterhouse at Chennai and later on he joined A.F. Ferguson & Co and Deloitte Haskins & Sells where he was a partner. Ramaratnam has handled clients from diverse sectors such as manufacturing, trading, software, time-share, real estate, financial services, pharma, engineering, construction, services etc.	Mr. Tu, Shu-Chyuan, has overall 25 years of working experience in global IT industry. He joined Synnex in 1994 and held a series of management positions. He is currently the CVP of business development of Synnex. Prior to joining Synnex, he worked for various computer networking companies and had focused expertise in planning and management.	Mr. Lin Tai-Yang has an overall work experience of 16 years. He has joined M/s. Synnex Technology International Corporation as Accounting Manager in 2000 and currently serves as its Director of Finance Planning and Management. Mr. Lin is also a Director on the Board of several public and private limited companies including Bestcom Infotech Corporation, Synnex Taiwan Public Company Ltd., Syntech Asia Ltd and PT. Synnex Metrodata Indonesia.
<b>Qualifications</b>	Bachelor of Science Fellow Associate Member of the Institute of Chartered Accountants of India, Graduate Member of the Institute of Cost and Works Accountants of India, Bachelor of Law, Member of the Institute of Chartered Financial Analyst of India.	Chartered Accountant	Engineering graduate from the National Chiao Tung University, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA	Accounting graduate from the National Chengchi University, Taipei, Taiwan
<b>Expertise in Specific Functional Area</b>	Professional Management	Audit and Corporate Governance	Business Strategy	Accounting and Business Strategy



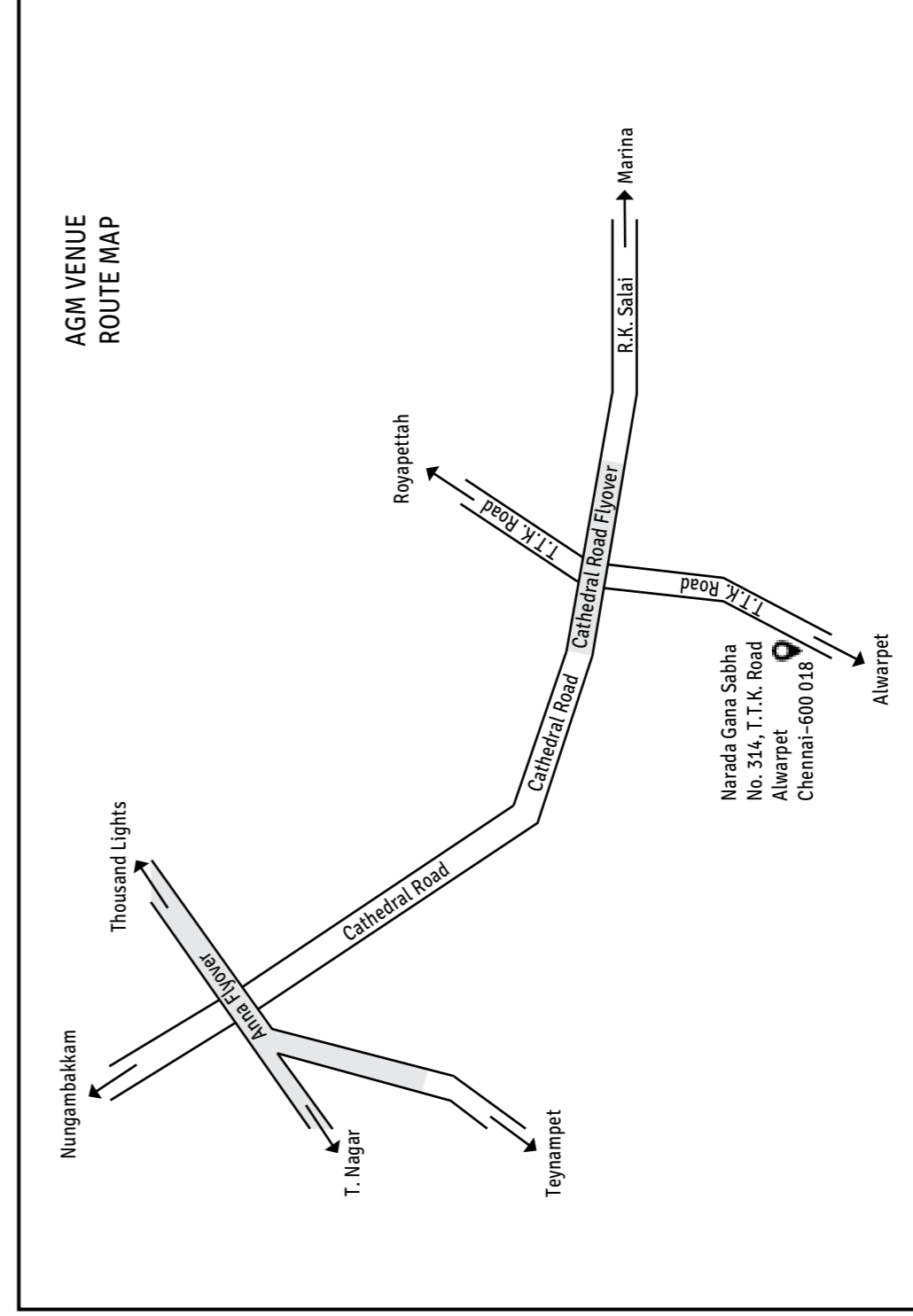




## Annexure A

### Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (continued)

Directorship in other Indian Public Limited Companies other than Redington (India) Limited	1. ProConnect Supply Chain Solutions Limited 2. Cadensworth (India) Limited 3. Currents Technology Retail (India) Limited	NIL	NIL	NIL	NIL
Membership of Committees in Indian Public Limited Companies other than Redington (India) Limited	Nomination and Remuneration Committee - ProConnect Supply Chain Solutions Limited Audit Committee - Currents Technology Retail (India) Limited Corporate Social Responsibility Committee - Cadensworth (India) Limited	NIL	NIL	NIL	NIL
Shareholding details in the Company	16050	NIL	NIL	NIL	NIL
Period of appointment	3 years	Subject to retirement by rotation	Subject to retirement by rotation	Subject to retirement by rotation	Subject to retirement by rotation
Relationship between the Directors Inter-se	NIL	NIL	NIL	NIL	NIL



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#### India

1. HP - Best Distributor in Computing for 2015-16
2. HP - Award for Operational Excellence 2015
3. HP - Significant performance in Indigo for 2015
4. Lenovo - Highest growth among National Distributors for Personal Computers in H1 15-16
5. Western Digital - Best Performing Content Solution Distributor
6. Fortinet - APAC Distributor of the year 2015
7. Microsoft - India VAD for the year 2015
8. Autodesk - VAD Operational Excellence H1
9. Oracle - VAD of the year 2015
10. VMWare Distributor of the Year Award - 2015
11. Oracle India FY 2015 - Excellence Award - Value Added Distributor of the Year
12. Autodesk - Operational Excellence Award - FY 2016
13. Intel Security - Distributor of the Year Award - FY 2015 - India
14. Microsoft Distributor of the Award - 2015
15. Schneider – SEI IT Mirror Group Partner - 2015
16. Schneider – Best Partner IT – 2015
17. ProConnect - Hi-Tech - Best 3PL Company of the Year
18. ProConnect - 9th ELSC Conclave - Customer Intimacy & Service Excellence Company of the Year
19. ProConnect - Lava International - Best Performing Fulfillment Centre Award
20. Cadensworth - Juniper Networks - APAC Distributor of the Year award
21. Cadensworth - Polycom - APAC Polycom Circle of Excellence Award
22. Cadensworth - SME Channels - Best Value Partner Award

#### Overseas

1. Jackys - Volume Distributor of the Year
2. HP Enterprise Distributor
3. Microsoft WPC - Distributor of the Year award
4. Reseller Middle East - Volume Distributor of the year
5. ME Retail Academy - Volume Distributor of the Year
6. WD - Exclusive Storage Partnership
7. CNME & CPI - Industry's No 1 Distributor
8. AEC partner of the year
9. Cisco Distributor of the year
10. Intel Branded Distributor Award
11. VMWare - Emerging Markets Distributor Partner of the Year Award
12. Samsung - Best Distributor of the year for Francophone countries and West Africa
13. HPE - Best EG Distributor for UAE and Gulf
14. VMWare's Partner Innovation Award - Distributor Partner of the Year 2015 - APJ
15. Asia Pacific IBM Choice Award 2015- Most Outstanding Distributor
16. Fortinet - Distribution Partner Of The Year Award - 2015 - APAC
17. Intel Security - Distributor of the Year Award - FY 2015- APAC



Registered Office:  
**Redington (India) Limited**  
SPL Guindy House  
95, Mount Road, Guindy, Chennai - 600 032  
CIN : L52599TN1961PLC028758  
Tel : + 91 44 4224 3353 / 3028 7901  
Fax : + 91 44 2225 3799  
[www.redingtonindia.com](http://www.redingtonindia.com)





# REDINGTON (INDIA) LIMITED

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai- 600 032  
CIN : L52599TN1961PLC028758

Website : [www.redingtonindia.com](http://www.redingtonindia.com) , Email id : [investors@redington.co.in](mailto:investors@redington.co.in)  
Phone No.: 044 42243353, Fax No.: 044 22253799

## ATTENDANCE SLIP

Twenty Third Annual General Meeting- 27<sup>th</sup> July 2016

Name & Address:  
(including Joint Holders, if any)

Registered Folio No:

DP Id Client ID:  
(Applicable to investors holding  
Shares in demat form)

No. of Shares Held:

I certify that I am a member/ proxy for the member of the company

I hereby record my presence at the Twenty Third Annual General Meeting of the Company at the Mini Hall, Narada Gana Sabha, No. 314, T.T.K Road, Alwarpet, Chennai- 600 018 on Wednesday, the 27<sup>th</sup> July 2016 at 10.00 A.M.

Name of the member/proxy

Signature of the Member/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

## EVOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

The e-voting facility will be available during the following period

Commencement of E-voting	End of E-voting
24 <sup>th</sup> July, 2016 (9:00 am)	26 <sup>th</sup> July, 2016 (5:00 pm)

Note: Please refer to the instructions forming integral part of the notice for the Annual General Meeting.

**REDINGTON (INDIA) LIMITED**

**Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai – 600 032**

CIN : L52599TN1961PLC028758

Website : www.redingtonindia.com

Email id : investors@redington.co.in

Phone No.: 044 42243353

Fax No.: 044 22253799

**PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member(s): _____
Registered address: _____
_____
E-mail Id: _____
Folio No/ Client Id: _____
DP ID: _____

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him/her

Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Third Annual general meeting of the Company, to be held on the Wednesday, the 27<sup>th</sup> July 2016 at 10.00. a.m. at the Mini Hall, Narada Gana Sabha, No. 314, T.T.K Road, Alwarpet, Chennai – 600 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolution Particulars
1.	Adoption of Standalone Financial Statements for the year ended 31 <sup>st</sup> March, 2016
2.	Adoption of Consolidated Financial Statements for the year ended 31 <sup>st</sup> March, 2016
3.	Declaration of Dividend on the Equity Shares
4.	Re-appointment of Mr. Tu, Shu-Chyuan (DIN: 02336015), who retires by rotation
5.	Re-appointment of Mr. Lin Tai-Yang (DIN: 05110881), who retires by rotation
6.	Appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors
7.	Appointment of Mr. M. Raghunandan (DIN 00082171) as a Whole Time Director and payment of remuneration for the period 1 <sup>st</sup> March 2016 upto 24 <sup>th</sup> May 2016
8.	Appointment of Mr. E.H. Kasturi Rangan (DIN 01814089) as a Whole Time Director
9.	Appointment of Mr. B. Ramaratnam (DIN 07525213) as a Director
10.	Appointment of M/s. Ernst & Young LLP, Singapore as Branch Auditors

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Affix ₹ 1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Member

\_\_\_\_\_  
Signature of Proxy holder(s)

*Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*