Redington
SEAMLESS PARTNERSHIPS

2017-18
ANNUAL REPORT

New Identity.
New Impetus.

What's Inside

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to view our report online

Forward Looking Statement

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Established in 1993, Redington has traversed an eventful and exciting journey to evolve from very humble beginnings into the company we are today. The incredible journey has seen us emerge from one brand, one product category and one market into a US$ 6.6 billion distribution and supply chain solutions provider to over 200 international brands in IT and Mobility spaces, serving 30 emerging markets.

Today, new-age technologies like Artificial Intelligence, Robotics and 5G communications are opening new possibilities and new opportunities for tomorrow.

At Redington, we are ready for the new.

As we enter our 25th year, we have unveiled our new identity - a new logo and a new tagline. The new identity is much more than a changed brand: it signifies a new energy and a new direction. It combines our core values and reflects our collective vision of taking Redington to the next level of growth and expansion.

At Redington, we are ready to expand to new horizons with a new zeal...
...and with a

New Identity. Impetus.

Message from the Managing Director

Dear Shareholders,

"Winning isn't everything, but wanting to win is." Though Vince Lombardi Jr. expressed this thought several years ago in the context of sports, it is equally apt for the world of business. In this era of extremely challenging business environment, giving it everything necessary and putting in 100% effort is important. In the year gone by, we as a team did exactly that. Though our efforts may not have delivered the desired results, we are very much in the game, determined to re-double our efforts towards reaching our goals in the years ahead.

Times have changed and with it, the way businesses operate. The world is moving faster and events are happening quicker aided by dramatic technological developments, resulting from humongous volumes of information, available at warp speed and on tap; something unimaginable even a decade ago. This is bringing about significant transformations in the way Distribution business will be conducted in the future.

Engulfed by ebb and flow of a rapidly changing economic environment, FY 18 was an eventful period. Introduction of the unifying Goods and Services Tax (GST) in India, replacing most of the statutory levies on sales saw a massive transformational restructuring of indirect taxes, promising a much simpler regulatory regime for businesses. Your Company was prepared to undertake this transformation well ahead of time, in co-operation with its vendors and business partners and was quick to get off the block once GST was rolled out on July 1, 2017.

Introduction of GST and the resultant change in the taxation structure did lead to lower revenue compared to the previous period, and the impact of translation loss due to appreciating Rupee was also felt in the financial results for the year. Your Company delivered consolidated revenue growth of 5.7% and a PAT growth of 3.7%, despite all the odds faced in FY 2017-18. It would be pertinent to note that the overseas business grew in revenue by 10.6% and PAT by 15.6%. A relatively subdued performance in the domestic market was more than adequately compensated by this strong performance in the overseas markets, which contributed to 64% of the overall revenue during FY 18. The strategy of having strong business operations in diverse markets has helped your Company overcome the challenges posed by one market by taking full advantage of opportunities presented in other geographies, helping it grow at a consolidated level.

Since its listing on the bourses, your Company has exhibited a compounded annual growth in Revenue, EBITDA and PAT at 16%, 14% and 15% respectively.

Remaining steadfast in the objective of delivering the best possible value to our shareholders in the form of consistent dividend payments, the Board of Directors have proposed a final dividend of ₹ 2.40 per share for the financial year ended March 31, 2018.

Financial Year 2017-18 will remain an important landmark in the history of your Company. It will be remembered as a year in which we evolved from a promoter-led to a Board governed and professionally managed entity as our erstwhile promoters, Harrow Investment Holding Limited divested their entire shareholding in the company. I take this opportunity to thank them for their continued support over these years.

Redington Gulf FZE has maintained its dominant market share in the MEA region and has continued its phenomenal growth curve. You would be pleased to know that it has been adjudged as one of the "Top 25 Great Places to Work", 2017 in the UAE.

For yet another year, the Turkish market went through a very rough phase with the country facing severe political and economic challenges.

In the context of Indian Subsidiaries, ProConnect Supply Chain Solutions Limited (ProConnect) demonstrated a stellar performance during the year, delivering double-digit growth in Revenue and Profit after Tax. ProConnect acquired several new customers during FY 18 and managed to enhance business with a number of existing ones. In the coming years, we plan to accelerate ProConnect's growth even further, through Organic and Inorganic initiatives.

Ensure Support Services (Ensure) delivered muted results for the year ended March 31, 2018. It is now going through a correction phase. We are repositioning the Company from being just a break-fix and repair services provider, by moving it up the value chain and providing value-added services. We expect this business to scale operations going forward.

During the year, we unveiled our new brand identity. The new identity carries with it the legacy of the company's "Values" which have been painstakingly built over these years. Be it our vendors or our partners, these Values have been instrumental in building long-lasting relationships, paving the way to a legacy of continued success

The amount of faith and trust these stakeholders have on us is immense. This new identity signifies the new energy with which we shall address the burgeoning new opportunities as we graduate your Company to the next level of growth and expansion.

When I think of the way forward, I recall the quote by Robin Sharma - "Until your mission becomes your obsession, your craft will never become your genius". Your Company's mission is to craft a technology platform that would offer a seamless delivery channel for a bouquet of products and services to its diverse customer base.

Amidst this 4th industrial revolution, we are witnessing an unparalleled change in technology and business arena. 'Perform or Perish' has been re-coined as – 'Rebrain or Rot'. In this era of disruption, we, as an organisation, constantly seek to sense the changes, respond to them and re-build the organisation as an adaptable and resilient Company, guaranteeing its longevity.

We are focussed on revamping the organisation structure centred around customer experience. As a part of Redington's digital transformation journey, we are planning to bring together all our systems, processes, operations and infrastructure onto a common enterprise business platform. Our focus for FY 19 is to optimise our operating expenses to maximise the operating leverage of our infrastructure and human resources.

Your Company is strongly committed to giving back to the society in which it operates. I am gladdened that our efforts in creating value by promoting employability, skill development, health and wellness are having a positive impact on societies. Our CSR activities have touched the lives of more than two lakh beneficiaries.

During the year, Ms. Suchitra Rajagopalan, Independent Director and Mr. Lin, Tai-Yang resigned from the Board due to personal reasons. I thank them for their contributions during their tenure on the Board. I would like to welcome, Ms. Yi-Ju, Chen, a representative of Synnex who was appointed on the Board as Non-Executive Nominee Director. Mr. Ramaratnam who was hitherto a Non-Executive Director has been designated as an Independent Director as he fulfilled the requisite statutory criteria, subject to the approval of the Shareholders.

I extend my hearty thanks to every Redingtonian for their dedication and commitment to drive the Company's business objectives. My sincere thanks to all the stakeholders for their immense support which has been a major contributor in our journey towards continued growth.

With warm regards,

Raj Shankar
Managing Director

Driven by Values

Building on our well-established reputation and more than two decades of heritage, the time is opportune to embark on the next phase of our transformation. The business landscape has changed phenomenally since we first began. Today, as we step into the new age, we are delighted to do so with our rejuvenated global brand identity.

Going beyond the mere change of visual and design, the new logo and tagline reinforces the core values that we would want to imbibe in our endeavour to build and grow seamless partnerships. The refreshed branding, while symbolising our coming of age and our vital attributes of being a contemporary and innovative company, also epitomises the new direction that will take Redington to the next level. In other words, we have not just created a new identity, but also a new impetus to thrive another 25 years and well beyond.

Our new identity ensures that the core values:

adaptability, collaboration, know-how, objectivity, simplicity, transparency and **trust,** are carried forward as we look at expanding our horizons.

The new logo symbolises the synergy and oneness that Redington possesses as an organisation - be it with vendors, customers, team, the environment, technology and the ecosystem within its circle of influence. The latticed geometric design depicts technological innovation as well as simplicity in complexity. The symmetrical form shows harmony between Redington and the other organisations that it collaborates. The energy is depicted in the reverse white lines, also representing the common thread of Redington's philosophy and spirit running through the organisation towards a common good.

THE COLOUR

We have retained the colour green from our old logo as it stands for technology in a sustainable and environmentally-friendly world. The different shades of green are cooling and fresh. These shades symbolise our expanding portfolio and services.

THE TAGLINE

SEAMLESS PARTNERSHIPS

As we enter the next phase of our growth odyssey, we look to evolve from being the 'Brand behind brands' to becoming a platform that builds and grows lasting partnerships. The platform, driven by technology, will provide solutions to multiple players in the ecosystem to work towards their individual objectives. Our new tagline – Seamless Partnerships, underlines our total commitment to become the preferred company for connecting buyers and sellers. In an increasingly competitive world, it mirrors our goal of building enduring relationships.

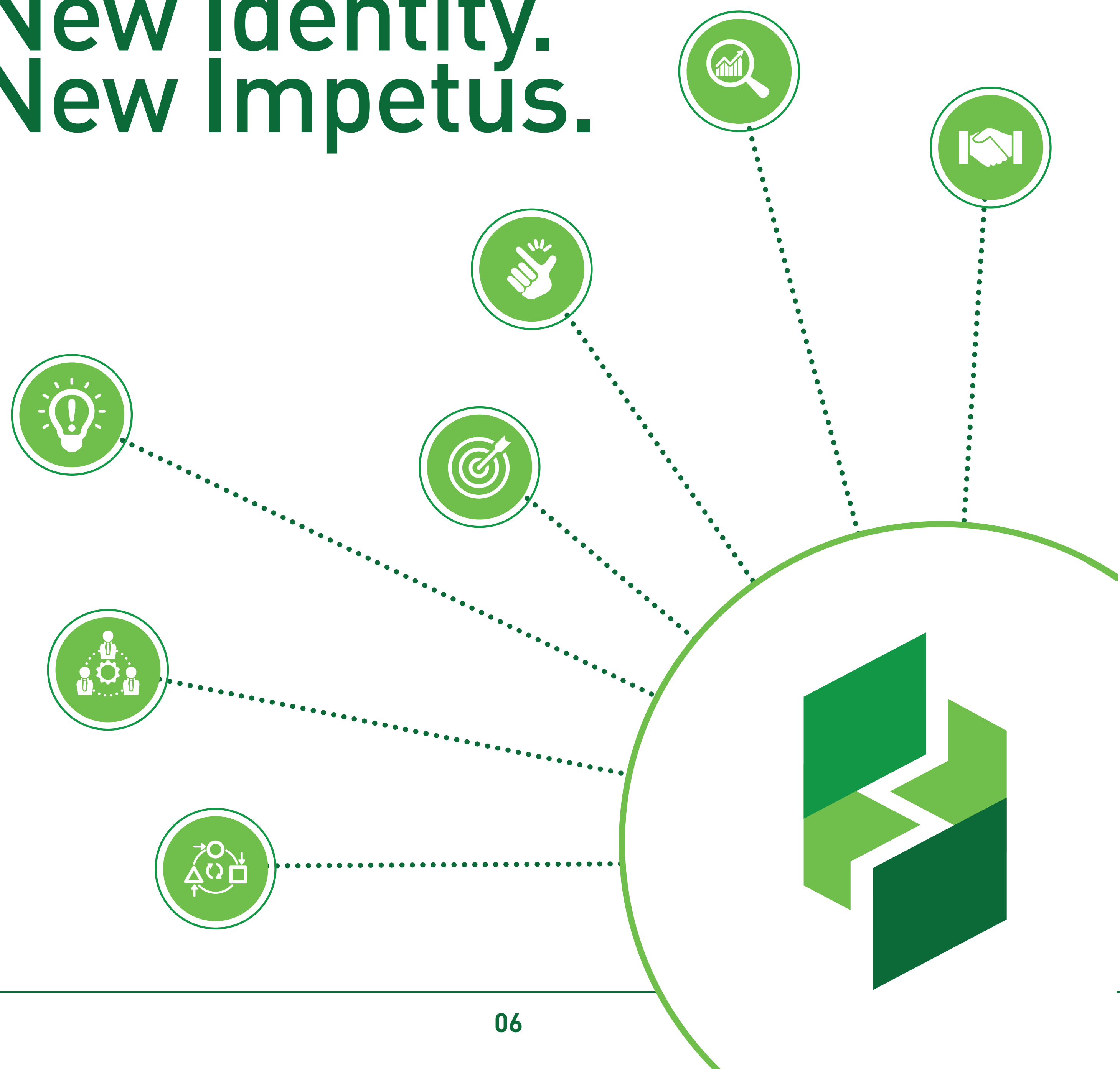
Putting in a nutshell the Redington way of doing business and where all our energies will be concentrated, the tagline emphasises our focus on creating value for brands and our partners. Transforming from end-to-end supply chain management to include a slew of services like marketing, data driven intelligence, solutions and consultancy, we are committed to all that we can to achieve the ultimate goal of connecting manufacturers of products/technology, channel partners and service providers to their respective customers.

The statement, 'Seamless Partnerships' is industry agnostic and when used with Redington, it provides context.

Redington launched the new logo on February 17, 2018. On this occasion, Redington Gulf achieved a Guinness World Record title for the longest line of USB memory sticks.

The exceptional and exciting Redington journey has been made possible by our core values. It is these core values that will provide us with the new drive as we march ahead confidently to the new future with our

New Identity. New Impetus.



ADAPTABILITY

TO QUICKLY AND EFFECTIVELY CHANGE AND GROW WITH THE GLOBAL AND REGIONAL MARKET.

"Adaptability" is the ability to quickly identify impactful changes in internal and external environments and circumstances and tailor an individual's or an organisation's approach, in order to best exploit available opportunities.

It also defines the ability to work effectively in differing political and economic conditions.

Redington's ability to quickly adapt to vastly different markets and changing business environments has seen it achieve commendable success. From a distributor of single product in a single territory, it has transformed into a multi-product, multi-geography business house, spreading its wings from its home base in India to the challenging markets in South Asia, Middle-East, Africa and Turkey.

Our success in continuously expanding our suite of products and services has helped us change with rapidly altering market needs and keep pace with the fast-changing technology landscape.

Our willingness to remain open to and embrace change has enhanced our relevance to our business partners and helped keep us ahead of the curve.

> Adaptability is the simple secret of survival.
>
> Jessica Hagedorn

COLLABORATION

WITH EACH OTHER, OUR CUSTOMERS AND OUR SUPPLIERS, WE PUT OUR HEADS TOGETHER TO GET THE JOB DONE.

Collaboration is the fuel of any business, whether between employees or between business partners. It brings together different voices, differing experiences and diverse skills to address a given challenge or plan a new strategy. An open culture, receptive to innovative thoughts and ideas helps find solutions to even vexing issues.

At Redington, we practice Collaboration, firm in our conviction that "the outcome will be more valuable than the sum of the parts generating it".

Redington collaborates with brands, sharing ideas, experience and knowledge, to help devise the most appropriate go-to-market (GTM) strategy for a particular product or technology.

We collaborate with thousands of our channel partners to help identify the most appropriate support we should extend to them, in their quest to serve their customers better. Our effective collaboration skills have established Redington as the most dependable "bridge" between technology innovators and their end customers.

> If everyone is moving forward together, then success takes care of itself.
>
> Henry Ford

KNOW-HOW

OUR TECHNICAL AND MARKET EXPERTISE RUNS DEEP.

Deep-rooted understanding of local market dynamics and channel behaviour has been the fulcrum of our success. Redington's domain expertise combines in-depth distribution knowledge with local market intelligence enabling to offer targeted go-to-market (GTM) solutions to our Vendors.
In every geography that we operate in, our knowledge of channel eco-system and deep connect with the entire spectrum of partners offer the brands shortest possible "time-to-market".

Our in-depth technical and domain knowledge of different technology practices enables us act as the extended arm of our Enterprise and Infrastructure vendors. We deploy our skilled resources in the Small and Medium Enterprise (SME) segment to provide continuous training to our partners, to help them offer customised solutions to their customers.
As the premier Value-Added-Distributor in all the markets that we operate in, staying in step with the fast-evolving technology landscape has kept Redington highly relevant to the needs of its vendors and its channel partners.

> It is possible to fly without motors, but not without knowledge and skill.
>
> Wilbur Wright

OBJECTIVITY

WE WORK WITH OPEN MINDS AND NO BIAS – OTHER THAN MAKING OUR CUSTOMERS SUCCESSFUL.

Companies that value objectivity in decision-making promote a high degree of impartiality and fairness into its decision-making relating to business policies, employee policies and exception handling.

At Redington, we place emphasis on being objective in our approach in conducting our business and towards all decisions that may impact our employees. Our business policies towards our partners reflect even-handedness, irrespective of the size of the business they choose to do with us.

> You need the kind of objectivity that makes you forget everything you've heard, clear the table, and do a factual study like a scientist would.
>
> Steve Wozniak

SIMPLICITY

WE BELIEVE IN KEEPING THINGS SIMPLE, BOTH FOR THE CONSUMERS AND WITHIN THE ORGANISATION.

Simplicity is all about removing clutter. By focussing on what's essential, simplicity facilitates agility within an organisation, leading to faster and better decision-making. It helps streamline processes, paving the way for innovation.

Whether for our customers or our employees, Redington strives for clarity and consistency by reforming our processes, procedures and policies, and continuous, incremental improvements.

For our customers in particular, we strive towards ensuring that their experience in dealing with Redington is simple, painless and predictable.

The principle of simplicity is consistently upheld for employee relationships as well. The Company, by definition, is non-hierarchical. We have an open-door policy and encourage the exchange of ideas between assorted levels. Employee policies are simple and uncomplicated, so that they are easily understood and translated. This fosters respect, trust and universal understanding, which we believe to be our hallmark.

> Simplicity is the key to brilliance.
>
> Bruce Lee

TRANSPARENCY

WE BELIEVE IN OPENNESS AND PROMOTE IT WITHIN THE ORGANISATION.

In step with our philosophy of being objective in our approach, we practice doing what we say and saying what we do, with an aim to maintain a culture of transparency both within the organisation as well as outside. Stemming from simplicity, our core value of transparency promotes trust and credibility. This transparent work ethic gets reflected in our communications, processes, policies and actions.

Within the organisation, transparency at Redington is all about effective communication among peers and exchanging ideas and thoughts. Our employees value the transparency with which all relevant information is shared with them, which helps them build stronger bonds with the organisation.

Our transparency extends to sharing of all information, which may have material impact on our business, with all relevant stakeholders.

> Transparency breeds legitimacy.
>
> John C. Maxwell

TRUST

REFLECTED IN THE TONE AND MANNER OF THE COMPANY COMMUNICATION, WE BELIEVE TRUST IS A PRE-REQUISITE OF ACHIEVING SYNERGY WITH BOTH INTERNAL AS WELL AS EXTERNAL STAKEHOLDERS.

Trusted relationships are core to business success.

Redington has been built on the foundation of trust. This was earned over decades of ensuring that commitments are met, on time, every time. Reflected in the tone and manner of the company communication, we believe trust is a pre-requisite of achieving synergy with both internal as well as external stakeholders.

Honouring commitments to our business partners is fundamental to our business philosophy and non-negotiable. Our success in building and maintaining trust is reflected in the long-standing relationships that we enjoy with our vendors and channel partners.

We constantly strive to build and maintain the trust of our valued employees and this is reflected in the long-term commitments from highly talented professionals who choose to build their careers at Redington.

Guided by the core value of trust, we pledge that the faith that all our stakeholders put in us will never be misplaced.

> If people like you, they will listen to you, but if they trust you, they'll do business with you.
>
> Zig Ziglar

Sharing Success

Redington believes that "Goodness is the only investment that never fails". Its journey towards taking this forward began in 2015 with the setting up of the Foundation for CSR @ Redington which recently completed its third anniversary. The Foundation has enriched the lives of various students and has helped young individuals in creating a sense of responsibility towards the society.

The Foundation carries out activities under the three major projects, viz. Project READ, Project REACH and Project EXCELLENCE.

PROJECT READ

Project READ aims to equip graduates from the lower socio-economic groups with structured holistic training programme. It helps them to improve their chances of becoming employable in a competitive environment. Smart Learning Centres have been set up in rural areas to provide employability skills by training the youth. The foundation imparted employability skills for more than 10,000 students and trained nearly 100 teachers under Montessori teacher training programme.

While the Foundation commenced its training programme with an objective of enabling youth to become employable, during FY 18 it also focussed on supporting placement of the students. It enabled conducting several placement drives as well as campus interviews in the colleges. Around 25 corporates participated in these programmes. College students who had undergone training with the Foundation, especially from rural areas have benefited tremendously from these placement programmes and around 1,822 students have been placed.

Students undergoing solar panel repairing training.

Employability Skills' Training provided by Foundation

- Personality Development, Communication Skills
- Solar Panel Repairing Training
- Montessori Teacher Training
- Rural Science Graduate Training
- Accounts and Audit Training

Teacher training a student with Special needs.

PROJECT REACH

Caring and helping the students with special needs belonging to the financially challenged families is the Foundation's endeavour under Project REACH. Vocational training is imparted to the students by specialised teachers who are in need of support for self-dependence. Foundation associates with various institutions such as V-Shesh, V-Excel, RASA Foundation, Amar Seva Sangam and aims to benefit with the expertise of these institutions to the underprivileged students in rural areas. It also trains the teachers in rural schools for special children to enable them with better teaching methods for them. Foundation also organised carnivals during the festive seasons as part of employee engagement programme, where the children showcased and sold the products curated by them. The foundation has extended its helping hands to more than 670 beneficiaries during the year.

PROJECT EXCELLENCE

Schools in the earlier days were set up with a social cause to provide education free of cost and was considered as a noble action. Such schools running with social motive in rural villages and collecting minimal fees, were facing financial constraints and technology deficiency. These schools were unable to get Government recognition required to run the school and were at the verge of losing their licenses. In order to motivate the management, teachers and parents of such schools, the Foundation associated by aiding them with financial and technology support. The Foundation also supports these students by providing scholarship programmes and recognises the contribution of teachers by awarding them under Sahyog Teachers' Award. Around 18,000 students and teachers have benefitted from the project during the year.

A School provided with infrastructural support.

Having accomplished the above, and with Redington contributing in bigger measures to the Foundation, we are more empowered to plan for the future. Foundation collaborates with like-minded people who have similar vision and work towards the empowerment of youth. The Foundation has also carried out an impact assessment on the CSR activities. The Foundation has not only contributed towards education but has also indirectly covered many other activities such as women empowerment, slum development and so on. Understanding the changing environment, the Foundation intends to impart trainings with certification courses through collaboration with major IT companies like Microsoft, Cisco, IBM etc.

With goals remaining steadfast and untiring efforts, the Foundation looks forward to providing an enriching experience in the days to come by increasing the number of beneficiaries. The Foundation looks forward to more innovative ways and means to make training and teaching simpler, effective and more precise thereby creating a cohesive society.

Board of Directors

Independent Directors

a. PROFESSOR J. RAMACHANDRAN

J. Ramachandran is Professor of Strategy at the Indian Institute of Management Bangalore. His research focusses on the strategic and organisational challenges of firms – spanning areas of genesis, growth and governance. His work has been published among others in the Harvard Business Review, Strategic Management Journal, Journal of International Business Studies, and Global Strategy Journal.

Professor Ramachandran's research has won multiple best paper proceedings and the IMD FDC Award from the Academy of Management, USA. His teaching cases have been recognised with the Best Case Awards from the European Foundation for Management Development, The Association of Management Development Institutions in South Asia, The Central and East European Management Development Association, and The Association of Indian Management Schools; and the Tata Steel-IIMB award. Over the years, he has won multiple best teacher awards at IIM Bangalore.

Professor Ramachandran is the first Bain Fellow in India. He is a qualified Chartered and Cost Accountant, and a Fellow of the Indian Institute of Management Ahmedabad.

b. MR. V.S. HARIHARAN

Mr. V. S. Hariharan is a graduate of IIT-Madras and an MBA from Indian IIM-Bangalore. He has 22+ years of Sales, Marketing, and General Management experience across Global, Regional & Country level roles in the Information Technology Industry. Starting his career with Wipro in India, he relocated to Singapore and associated with Hewlett-Packard for more than 18 years. In HP, Mr. Hariharan held a number of positions as Vice President leading different businesses ranging from Worldwide laser business, Asia Pac Sales and field operations, Asia Pac Graphic Solutions Business. He is the Co-founder and CEO of Third Wave Power Pte Ltd - a Global business based on Solar Portable Solutions based out of Singapore.

c. MR. KEITH W F BRADLEY

Mr. Keith WF Bradley, is a Chartered Accountant from the United Kingdom with Masters of Accounting from the Queen's University of Belfast. He served as the Senior Executive Vice President and President of Ingram Micro North America and played a vital role in developing strategies for the region. Mr. Bradley was responsible for overall performance of Ingram Micro's US and Canadian operations. Under his leadership, Ingram Micro North America had introduced several new divisions and services. Mr. Bradley started his career with M/s PricewaterhouseCoopers, UK and moved to M/s Walt Disney Consumer products before joining Ingram Micro.

Non Executive Directors

d. MR. B. RAMARATNAM

Mr. B. Ramaratnam graduated from the University of Mumbai and after qualifying as a Chartered Accountant joined Price Waterhouse at Chennai and later joined A.F. Ferguson & Co and Deloitte Haskins & Sells where he was an Audit Partner till March 2015. During the course of his long career, Ramaratnam has serviced national and multinational clients from diverse sectors such as manufacturing, trading, software, time-share, real estate, financial services, pharma, engineering, construction, services etc. (Mr. Ramaratnam was appointed as an Independent Director by the Board on May 21, 2018 subject to shareholders approval).

e. MR. TU, SHU-CHYUAN

Mr. Tu, Shu-Chyuan, is an engineering graduate from the National Chiao Tung University, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA. He has an overall 33 years of working experience in global IT industry. He joined Synnex in 1994 and held a series of management positions. He is currently the VP of business development of Synnex. Prior to joining Synnex, he worked for various computer networking companies in the State and had focussed expertise in planning and management.

f. MR. UDAI DHAWAN

Mr. Udai Dhawan is a Managing Director and the Head for Standard Chartered Private Equity (SCPE) in India. He joined SCPE in 2008 and has been involved in substantial number of SCPE's investments in India till date, and serves on the board of many of the fund's portfolio companies. Prior to SCPE, Udai worked for 13 years in financial services focussed on corporate investing, M&A and corporate finance, both in India and the United States. Udai's roles have included senior positions with Kotak Mahindra Capital in investment banking, with Sabre Inc. in corporate development, with JP Morgan in investment banking, and with Arthur Andersen in corporate finance advisory. Udai is an MBA from the Wharton School, University of Pennsylvania and is a Chartered Accountant from the Institute of Chartered Accountants of India.

g. MS. CHEN, YI-JU

Ms. Chen, Yi-Ju is an Agri-Economics graduate from National Taiwan University, with major in International Finance. She has over 20 years of working experience in Financial Investment and IT industry with solid experience in Corporate Finance. She joined Synnex in 2008 and now is in charge of overseas subsidiaries management and investment management. In

Executive Directors

Synnex, she participated in several JV projects, including the cases in Indonesia and Vietnam. Prior to joining Synnex, she worked with CMC Magnetics Corporation, Argus Technology and Lite-On Group.

h. MR. RAJ SHANKAR

Mr. Raj Shankar has been the Managing Director of Redington India since October 2014. He also serves as a Chairman on the board of Redington Gulf and Arena Bilgisayar. Prior to 2014, he served as Deputy Managing Director for Redington India and Managing Director for International operations of Redington. He has been instrumental in building operations of Redington in Middle East and taking the Company to a leadership position in the region. He led expansion of the Company into Africa in 2004 and Turkey in 2010. Before joining Redington, he worked with reputed companies in textile and pharmaceutical sectors for over a decade, both in India and International markets. He holds a Master's Degree from BITS Pilani, India.

i. MR. E.H. KASTURI RANGAN

Mr. E.H. Kasturi Rangan started his career as a chartered accountant in practice. He was practicing the profession for more than a decade. He 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. In 2006, he was entrusted with the responsibility of spearheading the Non IT Vertical.

Financial Highlights

Standalone Financials (since listing)

(₹ in Crores)

Particulars	2017-18	2016-17^	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	CAGR
Total Revenue	15,308.1	15,804.9	12,674.0	12,070.4	11,304.7	10,454.5	9,871.5	8,144.8	6,278.8	5,896.4	5,649.8	4,589.5	12%
EBIDTA	383.7	405.5	377.9	346.2	337.2	342.8	321.2	249.9	201.6	173.9	148.3	101.8	13%
PBT @	271.3	313.1	285.5	272.8	315.4	248.9	233.3	193.4	153.2	124.3	103.6	65.6	14%
PAT@	183.9	208.4	188.7	182.0	239.8	171.4	156.8	128.4	99.5	80.7	67.1	42.4	14%
Networth	1,689.5	1,609.7	1,538.4	1,360.6	1,266.8	1,065.5	909.0	764.1	676.0	614.4	569.6	535.0	
Capital Employed	2,455.7	2,253.6	2,016.0	1,644.3	1,623.8	1,684.7	1,529.7	1,279.1	1,051.5	904.3	821.8	852.1	
EBIDTA / Revenue	2.5%	2.6%	3.0%	2.9%	3.0%	3.3%	3.3%	3.1%	3.2%	2.9%	2.6%	2.2%	
PAT / Revenue	1.2%	1.3%	1.5%	1.5%	2.1%	1.6%	1.6%	1.6%	1.6%	1.4%	1.2%	0.9%	
Return on Average Capital Employed *	21.0%	25.7%	30.0%	30.9%	29.3%	32.3%	35.0%	33.0%	31.7%	31.2%	25.9%	19.9%	
Return on Average Equity *	17.5%	21.8%	22.2%	23.7%	39.6%	44.0%	50.0%	48.4%	39.0%	29.8%	24.6%	17.9%	
EPS (FV ₹ 2) (₹)#	4.6	5.2	4.7	4.6	6.0	4.3	3.9	3.2	2.5	2.1	1.7	1.3	
Book Value per Share (FV ₹ 2) (₹)	42.2	38.7	38.5	34.0	31.7	26.7	22.8	19.3	17.2	15.8	14.6	13.7	

@ Including profit on sale of long-term investment in Easyaccess Financial Services Limited of ₹ 65.8 Crores during FY 13-14

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

^ Numbers for FY 2016-17 includes Cadensworth (India) Limited, as it got amalgamated with the Company with an appointment date of April 01, 2016

\# 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

Figures for the financial years beginning from FY 2015-16 are in line with Ind AS

Consolidated Financials (since listing)

(₹ in Crores)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	CAGR
Total Revenue	43,498.5	41,156.0	35,476.2	31,622.7	28,005.1	24,210.4	21,222.0	16,722.7	13,277.6	12,376.0	10,542.5	8,853.9	16%
EBITDA	855.5	866.2	817.6	761.9	719.6	684.2	633.4	471.7	365.7	329.6	259.0	198.5	14%
PBT@	630.6	654.5	590.3	555.5	485.1	462.4	450.3	351.0	275.9	219.0	177.1	127.3	16%
PAT @	481.6	464.2	423.5	386.5	336.6	323.1	292.7	226.0	184.3	159.7	136.1	101.7	15%
Networth	3,530.6	3,147.9	2,949.4	2,374.2	2,021.3	1,640.7	1,322.5	1,255.3	1,075.7	1,002.2	721.5	625.6	
Capital Employed	5,347.2	5,025.3	5,665.9	4,446.8	3,993.8	3,947.1	3,477.6	3,186.3	2,464.6	2,226.5	1,505.4	1,226.9	
EBITDA / Revenue	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	2.9%	2.8%	2.8%	2.7%	2.5%	2.2%	
PAT / Revenue	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.4%	1.4%	1.4%	1.3%	1.3%	1.1%	
Return on average capital employed *	15.5%	15.2%	14.9%	17.2%	17.2%	17.7%	18.4%	16.0%	14.6%	17.2%	18.9%	18.2%	
Return on average equity *	14.5%	15.3%	15.6%	18.2%	19.1%	22.8%	23.9%	19.9%	17.7%	19.1%	21.7%	21.3%	
EPS (FV ₹ 2) (₹)#	12.0	11.6	10.6	9.7	8.4	8.1	7.4	5.7	4.7	4.1	3.5	3.1	
Book Value per Share (FV ₹ 2) (₹)	87.7	78.2	73.2	57.6	48.8	39.5	33.2	31.7	27.4	25.7	18.5	16.1	

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

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

\# 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

Figures for the financial years beginning from FY 2015-16 are in line with Ind AS

Awards

Top 25 Great Places to Work 2017 in UAE

Lenovo - Exemplary award for premium category contribution - Partner Meet 2017

McAfee - Best Distributor in India

INDIA

Redington (India) Limited -

- Dell EMC - Best Distributor Award
- HP - Best MOQ Distributor of the Year
- HP - Best Commercial Print Distributor of the Year
- HP - Best Distributor - BNB MOQ 2017
- HP - Best Distributor - AMD Notebooks Growth 2017
- HP - Best Distributor - (BNB & Desktop) - MOQ 2017
- HP Enterprise – Winner – Representation of Digital Strategy
- HP Enterprise – Best Distributor FY17-18 - Attach Services
- HP Indigo - No. 1 World-Wide Channel Press Software Upgrade
- HP Indigo - Winner - Service Excellence 2017
- HP Indigo - Special Recognition - Service Operational Excellence 2017
- HP Indigo - Special Recognition - Installed Base Excellence 2017
- HP Indigo - Special Recognition - Market Development Excellence 2017
- HP Indigo - Outstanding Contribution to World Wide HP Indigo Service Channel Partner Community
- Lenovo - Exemplary award for premium category contribution - Partner meet 2017
- Lifesize - APAC Distribution Growth Award 2017
- McAfee - Best Distributor in India
- Oracle - Excellence Award - PAAS & IAAS cloud transformation of the Year
- Oracle - VAD Cloud Innovation and Best Practice
- Palo Alto Networks - Best Distributor – India FY 2017
- Palo Alto Networks - Best Distributor - SAARC FY 2017
- Sophos - Distributor of the Year (India) 2016-2017
- VMWare - Best Distributor Award

ProConnect –

- Express Logistics & Supply Chain Conclave
  - Best 3PL Company with Extensive Reach in India
  - Technically sound 3PL company of the year
- SCM Pro's 3rd Logistics & Supply Chain Awards 2017 - The Best 3PL Company under Ecommerce vertical
- Indus Tower's Partner's Meet 2018 - Gold Award for Support in Warehouse – 3PL operations

OVERSEAS

Redington Gulf -

- Top 25 Great Places to Work 2017 in UAE
- Middle East Retail Academy - Volume Distributor of the year - Middle East Retail Academy 2017 – ME
- Reseller ME - Value Added Distributor of the Year ME
- Fujitsu - Outstanding Enterprise Distributor Award 2017
- Global Innovation Award for Red Vault
- GEC awards by Enterprise MEA - VAD of the year
- HP - Best Computing Distributor of the year 2016 – Africa
- HP Enterprise - Distributor of the year 2017
- Microsoft - Best Distributor for Highest CSP Indirect Revenue – MEA
- SAP - Customer Centre of Expertise
- Windows - Windows Servers Growth Partner 2017 – ME

Arena –

- HP - Most Widespread Channel Distributor of the Year
- Crypttech - Best Product Distributor

Link plus –

- Oracle - Business partner Excellence Award

Corporate Information

CHAIRMAN

Prof. J Ramachandran

MANAGING DIRECTOR

Raj Shankar

WHOLE-TIME DIRECTOR

E H Kasturi Rangan

DIRECTORS

- **Tu, Shu-Chyuan**
- **Udai Dhawan**
- **B. Ramaratnam**
- **Chen, Yi-Ju**
- **V.S. Hariharan**
- **Keith WF Bradley**

COMPANY SECRETARY

M. Muthukumarasamy

STATUTORY AUDITORS

BSR & Co. LLP

SECRETARIAL AUDITOR

CS R Bhuvana

BANKERS - INDIA

- ANZ Banking Group Ltd
- Axis Bank Ltd
- BNP Paribas
- Citibank N.A.
- DBS Bank Ltd
- Deutsche Bank AG
- Federal Bank Ltd
- HDFC Bank Ltd
- ICICI Bank Ltd
- IDBI Bank Ltd
- IDFC Bank Ltd
- IndusInd Bank Ltd
- Kotak Mahindra Bank Ltd
- Societe Generale
- Standard Chartered Bank
- State Bank of India
- The Hongkong and Shanghai Banking Corporation Ltd
- Yes Bank Ltd

BANKERS – OVERSEAS

- Axis Bank Ltd, UAE
- BNP Paribas, UAE
- Dubai Islamic Bank, UAE
- Emirates NBD Bank PJSC, UAE
- Deutsche Bank AG, UAE
- First Abudhabi Bank, UAE
- HSBC Bank Middle East Ltd, UAE
- ICICI Bank, UAE
- Mashreq Bank, UAE
- National Bank of Fujairah, UAE
- Standard Chartered Bank, UAE
- Akbank, Turkey
- Citibank, Turkey
- Finansbank, Turkey
- Garanti Bankası, Turkey
- Halk Bank, Turkey
- HSBC, Turkey
- ING, Turkey
- İş Bankası, Turkey
- Yapı Kredi, Turkey
- Ziraat Bankası, Turkey
- BNP Paribas, Singapore
- HSBC Bank Middle East Ltd, Singapore
- ICICI Bank Limited, Singapore
- Maybank, Singapore
- OCBC Bank, Singapore
- Standard Chartered Bank, Singapore
- UCO Bank, Singapore
- The Bank of Tokyo-Mitsubishi UFJ, Ltd

Board's Report

To
The Members,

Your Directors are pleased to present their Twenty Fifth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2018.

The Directors feel that it is appropriate to present the consolidated financial performance of the Company in the manner set out below:

(₹ in Crore)

Particulars	2017-18			2016-17		
	India Consolidated	Overseas Consolidated	Total Consolidated	India Consolidated	Overseas Consolidated	Total Consolidated
Revenue from operations	15,443.9	28,015.5	43,459.4	15,779.9	25,334.7	41,114.6
Other income	24.4	14.7	39.1	26.4	15.0	41.4
Total Revenue	**15,468.3**	**28,030.2**	**43,498.5**	**15,806.3**	**25,349.7**	**41,156.0**
Total Expenses:						
a) Cost of Goods Sold	14,339.1	26,717.5	41,056.6	14,775.0	24,023.0	38,798.0
b) Employee Benefits	187.0	466.0	653.0	165.0	462.3	627.3
c) Other Expenses	522.1	411.3	933.4	434.7	429.8	864.5
Profit before interest, Depreciation and Tax	**420.1**	**435.4**	**855.5**	**431.6**	**434.6**	**866.2**
a) Interest Expenses	101.1	66.9	168.0	81.7	75.3	157.0
b) Depreciation and Amortization Expenses	20.9	36.0	56.9	17.2	37.5	54.7
Profit before Tax	**298.1**	**332.5**	**630.6**	**332.7**	**321.8**	**654.5**
Tax Expense	104.7	41.5	146.2	118.4	59.4	177.8
Minority Interest	1.1	1.7	2.8	0.3	12.2	12.5
Profit after Tax	**192.3**	**289.3**	**481.6**	**214.0**	**250.2**	**464.2**

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

(₹ in Crore)

Surplus in the Standalone Statement of Profit and Loss	
Balance as per the last Balance Sheet as on March 31, 2017	1,085.34
Profit for the Financial Year 2017-18	183.92
Sub total	**1,269.26**
Less: Appropriations	
Final Dividend paid (FY 2016-17)	91.96
Dividend Distribution Tax on Dividend paid *	14.32
Balance at the end of the year as on March 31, 2018	**1,162.98**

* Net of the Dividend Distribution Tax credit of ₹ 4.4 Crore on account of dividend received from subsidiary companies.

Financial Performance of the Company

The Standalone and Consolidated Financial Statements of the Company for the Financial Year 2017-18 have been prepared in accordance with the Indian Accounting Standards (Ind AS) as required under the Companies Act, 2013.

The consolidated revenues of your Company was ₹ 43,498.5 Crore as against ₹ 41,156.0 Crore in the previous year registering a growth of 5.7% , while the consolidated net profit for the year grew by 3.7 % to ₹ 481.6 Crore for 2017-18 as against ₹ 464.2 Crore in the previous year.

The Earnings Per Share (EPS) on a consolidated basis (based on weighted average number of shares during the year) increased to ₹ 12.0 for the year under review as compared to ₹ 11.6 for the previous year.

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

Statement on the salient features of the financial statements of Subsidiaries and Associate Companies 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

Although it has been a challenging year for the Company, the Directors are pleased to recommend an enhanced dividend of ₹ 2.40 per share (i.e. 120% of the Face Value) for the year ended March 31, 2018 as compared to ₹ 2.30 per share (i.e. 115% of the Face Value) for the previous year.

INDIAN OPERATIONS

INFORMATION TECHNOLOGY PRODUCTS

The IT procurement landscape in India is changing with digitalization creating new revenue streams and new platforms. Digital disruption is being progressively witnessed in most industries, leading to technological advancement in all sectors.

Computing and printing

Transition to the Goods and Services Tax (GST) regime adversely affected the retail sector, as many of the retailers were forced to liquidate the pre-GST inventory. Further, post-GST, disruptions in supply-chains led to challenges in re-stocking at partners' stock levels. Seasonality and online festive sales drove positive consumer spending throughout the year, despite depressed consumer sentiment heralded by low employment opportunities, static income levels and increasing fuel prices. Proactive planning and alignment with E-Commerce companies in Personal Computing space enabled us to capitalize on the accelerated demand fulfilment in the unaddressed market place and keep up the sales momentum.

There was a spurt in demand from MSME and SME segments for single function printers to print documents for GST compliance. Also, Multi-Function Printers gained preference due to reduction of tax rates by the government. During the year under review, there was re-alignment of exclusive territories in HP Printing and Supplies Business and your Company strengthened its foot-print in key strategic areas in HP Printing.

Commercial PC business witnessed stable growth across the year, capitalizing on key opportunities in Government/BFSI and Education sector. Our strategy of focusing on diverse opportunities helped us in growing our business in mid-market and SME segments with smaller ticket opportunities, thereby helping us in mitigating the challenge posed by the postponement of capex plans by large corporates.

Enterprise and Infrastructure

Though FY'18 was marred by challenges in various forms on account of GST implementation, there has been a gradual increase in terms of investment in the IT infrastructure market. Digital India initiative fuelled much needed growth, with investments from both Central and State Governments as also from verticals like BFSI and Telecom. Adoption of outsourced model by enterprises in India lead to increasing investment decisions by the Data Centre Providers. Expansion of both Captive and Outsourced Data Centres boosted the Server market.

E-commerce transactions and hybrid IT infrastructure in India fuelled the need for robust Cyber Security solutions. Converged Infrastructure and Software Defined Infrastructure in Data Centres were the new rising demands from CIOs during the year. Your Company's deep engagement with renowned brands enjoyed a healthy share of enterprise Infrastructure business.

MOBILITY

During the year under review, India saw consolidation of the cellular market and aggressive roll out of 4G, thus aiding the demand for both feature phones and smartphones. However, in the case of smartphones, the demand was inclined towards the mid-priced smartphones with higher storage space, better processors and other advanced features, thus impacting the demand of premium smartphones.

For your Company, Mobility segment contributed nearly 20% of the annual India revenues for FY 18, encompassing major vendors such as Apple, Google and Samsung. While the changes in distribution rights of Apple iPhone during the year under review resulted in a decline in the Company's market share, given demand for iPhones in India and plans by Apple for its new product launch, we expect your Company would be in a position to benefit greatly from its association with this iconic brand. Your Company has a strong exclusive partnership with Google for the distribution of its smartphone brand 'Pixel'. Given the strength of the brand, Pixel promises to deliver continued and increasing value in the coming years.

EMERGING BUSINESS

During the year under review, your Company completed one full year in the distribution of Solar Equipment and Health & Medical Equipment (HME).

In Solar Equipment segment, your Company focuses on the Solar PV Roof Top space, distributing Solar PV products, its components and raw materials. During the year, industry wide tax issue on account of Anti-Dumping Tariff plagued the business. However, your Company doubled the sales revenue from this vertical in FY' 18. With India's ambitious target of attaining 100,000 MW of solar capacity by 2022, there are immense growth opportunities in this space.

In HME segment, your Company distributes Mid-size Equipment & Instruments, which forms a large segment of the industry. Since HME is an unorganized sector, your company had initial challenges in establishing structured method of distribution. However, these structural challenges are being gradually overcome by showcasing the relevance and value of a well-organized national distributor which offers the back-bone of high quality systems and processes, impeccable financial pedigree and ease of doing business.

SERVICES

Cloud Services

IT Professionals in Indian organizations have witnessed a shift in increasing adoption of cloud computing. According to research report from India-based CIO Klub and Ernst & Young LLP, businesses are moving to the cloud to lower their IT infrastructure and administrative costs and to adopt a flexible and scalable model for IT.

Your Company has invested towards becoming a premier cloud solutions provider. Your Company helps partners to manage their entire multi cloud business through Fully Automated, Self-service Unified Digital Platform. It focuses on deeper engagement with partners & their customers, by managing each customer's unique IT needs through a well-structured assessment followed by a documented plan to migrate, implement and manage the cloud infrastructure for optimisation and performance. Your Company is currently supporting its partner's customers in the following market segments:

- Small & Mid-market customers: Cloud adoption, web application hosting, backup & storage solutions.
- Enterprise customers: Data Center transformation, Hybrid cloud, ERP on cloud, Disaster recovery solutions, business applications, Big data & IoT and Advance technology enablement on cloud.
- Cloud customers: Cost/Performance optimization, monitoring, management and security solutions.

Other Services

Digital Printing industry, being one of the financially unorganized sectors, experienced a double whammy on account of demonetization followed by GST implementation. Despite the challenges, we saw a constant growth in print-page volume and service revenues. Your Company's continued focus on generating demand by conducting various marketing campaigns/initiatives including training programs for new application development and roadshows, yielded success in building the customers' business.

Your Company has been making investment in distribution of 3D Printing products, which is touted to be the next major advancement in the printing industry. Your Company has strong partnerships with prime brands in this segment. During the year, it signed up with Hewlett Packard for their 3D Printers and partnered with Carl Zeiss as their exclusive distributor for their 3D scanners in India. Your Company has also successfully established an on-demand part manufacturing facility called "Visual I" (read as Visual Eye) to engage with the customer on an end to end basis from the designing stage until the manufacturing process.

INDIAN SUBSIDIARIES

Your Company has two Wholly Owned Subsidiaries in India, viz., ProConnect Supply Chain Solutions Limited (ProConnect) and Ensure Support Services (India) Limited (Ensure). Your Company capitalises on the growth opportunities available in the supply chain solution arena, through ProConnect. Ensure is carrying out the after-sales support service business for various IT Hardware and Technology products as well as provides Infrastructure Management Services. Pursuant to the Order of National Company Law Tribunal, Chennai Bench, Cadensworth (India) Limited, an erstwhile wholly-owned Subsidiary, was merged with the Company with an Appointed Date of April 1, 2016. The Order has been made effective on July 26, 2017, upon complying with all the relevant requirements under the Companies Act, 2013

ProConnect Supply Chain Solutions Limited

ProConnect provides end to end supply chain solutions to various customers across different industry verticals. It focuses on the opportunities in the fast growing Third Party Logistics (3PL) segment and is a neutral logistics service provider, operating pan India, with 170+ warehouses encompassing 6.3 Mn sq. ft of warehousing space. ProConnect offers its customers customized supply chain solutions enabling cost optimization while driving efficiency and agility. ProConnect's processes are certified with ISO 9001:2008 Quality Management System (QMS). Rajprotim Supply Chain Solutions Limited, a Subsidiary of ProConnect, has also achieved a remarkable growth through customer satisfaction, which has added few more to its exclusive clientele.

The intent of being a "Preferred Service Provider" is evident from ProConnect's ability to generate incremental revenues from its existing customers as well as its success in adding new customers. With 165+ customers, it is noteworthy that the contribution from external business (other than Redington) has increased to 79%. ProConnect is well equipped to handle the warehousing & logistics needs of varied industry verticals. As a testimony to this, during the year, it ventured into the highly regulated Pharma industry which requires specialised infrastructure and capabilities. During the frenetic and high volume festive season, ProConnect has extended exceptional support to the E-Com players, by providing timely and effective warehousing and logistics support. ProConnect's Mission Critical Service Division provides Supply Chain Services for products, requiring strict adherence to stipulated timelines, in order to meet the criticality levels.

With GST now in place, ProConnect is expected to witness further growth momentum in its organic business as well as through further expansion of key service offerings like, in the transportation segment.

Ensure Support Services (India) Limited

Ensure provides the entire gamut of post sales services and Infrastructure Management Services (IMS), focussing on both B2B and B2C businesses. Considering the market dynamics of IT and Mobile product services, Ensure continues to invest in automation for higher efficiency in operations and costs. In the way forward, it intends to continue growing the IMS and Warranty businesses, wherein it has strong positioning and invest in the high-end businesses like Managed Security Services and Managed Print Services, which offer good growth opportunities.

INDIAN ASSOCIATE

Redington (India) Investments Limited is an Associate Company of your Company. It has a wholly owned subsidiary, Currents Technology Retail (India) Limited ("Currents") which operates a chain of Apple retail stores. During the year, Currents opened two new small-format stores and witnessed higher sales, especially in the second half of the year, facilitated by the Apple product line-up and the new GST regime.

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 (META) region and Redington Distribution Pte Limited, Singapore (RDPL) addressing the South Asian region comprising of Sri Lanka, Bangladesh, Nepal and Maldives markets.

Redington Gulf FZE , a Wholly Owned Subsidiary of RIML, addresses more than 26 markets in Middle East, Turkey and Africa. The year saw many significant developments – geopolitical, economic, taxation et al.

Serious differences between the Arab Quartet (UAE, Saudi Arabia, Bahrain & Egypt) and Qatar eventually snowballed into an economic blockade on Qatar. Apart from rising levels of regional uncertainties, this also resulted in a significant reduction in revenue for Redington Gulf from Qatar. The impasse continues and has also brought into question the viability of the 6-member Gulf Cooperation Council, which includes Qatar.

The Turkish Lira continued to depreciate against the US Dollar due to a variety of concerns –political, economic situation in the country apart from Turkey's role in geopolitics. In Kenya, presidential elections were held twice due to poll related violence and other concerns.

A very significant development during year under review was the introduction of Excise duty and VAT in UAE and KSA. Apart from having an adverse effect on inflation in these two countries, muted demand is expected to slow down domestic sales in UAE for 2-3 quarters before picking up again.

Inspite of a changing business and economic landscape Redington Gulf FZE has continued to deliver record growth in revenues and profits while as also retaining its position as the largest technology distributor in the region.

In order to address the growing e-commerce market in Turkey, Redington Gulf set up a subsidiary of Arena to focus on this business segment.

Redington Gulf's subsidiary Linkplus, Turkey continues to grow with addition of key brands to its portfolio.

Computing & Printing

The PC market globally bucked the recent trend and recorded a flat growth and followed a similar trend in META as well.

Redington Gulf continued to demonstrate growth in the total number of PCs shipped and continues to have the highest market share in the region for key PC vendors such as HP, Dell and Lenovo.

Its persistent effort to focus on effective working capital management continued to bear results during this year as well.

Enterprise & Infrastructure

Redington Gulf consolidated its hyper convergence portfolio with addition of Nutanix as well as cybersecurity and emerging security portfolio with Imperva and Palo Alto Cloud Security distribution contracts in the Middle East. Key steps to demonstrate use cases for Big Data Analytics and IoT in our connected office were initiated as well to showcase to customers a very unique solution centre - Red Vault.

Significant contribution made by the Value Added distribution business were duly recognized by many global vendors with notable industry accolades such as Global Innovation Award for Red Vault, VAD of the Year – Reseller ME and VAD of the Year – GEC awards by Enterprise MEA.

Mobility

The Mobility business of Redington Gulf for the year crossed a landmark revenue of USD 1 billion further cementing its position as a leading Mobility distributor in MEA. The year also saw the addition of the brands to the distribution portfolio including Nokia.

Cloud Computing, Big Data Analytics and Internet of Things

In order to provide value added offerings in this very important area, Redington Gulf set up a consulting entity – Citrus Consulting, to provide niche services such as Cloud Transformation Services, Data Analytics/Big Data and IoT.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of changes in the Directorships during the Financial Year 2017-18 is given below:

(a) Details of Appointment:

Ms. Chen, Yi-Ju was appointed on the Board as an Additional Director (Non-Executive Nominee Director) with effect from December 26, 2017. Your Company has received notice from a member proposing Ms. Chen, Yi-Ju's appointment as Director of the Company. A Resolution for appointment of Ms. Chen, Yi-Ju as a Non-Executive Nominee Director of the Company is included in the notice of the ensuing Annual General Meeting.

(b) Details of Resignation:

During the year, Ms. Suchitra Rajagopalan, Independent Director & Mr. Lin, Tai-Yang, Non-Executive Director tendered their resignation from the services of the Company, on September 28, 2017 and December 26, 2017 respectively. The Board took note of the same and acknowledged their continued assistance and guidance provided for the growth and welfare of the Company during their tenure as director.

Mr. B. Ramaratnam, Non-Executive Director was appointed on the Board w.e.f May 24, 2016. Up to the Financial Year 2015, Mr. Ramaratnam was a partner of Deloitte Haskins & Sells, the erstwhile Statutory Auditors of the Company. As per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to be an Independent Director, a Director inter alia must comply with the requirement that he/she was not a partner of the Auditors firm for a period of 3 financial years before the financial year in which the appointment is considered. Pursuant to this, Mr. Ramaratnam was appointed as a Non-Executive Director. The cooling period of 3 years as mentioned above was completed on March 31, 2018 and he fulfilled the criteria for an Independent Director and is eligible for appointment as Independent Director.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 21, 2018 appointed Mr. Ramaratnam as an Independent Director for a period of 5 years with effect from May 21, 2018 to May 20, 2023, subject to the approval of the members of the Company in the ensuing Annual General Meeting.

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

Brief particulars of the Directors who are getting appointed / reappointed are furnished in Annexure A to the Notice of the Annual General Meeting.

At the Annual General Meeting held on July 28, 2017, Mr. Raj Shankar was re-appointed as Managing Director for a period of 5 years with effect from July 26, 2017. Being a Non-Resident, his appointment is subject to the approval of Central Government. The Company has filed the requisite forms within due date and awaiting approval.

DIRECTORS' RESPONSIBILITY STATEMENT

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

a) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) 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, 2018 and of the profit of the Company for the year ended on that date;

c) 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;

d) The Directors have prepared the annual accounts on a 'going concern' basis;

e) 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

f) 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

During the year,

- CRISIL (An S&P Global Company) has upgraded its long-term ratings on the bank facilities of the Company to 'CRISIL AA /Stable' from 'CRISIL AA- / Positive'. The short-term rating and commercial paper have been reaffirmed at 'CRISIL A1+' (their highest rating in this category).
- ICRA (A Moody's Investors Service Company) has upgraded its long-term ratings on the bank facilities of the Company to [ICRA] AA (Stable) from [ICRA] AA-(Stable). The short-term rating and commercial paper rating have been reaffirmed at [ICRA] A1+ (their highest rating in this category).

These high ratings from the two leading rating agencies benefit the Company in its borrowing program and helps in reducing the interest costs in India.

AUDITORS

The Company's Statutory Auditors, BSR & Co. LLP ("BSR"), Chartered Accountants (Firm Registration No. 101248W/W - 100022) issued their report on the Standalone and Consolidated Financial Statements of the Company and the same is appended here to this Report. The Auditors' Reports on the Standalone and Consolidated Financial Statements do not contain any qualification, reservation or adverse remark.

OTHER REPORTS

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

DISCLOSURES

Board and its committees

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

Independent Director Declaration

All the Independent Directors have given declaration as required under Section 149(7) 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 Risk Management Committee monitors the Risk management practices of the Company. The Committee meets periodically and reviews the potential risks associated with the Company's business and discusses steps taken by the management to mitigate the same.

The Board of Directors reviewed the risk assessment and procedures adopted by 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 Share Purchase Scheme, 2006, Employee Stock Option Plan 2008 and Redington Stock Appreciation Right Scheme, 2017 have 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. Digitalization adoption and absorption across cloud technology, virtualization and mobility resulted in better operational efficiencies and Turnaround Time (TAT). Business Intelligence (BI) and Analytics facilitate key decisions and improves process efficiency.

ii. Import of Technology:

The Company has not imported any technology for its usage during the year.

iii. Expenditure on Research and Development:

Since your Company is involved in the Wholesale Distribution of Technology Products, there is no expenditure incurred on research and development.

Foreign Exchange earnings and outgo

The details of Foreign Exchange earnings and Expenditure during the year are given below:

Earnings in Foreign Currency:

Particulars	₹ in Crore
Rebates & discount	111.84
Dividends from overseas subsidiaries	16.42
FOB value of exports	0.71
Total	**128.97**

Expenditure in foreign currency:

Particulars	₹ in Crore
Royalty (cost of software included under purchases)	25.96
Foreign travel	0.06
Director's sitting fee	0.12
Director's commission	0.54
Total	**26.68**

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.

The above policy is also accessible from the following link: https://redingtonindia.com/images/Policy_Remuneration.pdf

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 evaluation 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 Notes 15 and 6 respectively to the Standalone Financial Statements.

Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board a policy on CSR indicating the activities to be undertaken by the Company. The 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, Ms. CS 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 2017-18.
- The Board decided not to transfer any amount to the reserves.
- 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 March 31, 2018 and the date of this report.
- The Dividend Distribution Policy pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed in Annexure K and on the website of the Company.
- The Company has complied with the applicable secretarial standards.

Web links

Particulars	Weblinks
Policy on Related Party Transaction	http://redingtonindia.com/images/PolicyondealingwithRelatedPartyTransactions.pdf
Policy for determining Material Subsidiaries	http://redingtonindia.com/images/PolicyonMaterialSubsidiaries.pdf
Criteria of Making payment to Non-Executive Directors	http://redingtonindia.com/images/PolicyonpaymenttoDirectors.pdf
Details of Familiarization programmes to Independent Directors	https://redingtonindia.com/images/FamiliarizationProgrammes.pdf

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 FEMA 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 prevention of Sexual Harassment of Women to ensure a free and fair enquiry process on complaints received from the women employee about Sexual Harassment. No complaint was reported by any employees pertaining to Sexual Harassment during the year under review.

ACKNOWLEDGEMENT

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. Please join me and the Board members in conveying our sincere appreciation to all employees of the Company, its Subsidiaries and Associates, 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 — **J Ramachandran**
Date: May 21, 2018 — **Chairman**

INDEX OF ANNEXURES TO THE BOARD'S REPORT

ANNEXURE A

The Companies Act, 2013 has laid down responsibility on the Directors with respect to 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 envisioned under the Companies Act, 2013. The Company has an existing framework of IFC which has been documented and tested based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed.

Some of the key controls are:

Entity Level Controls (ELCs):

ELCs are imperative to an organization as it fosters a culture which sets the tone for a sound control environment within the organization. Support of management is essential to build and sustain an effective control environment. The Company has perceived this necessity and has demonstrated its intention and commitment by adopting COSO Principle (Committee of Sponsoring Organizations of the Treadway Commission), which is followed across the globe, in framing its IFC.

Entity-level controls include

- Controls related to the control environment;
- Controls over management override

Efficiency Controls:

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

The Company believes that efficiency controls are essential for long term sustenance of the Company. Hence, higher emphasis is placed on coverage and completeness of efficiency controls. Influence of market trends, geography, the economy and vendor 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 could occur. Checks & balances are built into the system during transaction processing to deter fraud. 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 (ITGCs):

ITGCs is an integral part of control environment of the Company. ITGCs are broad controls over general IT activities, such as security and access, computer operations, systems development and system changes.

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

Internal Control on Financial Reporting (ICFR):

The Company has developed robust 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.

The controls are designed from the point of view of "What could go wrong" or the inherent risk associated with the particular transaction or account that could 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 scheme is summarized as under -

Sl. no	Particulars	Redington (India) Limited
1	Date of Shareholder's Approval	February 27, 2008
2	Total Number of Options approved under ESOPs	2,335,973
3	Vesting requirement	50% of options - 1 year from date of grant. 25% of options - 2 years from date of grant. 25% of options - 3 years from 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

The details of options granted, options vested and options outstanding under Employee Stock Option Plan 2008 are given in note no. 42 of the Standalone Financial Statements.

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

C Weighted average market price of options exercised during the year: **₹160.10**

D Diluted EPS for the financial year ended March 31, 2018: **₹4.60**

E Option Movement during the year 2017-18

Sl. No	Particulars	Numbers	Wt. Avg Exercise price(₹)
1	Options outstanding at the beginning of the year	80,337	396.50
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	64,845	396.50
6	Options Lapsed during the year	3,200	-
7	Total number of shares arising as a result of exercise of options	324,225	396.50
8	Money realised by exercise of options (In ₹)	25,711,042.50	-
9	Options outstanding at the end of the year	12,292	396.50
10	Options exercisable at the end of the year	12,292	396.50

F Weighted average exercise price of options granted during 2017-18 whose

(a)	Exercise price equals market price (₹)	No options were granted during FY 2017-18
(b)	Exercise price is greater than market price	
(c)	Exercise price is less than market price	

G Weighted average fair value of options granted during 2017-18 whose

(a)	Exercise price equals market price (₹)	No options were granted during FY 2017-18
(b)	Exercise price is greater than market price	
(c)	Exercise price is less than market price	

H Employee-wise details of options granted during the financial year 2017-18 to:

(i)	Senior managerial personnel:	No options were granted during FY 2017-18
(ii)	Employees who were granted, during any one year, options amounting to 5% or more of the optionsgranted during the year	
(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	

I 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

Sr. No	Variables	Date of Grant
1	Risk Free Interest Rate	No options were granted during FY 2017-18
2	Expected Life	
3	Expected Volatility	
4	Dividend Yield	
5	Price of the underlying share in market at the time of the option grant. (₹)	

DETAILS RELATED TO REDINGTON STOCK APPRECIATION RIGHT SCHEME, 2017 (SAR SCHEME)

A Details related to SAR

Description of the SAR Scheme: The Company has approved the grant of Stock Appreciation Rights (SARs) to the eligible employees of the Company and its Subsidiaries under the Redington Stock Appreciation Right Scheme, 2017. The maximum number of shares to be issued against the SARs shall not exceed 8,681,681 equity shares of ₹ 2/- each as adjusted for any changes in the capital structure of the Company.

The position of the existing scheme is summarized as under -

Sr. No	Particulars	Details
1	Date of Shareholder's Approval	November 19, 2017
2	Total Number of Shares approved under SAR Scheme	8,681,681
3	Vesting requirement	The SARs granted would be vested subject to the time and performance conditions as may be decided by the Compensation Committee from time to time
4	SAR Price or Pricing Formula	Base price as may be determined by the Compensation Committee from time to time
5	Maximum term of SARs granted	3 years from the date of vesting
6	Method of Settlement	Equity shares of the Company or cash as may be decided by the Compensation Committee from time to time.
7	Choice of Settlement	With the Company
8	Source of shares	Primary
9	Variation in terms of SAR	No variations made in the current year
10	Method used to account for SAR	Fair Value Method

The details of SARs granted during the year is given in note 43 of the Standalone Financial statement. The scheme is administrated by the Compensation Committee and no Trust has been created for this purpose.

B SAR Movement during the year 2017-18

Sr. No	Particulars	Details
1	SARs outstanding at the beginning of the year	-
2	Number of SARs granted during the year	8,179,000
3	SARs Forfeited / Lapsed during the year	30,000
4	SARs Vested during the year	-
5	SARs Exercised / Settled during the year	-
6	SARs outstanding at the end of the year	8,149,000
7	SARs exercisable at the end of the year	-

C Employee-wise details of SARs granted during the financial year 2017-18 to:

(i) Senior managerial personnel:

Name of senior management personnel	Designation	Number of SARs*
Raj Shankar	Managing Director	25,000
E.H. Kasturi Rangan	Whole Time Director	145,000
P.S. Neogi	Joint Chief Operating Officer	142,000
S.V. Krishnan	Chief Financial Officer	126,000
Clynton Gerard Almeida	Chief Information Officer	117,000
M. Muthukumarasamy	Company Secretary	46,000

* The Exercise price is ₹ 2 per equity share.

(ii)	Employees who were granted, during any one year, SARs amounting to 5% or more of the SARs 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

DETAILS RELATED TO EMPLOYEE SHARE PURCHASE SCHEME, 2006:

The Company offered shares to eligible employees under Redington (India) Limited – Employee Share Purchase Scheme, 2006. A trust in the name and style of "Redington Employees Share Purchase Scheme Trust" was formed for the purpose of administering the scheme. All the obligations of the trust have been fulfilled and there are no outstanding shares as on March 31, 2018. Pursuant to the same, the Board of Directors at their meeting held on May 21, 2018, have approved the dissolution of the said trust.

INDEPENDENT AUDITOR'S CERTIFICATE IN CONNECTION WITH THE EMPLOYEE SHARE PURCHASE SCHEME, 2006, EMPLOYEE STOCK OPTION PLAN, 2008 AND STOCK APPRECIATION RIGHTS SCHEME, 2017 OF REDINGTON (INDIA) LIMITED ('THE COMPANY')

1. This certificate is issued in accordance with the terms of our engagement letter dated September 11, 2017.
2. We were informed by Redington (India) Limited ('the Company') that the Company requires a certificate from its statutory auditors for the year ended March 31, 2018 confirming that the Employee Share Purchase Scheme, 2006, Employee Stock Option Scheme, 2008 and Stock Appreciation Rights Scheme, 2017 ('the Schemes') were implemented in accordance with the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 ('SEBI SBEB regulations') read with the circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 and in accordance with the resolutions of the Company passed in the general meeting approving the Schemes.

Management's responsibility

3. The Company's management is responsible for maintaining the information and documents which are required to be maintained under the above regulations. Implementing the Schemes in accordance with the SEBI SBEB regulations and in accordance with the resolutions passed in the general meeting is the responsibility of the Company.
4. The Company's management is also responsible for compliance with the SEBI SBEB regulations read with the circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 with respect to the Schemes.

Auditor's responsibility

5. Pursuant to requirements of above mentioned guidelines, our responsibility is to provide a reasonable assurance, based on our examination of records, documents and information and explanation given to us by the management, whether the Schemes are in compliance with the above mentioned SEBI SBEB Regulations and are in accordance with the resolutions passed in the general meeting of the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under the Section 143 (10) of the Companies Act, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. In connection with the above, we have performed the following procedures:
   a. Read the Schemes provided to us by the Company;
   b. Read the resolutions passed at the meeting of the Board of directors;
   c. Read the shareholders' resolution passed at the general meeting; and
   d. Obtained required explanation and representation from the management.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. In our opinion, and to the best of our information and according to the information and explanations given to us and the representation provided by the Management, we certify that the Company has implemented the Schemes in accordance with the SEBI SBEB regulations and in accordance with the resolution of the Company passed at the general meeting.

Restriction on use

10. This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI SBEB regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

Place : Chennai
Date : May 21, 2018

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 bring 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 appointed an external agency and availed 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.

The performance evaluation criteria is determined by the Committee taking into consideration the composition of the board, role of the Directors and committees etc. It also 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.

ANNEXURE E

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

Note:
1. Total Remuneration entitled (paid/payable) for the entire Financial year 2017-18 is considered.
2. The remuneration received by Directors from the Company is only considered.

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	6.6
Mr. V. S. Hariharan	Non Executive Independent Director	5.9
Mr. Keith WF Bradley	Non Executive Independent Director	5.7
Mr. B. Ramaratnam	Non Executive Director	5.7
Mr. E.H. Kasturi Rangan	Whole Time Director	26.5
Ms. Suchitra Rajagopalan*	Non Executive Independent Director	0.2

* Resigned from the Board on September 28, 2017.

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	28.9
Mr. V. S. Hariharan	Non Executive Independent Director	25.0
Mr. Keith WF Bradley	Non Executive Independent Director	34.7
Mr. B. Ramaratnam	Non Executive Director	34.3
Mr. E.H. Kasturi Rangan	Whole - Time Director	0.0
Ms. Suchitra Rajagopalan*	Non Executive Independent Director	NA
Mr. S. V. Krishnan	Chief Financial Officer	8.1
Mr. M. Muthukumarasamy	Company Secretary	6.8

* Ms. Suchitra Rajagopalan resigned from the Board w.e.f. September 28, 2017. Hence, remuneration is not comparable.

Mr. Raj Shankar, Managing Director of the Company is 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: 5.5%

D. Number of permanent employees on the rolls of Company as on March 31, 2018: 1,774

E. 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. 2017-18 was 10.6%. Increase in managerial remuneration (Whole Time Director) is given above.

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

G. Particulars of Employees:

Details of Top 10 employees as on March 31, 2018 in terms of remuneration drawn during FY 17-18:

Name of the Employee	Mr. E.H. Kasturi Rangan*	Mr. Parthasarthi Neogi*	Mr. S.V. Krishnan	Mr. Ramesh Natarajan*	Mr. Clynton Almeida
Designation	Whole Time Director	Joint Chief Operating Officer	Chief Financial Officer	Senior President	Chief Information Officer
Remuneration	₹ 12,729,436	₹ 12,544,436	₹ 10,000,000	₹ 10,703,856	₹ 9,482,557
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Chartered Accountant	Bachelor of Engineering	Chartered Accountant	Bachelor of Commerce	Bachelor of Science
Experience with the Company	15.5 years	18 years	20 years	20.5 Years	18 years
Date of Joining	October 1, 2002	April 1, 2000	May 18, 1998	August 21, 1997	April 19, 2000
Age	53	60	45	49	57
Last Employment	Practicing Chartered Accountant	Exports Manager - Redington Pte Limited, Singapore	Ashok Leyland Limited	Territory Manager - Pertech Computers Limited	Senior Technical Consultant – Systime Computer Limited
No. of shares as on March 31, 2018	10,050	207	53,633	Nil	5,941
Relation to Board of Directors	Nil	Nil	Nil	Nil	Nil

Name of the Employee	Mr. J.K. Senapati	Mr. Gautam Hukku	Mr. R. Venkatesh	Mr. Murtuza K Tambawala	Ms. Parvathi Jagannadhan
Designation	President	Executive Vice President	Executive Vice President	Executive Vice President	Executive Vice President
Remuneration	₹ 10,169,919	₹ 9,162,027	₹ 8,688,091	₹ 8,638,000	₹ 8,244,251
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Master of Business Administration	Master of Business Administration	Bachelor of Science	B.E, M.Sc., EGMP	Bachelor of Science
Experience with the Company	20 years	14 years	13.5 years	2.5 years	17.5 years
Date of Joining	June 15, 1998	February 17, 2004	August 18, 2004	November 2, 2015	September 1, 2003
Age	52	52	41	37	60
Last Employment	Divisional Manager – Sinar Mas (India) Private Limited	Branch Manager – Tech Pacific India Limited	Nebula Technologies Private Limited	Kanlife Asia, Singapore	Ogilvy & Mather

Name of the Employee	Mr. J.K. Senapati	Mr. Gautam Hukku	Mr. R. Venkatesh	Mr. Murtuza K Tambawala	Ms. Parvathi Jagannadhan
No. of shares as on March 31, 2018	Nil	Nil	Nil	Nil	Nil
Relation to Board of Directors	Nil	Nil	Nil	Nil	Nil

* Employed throughout the financial year 2017-18 and in receipt of remuneration not less than ₹ 1.02 Crore.

Details of employees who were employed for a part of the financial year, and were in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8.5 Lakhs per month:

Name of the Employee	Mr. Stephen Aranha
Designation	President
Remuneration*	₹ 3,234,313
Nature of employment	Permanent
Qualification	Master of Business Administration
Experience with the Company	5.5 Years
Date of Joining	November 1, 2011
Age	63
Last Employment	Managing Director Emerio Malaysia Sdn Bhd, Malaysia
No. of shares as on March 31, 2018	Nil
Relation to Board of Directors	Nil

* Remuneration as per Income Tax Act, 1961 is considered.

ANNEXURE F: REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Company's policy on CSR – An Overview

Redington is deeply committed towards enriching the lives of the underprivileged and disadvantaged sections of the society. It believes that every organization which operates in a society, is obliged to give back to the society a portion of what it receives from it. It is guided by the principle "Create value, profit will follow". In line with the same, it strives to create value by promoting employability, skills development, health and wellness to those who are in need of it.

The CSR policy of your Company focusses on laying down guidelines to undertake, implement and monitor various projects and programs that creates sustainable living for the lesser privileged members of our community. The activities are implemented through "Foundation for CSR @ Redington" (Foundation), a trust formed to see this vision transforming into a reality.

The CSR Policy and details of the projects undertaken are available on the website of the Company and the same can be accessed from the following links:

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

http://www.redingtonfoundation.org/

2. Composition of the CSR Committee of Directors
   - Mr.V.S.Hariharan
   - Mr.Keith WF Bradley
   - Mr. B. Ramaratnam
3. Average net profit of the Company for last three financial years – ₹ 287.04 Crore
4. Prescribed CSR expenditure for the year 2017-18 (2%) - ₹ 5.74 Crore
5. Details of the CSR Spent during the financial year:
   a) Total amount to be spent in the financial year : ₹ 5.74 Crore
   b) Total amount spent in the financial year* : ₹ 5.74 Crore
   c) Amount unspent : Nil

* Being the amount transferred during the year to Foundation for CSR @ Redington, a trust registered under Income Tax Act, 1961.

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

(₹ in Crores)

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)	Amount spent	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
1.	READ	Education	Various places across Tamil Nadu and New Delhi	3.11	3.11	8.19	Through Foundation for CSR @ Redington
2.	REACH			0.70	0.59	1.21	
3.	EXCELLENCE			2.24	1.84	4.63	
4.	Immunization in Public areas	Preventive Healthcare		0.07	0.02	0.05	
5.	Employability Skills Training	Education		-	-	0.04	Direct
6.	Protection of flora and fauna	Environment	Ghaziabad	-	-	0.05	
7.	Common expenses			0.30	0.30	0.71	
	TOTAL			6.42	5.86	14.88	

During FY 18, in addition to FY 18's prescribed expenditure of ₹ 5.74 Crore, the foundation budgeted to spend the amount including last year's unspent amount of ₹ 0.68 Crore. The total expenditure budgeted by the Foundation was ₹ 6.42 Crore. Out of which the foundation spent ₹ 5.86 Crore and ₹ 0.56 Crore remains unspent. This is earmarked primarily for the existing projects.

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

V. S. Hariharan
Chairman - CSR Committee

ANNEXURE G

Secretarial Audit Report

For the Financial Year Ended on 31st March 2018

[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 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 31st March 2018 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 31st March 2018 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 Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI).
5. The following Regulations 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, 2015;
    c) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
    d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable to the Company during the audit period;
    e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 – Not applicable to the Company during the audit period;
    f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period;
    g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during the audit period;
    h) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
    i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009-Not applicable to the Company during the audit period.
6. There are no Sector Specific laws applicable to the company.

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

a) 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 except in one case wherein the shorter notice was consented by the Directors, 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.

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

Place: Chennai
Date: May 21, 2018

This Report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

Annexure 1

The Members of Redington (India) Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Place: Chennai
Date: May 21, 2018

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 March 31, 2018

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: www.redingtonindia.com
6.	Whether listed Company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent	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: www.cameoindia.com

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) Subsidiaries located in India

Sl. No	Name of the Company	Address of the Company	CIN	% of shares held	Applicable Section
1	ProConnect Supply Chain Solutions Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U63030TN2012PLC087458	100	Sec. 2(87)
2	Ensure Support Services (India) Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U72900TN2013PLC091888	100	Sec. 2(87)
3	Rajprotim Supply Chain Solutions Limited*	49/89, Prince Golam Mohammed Shah Road, Golf Garden, Kolkata - 700033	U63090WB2016PLC216763	76	Sec. 2(87)
4	Redserv Business Solutions Private Limited#	No 6/9 (Old no.15/9) Romar House, Chamber D III FLR Jagnatthan Road, Nungambakkam Chennai 600034	U74999TN2017FTC115723	100	Sec. 2(87)

* Subsidiary of ProConnect Supply Chain Solutions Limited.
\# Wholly owned subsidiary of Redington Gulf FZE, United Arab Emirates.

c) Overseas Subsidiaries

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
1.	Redington Distribution Pte Ltd.	60 Robinson Road, #12-02 BEA Building, Singapore – 068892	NA	100	100	Sec. 2(87)
2.	Redington International Mauritius Ltd.	IFS Court TwentyEight, Cybercity, Ebene Mauritius	NA	100	100	Sec. 2(87)
3.	Redington SL Pvt Limited	No 12, Visaka Road, Bambalapitiya, Colombo 04, Sri Lanka.	NA	100	100	Sec. 2(87)
4.	Redington Bangladesh Ltd.	MR Centre 4th 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 Charles Martel L 2134 Luxembourg	NA	100	100	Sec. 2(87)
7.	Ensure Gulf FZE	Warehouse No.RA08BA03 Jebel Ali, Dubai, UAE	NA	100	100	Sec. 2(87)
8.	Arena International FZE#	Jebel Ali PO BOX 461802 Dubai, UAE	NA	49.40	49.40	Sec. 2(87)
9.	Proconnect Supply Chain Logisitcs LLC^	Plot No.S30902 PO Box 17266 Jebel Ali, Dubai, UAE	NA	49	100	Sec. 2(87)
10.	Arena Bilgisayar Sanayi Ve Ticaret Anonim Sirketi #	Göktürk Merkez Mahallesi, Göktürk Caddesi No:4 Eyüp/ İstanbul	NA	49.40	49.40	Sec. 2(87)
11.	Sensonet Technoloji Elektronic Ve Bilisim Hizmetleri Sanayi Ve Ticaret A.S#	Ramazanoğlu Mah. Transtek Cad. No:2 Pendik/ İstanbul	NA	49.40	49.40	Sec. 2(87)
12.	Redington Nigeria Limited	Afrprint Industrial Estate 122-132,Oshodi-Apapa Expressway PO BOX:3623 Isolo, Lagos,Nigeria	NA	100	100	Sec. 2(87)

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
13.	Redington Kenya Ltd.	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
14.	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)
15.	Cadensworth FZE	Warehouse No. RA08VC01 PO Box 17441 Dubai, UAE	NA	100	100	Sec. 2(87)
16.	Redington Egypt Ltd, LLC	1 Makram Ebaid Street City light Tower 3A,Office No 301,nasr City Cairo, Egypt	NA	100	100	Sec. 2(87)
17.	Ensure IT Services (PTY) Ltd.	606 Kudu street White Thorn Office Park Allens Nek Gauteng 1737, South Africa	NA	100	100	Sec. 2(87)
18.	Ensure Services Arabia LLC.	P.O Box 62918, Riyadh 11595 Kingdom of Saudi Arabia.	NA	100	100	Sec. 2(87)
19.	Redington Middle East LLC ^	Office No. 606, Atrium Centre Khalid bin Waleed road PO BOX 12815, Dubai, UAE	NA	49	100	Sec. 2(87)
20.	Redington Africa Distribution FZE	Plot No.S30902 PO Box 17266 Jebel Ali, Dubai, UAE	NA	100	100	Sec. 2(87)
21.	Ensure Services Bahrain SPC	Building 46, Road 359, Block 321 Manama, Alqudaybiah Kingdom of Bahrain	NA	100	100	Sec. 2(87)
22.	Redington Ltd.	C371/3, Dufie House, Samoramichel Raod, Aslyum Down Roundabout, Aslyum Down, Accra, Ghana.	NA	100	100	Sec. 2(87)
23.	Africa Joint Technical Services	Shabiyah, Tripoli Libya	NA	65	100	Sec. 2(87)
24.	Redington Uganda Ltd.	PO Box 33009, Plot # 15, Mulwana Road, Industrial Area, Opposite Uganda Batti Kampala, Uganda	NA	100	100	Sec. 2(87)
25.	Redington Kenya (EPZ) Ltd.	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
26.	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)
27.	Cadensworth UAE LLC ^	Office No. 507, Atrium Centre Khalid Bin Waleed Road PO BOX No. 12816 Dubai, UAE	NA	49	100	Sec. 2(87)
28.	Redington Gulf FZE CO.	1st floor Haj Hashim Printing Press Building Sultan Muthafar st Erbil	NA	100	100	Sec. 2(87)
29.	Redington Qatar WLL ^	Barwa Commercial Avenue, Safwa, Block # 29, Mesaimeer Doha Qatar	NA	49	100	Sec. 2(87)
30.	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)
31.	Redington Kazakhstan LLP	117,Makatayeva streeet Zhetysuisky district Almaty City, Kazakhstan - 050050	NA	100	100	Sec. 2(87)
32.	Redington Tanzania Ltd.	11a, Ist Floor, Swiss Tower Un Road, Upanga PO Box 38096, Dar Es Salaam Tanzania	NA	100	100	Sec. 2(87)
33.	Redington Morocco Ltd.	292 Boulvard Zerktouni Maari Morocco	NA	100	100	Sec. 2(87)
34.	Redington Angola Ltd.	Largo 4 De Fevereiro N 3, Ingombota Luanda, Angola	NA	100	100	Sec. 2(87)
35.	Redington Senegal Limited SARL	Abc Commercial 1 & 2 Round Point J d Eau Dakar Senegal.	NA	100	100	Sec. 2(87)
36.	Redington Saudi Arabia Distribution company	PO Box 66120 Riyadh 11576 Kingdom of Saudi Arabia	NA	75	100	Sec. 2(87)
37.	Ensure Technical Services Morocco Limited (SARL)	Galerie Riad Anfa Bd Bourgoune Mag NO. 37 Anfa Casablanca. Morocco	NA	100	100	Sec. 2(87)
38.	Ensure Ghana Limited	C371/3, Dufie House, Samoramichel Raod, Aslyum Down Roundabout, Aslyum Down, Accra, Ghana.	NA	100	100	Sec. 2(87)
39.	Ensure Technical Services (PTY) Ltd.	Unit 6, Mone Je Paul 26 Aloefield crescent Rochdale park, spring field park KWA-Zulu Natal, South Africa	NA	100	100	Sec. 2(87)
40.	Ensure Middle East Trading LLC ^	Shop No.105 & 105, Mezzanine floor Al Khaleej Centre Burdubai – UAE	NA	49	100	Sec. 2(87)
41.	Ensure Technical Services Kenya Limited	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
42.	Ensure Technical Services Tanzania Limited	Shop No:11A, 1st Floor, Swiss Tower UN Road, Upanga, PO Box 38096, Dar Es Salaam, Tanzania.	NA	100	100	Sec. 2(87)
43.	Ensure Services Uganda Limited	Plot # 15, Mulwana Road, Industrial Area, Opposite Uganda Batti Kampala, Uganda.	NA	100	100	Sec. 2(87)
44.	Ensure Solutions Nigeria Limited	Afrprint Industrial Estate 122-132,Oshodi-Apapa Expressway PO BOX:3623 Isolo, Lagos, Nigeria.	NA	99.90	100	Sec. 2(87)
45.	Paynet Ödeme Hizmetleri A.Ş#	Göktürk Merkez Mahallesi, Göktürk Caddesi No:4 Eyüp/ İstanbul	NA	49.40	49.40	Sec. 2(87)
46.	CDW International Trading FZE	CDW International Trading FZE #427, Building No: 6WA PO Box: 371554 DAFZA,Dubai	NA	100	100	Sec. 2(87)
47.	RNDC Alliance West Africa Limited	RNDC ALLIANCE WEST AFRICA LTD, 2nd Floor, Akron House, 94, Allen Avenue, Ikeja, Lagos, Nigeria.	NA	100	100	Sec. 2(87)

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
48.	Linkplus Bilgisayar Sistemleri sanayi ve Ticaret A.S	Linkplus Bilgisayar Sistemleri Sanayi Ye Ticaret A.Ş., Kısıklı Mahallesi, Hanımseti Sokak, No:46, Üsküdar, Istanbul	NA	90	90	Sec. 2(87)
49.	ProConnect Saudi LLC	Block# 16, Al Fursan Warehouse complex, Plot no. 145 to 152, Istanbul street, Exit-18, Sulai, Riyadh - KSA.	NA	100	100	Sec. 2(87)
50.	Redington Distribution Company LLC	22 Kamal El Din Hussein Street, Sheraton, Cairo, Egypt	NA	99	100	Sec. 2(87)
51.	Ensure Middle East Technology Solutions LLC^	PO :52439 Office 102 Burj Al Arab Tower, Hamdan Str, Abu Dhabi	NA	49	100	Sec. 2(87)
52.	Citrus Consulting Services FZ LLC	Executive Office No.3 Ground floor, Building 01, Dubai Internet city Dubai, UAE	NA	60	60	Sec. 2(87)
53.	Online Elektronik Ticaret Hizmetleri Anonim Sirketi#	Merkez Mahallesi, Göktürk Caddesi No: 4 Eyüp 34077 Istanbul Turkey	NA	44.46	44.46	Sec. 2(87)
54.	Arena Mobile Iletisim Hizmetleri Ve Tuketici Elektronigi Sanayi Ve Ticaret A.S^	Merkez Mahallesi, Göktürk Caddesi No: 4 Eyüp 34077 Istanbul Turkey	NA	49.4	49.4	Sec. 2(87)
55.	Paynet (Kibris) Odeme Hizmetleri#	7 İnegöl Sokak Karakol Gazimağusa Kıbrıs	NA	49.4	49.4	Sec. 2(87)
56.	Ensure Services Limited	9th Floor, 18, Al Bustan St, Bab Al Louq, Abdeen, Cairo	NA	99	100	Sec. 2(87)
57.	Redington Cote D'ivoire SARL	Immeuble SCI D'Abetty face Paroisse Notre Dame D'Afrique Boulevard de Marseille, Bietry, 01 BP 1330 Abidjan 01 Cote D'Ivoire	NA	100	100	Sec. 2(87)

Note:

^ Although the holding is less than 50% of Equity Shares, the group has the power over these companies, is exposed to or has rights to variable returns from its involvement with these companies and has the ability to use its power over these companies to affect its returns and therefore excercises effective control. Consequently, these entities are considered as subsidiaries.

Redington Turkey Holdings S.A.R.L (RTHS), Luxembourg has the power over these companies, is exposed to or has rights to variable returns from its involvement with these companies and has the ability to use its power over these companies to affect its returns (through control over the composition of the Board of Directors of Arena Bilgisayar Sanayi Ve Ticaret Anonim Sirketi's (Arena). Consequently Arena and its subsidiaries are considered as subsidiaries.

d) Associate Companies

Sl. No	Name of the Company	Address of the Company	CIN/GLN	% of shares held	Applicable Section
1.	Redington (India) Investments Limited	SPL Guindy House, 95 Mount Road, Chennai - 600 032	U65993TN1995PLC032050	47.62	Sec. 2(6)

Subsidiary of Associate Company

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Beneficial interest %	Applicable Section
1.	Currents Technology Retail (India) Limited	No.79, JN Road (100 Feet Road), Vadapalani, Chennai - 600 026	U52390TN2011PLC081001	47.62	Sec. 2(6)

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

(i) Category-wise Share Holding

Category code	Category of Shareholder	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	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/ HINDU UNDIVIDED FAMILY	0	0	0	0.00	0	0	0	0.00	0.00
b.	CENTRAL GOVERNMENT / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
c.	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
d.	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0		0	0	0	0.00	0.00
b.	BODIES CORPORATE	32777599	0	32777599	8.20	0	0	0	0.00	-8.20
c.	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	32777599	0	32777599	8.20	0	0	0	0.00	-8.20
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	32777599	0	32777599	8.20	0	0	0	0.00	-8.20
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/ UTI	56943937	0	56943937	14.24	51882734	0	51882734	12.97	-1.28
b.	FINANCIAL INSTITUTIONS/ BANKS	29570	0	29570	0.01	14832	0	14832	0.00	0.00
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)"	0	0	0	0.00	0	0	0	0.00	0.00
d.	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e.	INSURANCE COMPANIES	32127638	0	32127638	8.03	28074785	0	28074785	7.02	-1.02
f.	FOREIGN INSTITUTIONAL INVESTORS	11018333	0	11018333	2.76	2266001	0	2266001	0.57	-2.19
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i.	ANY OTHER									
	Foreign Portfolio Investor (Corporate) Category I	1191015	0	1191015	0.30	14187306	0	14187306	3.55	3.25
	Foreign Portfolio Investor (Corporate) Category II	91653545	0	91653545	22.92	116786462	0	116786462	29.18	6.26

Cate-gory code	Category of Shareholder	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	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Foreign Portfolio Investor (Corporate) Category III	15167576	0	15167576	3.79	19312287	0	19312287	4.83	1.03
		108012136	0	108012136	27.01	150286055	0	150286055	37.56	10.54
	SUB - TOTAL (B)(1)	208131614	0	208131614	52.05	232524407	0	232524407	58.11	6.05
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	1019635	0	1019635	0.26	9719379	0	9719379	2.43	2.17
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO ₹ 1 LAKH	7089989	14156	7104145	1.78	6164533	14156	6178689	1.54	-0.23
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF ₹ 1 LAKH	181833	0	181833	0.05	790333	0	790333	0.20	0.15
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
d.	ANY OTHER									
	CLEARING MEMBERS	172893	0	172893	0.04	105683	0	105683	0.03	-0.02
	DIRECTORS AND THEIR RELATIVES	609946	50	609996	0.15	609946	50	609996	0.15	0.00
	FOREIGN CORPORATE BODIES	53837727	94295940	148133667	37.05	53837727	94295940	148133667	37.02	-0.03
	FOREIGN NATIONALS	57820	1250	59070	0.01	24500	1250	25750	0.01	-0.01
	HINDU UNDIVIDED FAMILIES	318017	0	318017	0.08	290262	0	290262	0.07	-0.01
	NON RESIDENT INDIANS	1296805	42445	1339250	0.33	1744637	41445	1786082	0.45	0.11
	IEPF	0	0	0	0.00	2967	0	2967	0.00	0.00
	TRUSTS	741	0	741	0.00	5470	0	5470	0.00	0.00
		56293949	94339685	150633634	37.67	56621192	94338685	150959877	37.72	0.05
	SUB - TOTAL (B)(2)	64585406	94353841	158939247	39.75	73295437	94352841	167648278	41.89	2.14
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	272717020	94353841	367070861	91.80	305819844	94352841	400172685	100.00	8.20
	TOTAL (A)+(B)	305494619	94353841	399848460	100.00	305819844	94352841	400172685	100.00	0.00
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0	0	0	0.00	0.00
	TOTAL CUSTODIAN (C)	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	305494619	94353841	399848460	100.00	305819844	94352841	400172685	100.00	0.00

(ii) Shareholding of promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of shares	'% of total shares of the company	'% of shares pledged / encumbered to total shares	No of shares	'% of total shares of the company	'% of shares pledged / encumbered to total shares	'% change in shareholding during the year
1	HARROW INVESTMENT HOLDING LIMITED	32777599	8.20	0.00	0	0.00	0.00	-8.20

(iii) Change in Promoters' Shareholding

Sl No	Name of the Share holder		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
1	HARROW INVESTMENT HOLDING LIMITED					
	At the beginning of the year 01-Apr-2017		32777599	8.20	32777599	8.20
	Changes during the Year					
	Date of Change	Reason				
	07-Jul-2017	Sale	-32777599	8.20	0	0.00
	At the end of the Year 31-Mar-2018		0	0.00	0	0.00

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name of the Share holder		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
1	SYNNEX MAURITIUS LTD					
	At the beginning of the year 01-Apr-2017		94295940	23.58	94295940	23.58
	At the end of the Year 31-Mar-2018		94295940	23.56	94295940	23.56
2	MARINA IV (SINGAPORE) PTE.LTD.					
	At the beginning of the year 01-Apr-2017		39425695	9.86	39425695	9.86
	At the end of the Year 31-Mar-2018		39425695	9.85	39425695	9.85
3	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED					
	At the beginning of the year 01-Apr-2017		32127638	8.03	32127638	8.03
	Changes during the year					
	Date of Change	Reason				
	21-Apr-2017	Sale	-12504	0.00	32115134	8.03
	09-Jun-2017	Sale	-179549	0.04	31935585	7.98
	16-Jun-2017	Sale	-90369	0.02	31845216	7.96
	23-Jun-2017	Sale	-52820	0.01	31792396	7.94
	18-Aug-2017	Sale	-308086	0.08	31484310	7.87
	01-Sep-2017	Sale	-1567128	0.39	29917182	7.48
	08-Sep-2017	Purchase	+557	0.00	29917739	7.48
	22-Sep-2017	Sale	-2397	0.00	29915342	7.48
	29-Sep-2017	Sale	-173935	0.04	29741407	7.43
	20-Oct-2017	Sale	-5378	0.00	29736029	7.43
	27-Oct-2017	Sale	-169289	0.04	29566740	7.39
	31-Oct-2017	Sale	-168038	0.04	29398702	7.35
	03-Nov-2017	Sale	-112052	0.03	29286650	7.32
	10-Nov-2017	Sale	-40894	0.01	29245756	7.31
	17-Nov-2017	Sale	-712	0.00	29245044	7.31
	01-Dec-2017	Sale	-83681	0.02	29161363	7.29
	08-Dec-2017	Sale	-45024	0.01	29116339	7.28
	15-Dec-2017	Sale	-66685	0.02	29049654	7.26
	22-Dec-2017	Sale	-96582	0.02	28953072	7.24
	29-Dec-2017	Sale	-40495	0.01	28912577	7.23
	05-Jan-2018	Sale	-113175	0.03	28799402	7.20
	12-Jan-2018	Sale	-711222	0.18	28088180	7.02
	19-Jan-2018	Purchase	+1569408	0.39	29657588	7.41
	25-Jan-2018	Sale	-10715	0.00	29646873	7.41
	09-Feb-2018	Sale	-884968	0.22	28761905	7.19
	16-Feb-2018	Sale	-491393	0.12	28270512	7.06
	23-Feb-2018	Sale	-399648	0.10	27870864	6.96
	02-Mar-2018	Sale	-2370	0.00	27868494	6.96
	09-Mar-2018	Purchase	+47990	0.01	27916484	6.98
	16-Mar-2018	Purchase	+3790	0.00	27920274	6.98
	23-Mar-2018	Purchase	+17626	0.00	27937900	6.98
	30-Mar-2018	Purchase	+136885	0.03	28074785	7.02
	At the end of the Year 31-Mar-2018		28074785	7.02	28074785	7.02
4 (a)	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND					
	At the beginning of the year 01-Apr-2017		16603700	4.15	16603700	4.15
	Changes during the year					
	Date of Change	Reason				
	28-Apr-2017	Purchase	+867000	0.22	17470700	4.37
	05-May-2017	Purchase	+20600	0.01	17491300	4.37
	12-May-2017	Purchase	+21000	0.01	17512300	4.38

Sl No	Name of the Share holder	Shareholding at the beginning of the year: No of shares	Shareholding at the beginning of the year: % of total shares of the company	Cumulative Shareholding during the year: No of shares	Cumulative Shareholding during the year: % of total shares of the company
	26-May-2017 Purchase	+485000	0.12	17997300	4.50
	30-Jun-2017 Purchase	+70000	0.02	18067300	4.51
	07-Jul-2017 Purchase	+200000	0.05	18267300	4.56
	03-Nov-2017 Purchase	+300000	0.07	18567300	4.64
	19-Jan-2018 Purchase	+1000000	0.25	19567300	4.89
	09-Mar-2018 Sale	-1400000	0.35	18167300	4.54
	At the end of the Year 31-Mar-2018	18167300	4.54	18167300	4.54
4 (b)	HDFC TRUSTEE COMPANY LIMITED A/C HDFC BALANCED FUND				
	At the beginning of the year 01-Apr-2017	5958700	1.49	5958700	1.49
	Changes during the year				
	Date of Change **Reason**				
	12-May-2017 Purchase	+39300	0.01	5998000	1.50
	07-Jul-2017 Purchase	+400000	0.10	6398000	1.60
	14-Jul-2017 Purchase	+267000	0.07	6665000	1.67
	21-Jul-2017 Purchase	+417000	0.10	7082000	1.77
	28-Jul-2017 Purchase	+81000	0.02	7163000	1.79
	18-Aug-2017 Purchase	+207000	0.05	7370000	1.84
	25-Aug-2017 Purchase	+378200	0.09	7748200	1.94
	29-Sep-2017 Purchase	+60302	0.02	7808502	1.95
	05-Jan-2018 Purchase	+500000	0.12	8308502	2.08
	At the end of the Year 31-Mar-2018	8308502	2.08	8308502	2.08
4 (c)	HDFC TRUSTEE COMPANY LTD - HDFC LONG TERM ADVANTAGE FUND				
	At the beginning of the year 01-Apr-2017	2000000	0.50	2000000	0.50
	At the end of the Year 31-Mar-2018	2000000	0.50	2000000	0.50
4 (d)	HDFC SMALL CAP FUND				
	At the beginning of the year 01-Apr-2017	1750000	0.44	1750000	0.44
	Changes during the year				
	Date of Change **Reason**				
	15-Dec-2017 Purchase	+100000	0.02	1850000	0.46
	22-Dec-2017 Purchase	+200000	0.05	2050000	0.51
	05-Jan-2018 Purchase	+483000	0.12	2533000	0.63
	12-Jan-2018 Purchase	+600000	0.15	3133000	0.78
	19-Jan-2018 Purchase	+600000	0.15	3733000	0.93
	25-Jan-2018 Purchase	+200000	0.05	3933000	0.98

Sl No	Name of the Share holder	Shareholding at the beginning of the year: No of shares	Shareholding at the beginning of the year: % of total shares of the company	Cumulative Shareholding during the year: No of shares	Cumulative Shareholding during the year: % of total shares of the company
	09-Feb-2018 Purchase	+367000	0.09	4300000	1.07
	23-Feb-2018 Purchase	+580000	0.14	4880000	1.22
	02-Mar-2018 Purchase	+120000	0.03	5000000	1.25
	09-Mar-2018 Purchase	+1400000	0.35	6400000	1.60
	16-Mar-2018 Purchase	+40000	0.01	6440000	1.61
	At the end of the Year 31-Mar-2018	6440000	1.61	6440000	1.61
4 (e)	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-EQUITY PLAN				
	At the beginning of the year 01-Apr-2017	210000	0.05	210000	0.05
	Changes during the year				
	Date of Change **Reason**				
	29-Dec-2017 Purchase	+6000	0.00	216000	0.05
	09-Feb-2018 Purchase	+200000	0.05	416000	0.10
	At the end of the Year 31-Mar-2018	416000	0.10	416000	0.10
4 (f)	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-EQUITY PLAN				
	At the beginning of the year 01-Apr-2017	87000	0.02	87000	0.02
	At the end of the Year 31-Mar-2018	87000	0.02	87000	0.02
4 (g)	HDFC TRUSTEE COMPANY LTD A/C- HDFC CHILDREN'SGIFT FUND- SAVINGS PLAN				
	At the beginning of the year 01-Apr-2017	40000	0.01	40000	0.01
	Changes during the year				
	Date of Change **Reason**				
	27-Oct-2017 Sale	-40000	0.01	0	0.00
	At the end of the Year 31-Mar-2018	0	0.00	0	0.00
5	FIDELITY PURITAN TRUST-FIDELITY LOW-PRICED STOCK FUND				
	At the beginning of the year 01-Apr-2017	14700000	3.68	14700000	3.68
	At the end of the Year 31-Mar-2018	14700000	3.67	14700000	3.67
6	FRANKLIN TEMPLETON INVESTMENT FUNDS				
	At the beginning of the year 01-Apr-2017	13277036	3.32	13277036	3.32

Sl No	Name of the Share holder	Shareholding at the beginning of the year: No of shares	Shareholding at the beginning of the year: % of total shares of the company	Cumulative Shareholding during the year: No of shares	Cumulative Shareholding during the year: % of total shares of the company
	Changes during the year				
	Date of Change **Reason**				
	28-Jul-2017 Purchase	+965879	0.24	14242915	3.56
	04-Aug-2017 Purchase	+171478	0.04	14414393	3.60
	11-Aug-2017 Purchase	+293479	0.07	14707872	3.68
	18-Aug-2017 Purchase	+68779	0.02	14776651	3.69
	25-Aug-2017 Purchase	+442913	0.11	15219564	3.80
	01-Sep-2017 Purchase	+304768	0.08	15524332	3.88
	17-Nov-2017 Sale	-94100	0.02	15430232	3.86
	24-Nov-2017 Sale	-39497	0.01	15390735	3.85
	01-Dec-2017 Sale	-80998	0.02	15309737	3.83
	08-Dec-2017 Sale	-125744	0.03	15183993	3.79
	15-Dec-2017 Sale	-137450	0.03	15046543	3.76
	22-Dec-2017 Sale	-18061	0.00	15028482	3.76
	05-Jan-2018 Sale	-276267	0.07	14752215	3.69
	12-Jan-2018 Sale	-218716	0.05	14533499	3.63
	09-Feb-2018 Purchase	+1200221	0.30	15733720	3.93
	16-Feb-2018 Purchase	+51645	0.01	15785365	3.94
	23-Feb-2018 Purchase	+25588	0.01	15810953	3.95
	02-Mar-2018 Purchase	+273879	0.07	16084832	4.02
	09-Mar-2018 Purchase	+1841864	0.46	17926696	4.48
	At the end of the Year 31-Mar-2018	17926696	4.48	17926696	4.48
7	FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS - FIAM EMERGING MARKETS COMMINGLED POOL				
	At the beginning of the year 01-Apr-2017	12000804	3.00	12000804	3.00
	Changes during the year				
	Date of Change **Reason**				
	22-Sep-2017 Sale	-332870	0.08	11667934	2.92
	29-Sep-2017 Purchase	+305197	0.08	11973131	2.99
	06-Oct-2017 Purchase	+27673	0.01	12000804	3.00
	02-Mar-2018 Purchase	+16582	0.00	12017386	3.00
	09-Mar-2018 Purchase	+373769	0.09	12391155	3.10
	At the end of the Year 31-Mar-2018	12391155	3.10	12391155	3.10
8	STANDARD CHARTERED PRIVATE EQUITY (MAURITIUS)III LIMITED				
	At the beginning of the year 01-Apr-2017	9849700	2.46	9849700	2.46
	At the end of the Year 31-Mar-2018	9849700	2.4613	9849700	2.46

Sl No	Name of the Share holder	Shareholding at the beginning of the year: No of shares	Shareholding at the beginning of the year: % of total shares of the company	Cumulative Shareholding during the year: No of shares	Cumulative Shareholding during the year: % of total shares of the company
9	STANDARD CHARTERED PRIVATE EQUITY (MAURITIUS)LIMITED				
	At the beginning of the year 01-Apr-2017	7767867	1.9427	7767867	1.9427
	At the end of the Year 31-Mar-2018	7767867	1.9411	7767867	1.9411
10 (a)	SBI MAGNUM GLOBAL FUND$				
	At the beginning of the year 01-Apr-2017	7000000	1.75	7000000	1.75
	Changes during the year				
	Date of Change **Reason**				
	07-Jul-2017 Sale	-1900000	0.47	5100000	1.27
	25-Aug-2017 Sale	-656449	0.16	4443551	1.11
	01-Sep-2017 Sale	-43551	0.01	4400000	1.10
	At the end of the Year 31-Mar-2018	4400000	1.10	4400000	1.10
10 (b)	SBI CONTRA FUND$				
	At the beginning of the year 01-Apr-2017	4000000	1.00	4000000	1.00
	Changes during the year				
	Date of Change **Reason**				
	09-Jun-2017 Sale	-151527	0.04	3848473	0.96
	16-Jun-2017 Sale	-63419	0.02	3785054	0.95
	23-Jun-2017 Sale	-66716	0.02	3718338	0.93
	30-Jun-2017 Sale	-400000	0.10	3318338	0.83
	07-Jul-2017 Sale	-3318338	0.83	0	0.00
	At the end of the Year 31-Mar-2018	0	0.00	0	0.00
10 (c)	SBI MAGNUM BALANCED FUND$				
	At the beginning of the year 01-Apr-2017	3899063	0.98	3899063	0.98
	Changes during the year				
	Date of Change **Reason**				
	21-Jul-2017 Sale	-608498	0.15	3290565	0.82
	28-Jul-2017 Sale	-2715636	0.68	574929	0.14
	04-Aug-2017 Sale	-21137	0.01	553792	0.14
	08-Sep-2017 Sale	-553792	0.14	0	0.00
	At the end of the Year 31-Mar-2018	0	0.00	0	0.00

Sl No	Name of the Share holder	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
10 (d)	SBI TAX ADVANTAGE FUND SERIES I$				
	At the beginning of the year 01-Apr-2017	174774	0.04	174774	0.04
	Changes during the year				
	Date of Change / Reason				
	05-May-2017 Sale	-65189	0.02	109585	0.03
	12-May-2017 Sale	-39124	0.01	70461	0.02
	19-May-2017 Sale	-9529	0.00	60932	0.02
	14-Jul-2017 Sale	-60932	0.02	0	0.00
	At the end of the Year 31-Mar-2018	0	0.00	0	0.00
11	GOVERNMENT PENSION FUND GLOBAL@				
	At the beginning of the year 01-Apr-2017	0	0	0	0
	Changes during the year				
	Date of Change / Reason				
	14-July-2017 Purchase	+11950000	2.99	11950000	2.99
	12-Jan-2018 Purchase	+207197	0.05	12157197	3.04
	19-Jan-2018 Purchase	+72982	0.02	12230179	3.06
	25-Jan-2018 Purchase	+45701	0.01	12275880	3.07
	02-Feb-2018 Purchase	+16150	0.00	12292030	3.07
	At the end of the Year 31-Mar-2018	12292030	3.07	12292030	3.07

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 Top 10 Shareholders during the year

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name of the Share holder	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
1	Mr. Raj Shankar (Managing Director)				
	At the beginning of the year 01-Apr-2017	594946	0.15	594946	0.15
	At the end of the Year 31-Mar-2018	594946	0.15	594946	0.15
2	Mr. Kasturi Rangan E H (Whole-Time Director)				
	At the beginning of the year 01-Apr-2017	10050	0.00	10050	0.00
	At the end of the Year 31-Mar-2018	10050	0.00	10050	0.00
3	Prof. J Ramachandran (Independent Director)				
	At the beginning of the year 01-Apr-2017	5000	0.00	5000	0.00
	At the end of the Year 31-Mar-2018	5000	0.00	5000	0.00
4	Mr. S. V. Krishnan (Chief Financial Officer)				
	At the beginning of the year 01-Apr-2017	53633	0.01	53633	0.01
	At the end of the Year 31-Mar-2018	53633	0.01	53633	0.01
5	Mr. M. Muthukumarasamy (Company Secretary)				
	At the beginning of the year 01-Apr-2017	36805	0.01	36805	0.01
	At the end of the Year 31-Mar-2018	36805	0.01	36805	0.01

V. INDEBTEDNESS

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

(₹ In Crores)

Details	Secured Loans excluding Deposits	UnSecured Loans	Deposits	Total Indebtedness
***Indebtedness at the beginning of the financial year**				
i) Principal Amount	400.47	306.82	-	707.29
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.04	0.12	-	1.16
Total (i+ii+iii)	**401.51**	**306.94**	**-**	**708.45**
Change in Indebtedness during the financial year (Principal Amount)				
Addition	2,689.43	9,404.00	-	12,093.43
Reduction	(2,610.74)	(9,423.71)	-	(12,034.45)
Net Change	**78.69**	**(19.71)**	**-**	**58.98**
Indebtedness at the end of the financial year				
i) Principal Amount	479.16	287.11	-	766.27
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.72	1.21	-	3.93
Total (i+ii+iii)	**481.88**	**288.32**	**-**	**770.20**

*Includes the **Indebtedness details of Cadensworth (India) Limited, which was merged with the Company during the financial year 2017-18.**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakhs)

Particulars of remuneration	Mr. E.H. Kasturi Rangan Whole Time Director
Gross Salary	
• Salary as per provisions contained in Section 17(1) Income Tax Act 1961	93.38
• Value of Perquisites u/s 17(2) Income Tax Act 1961	0.26
• Profits in lieu of salary as per Income Tax Act 1961	-
Stock Option	-
Sweat Equity	-
Commission	-
– as % of profit	-
– others, specify ...	-
Others, please specify	-
Total Managerial Remuneration (A)	**93.64**
Ceiling as per the Act (being 10% of Net Profits of the Company as calculated as under Section 198 of the Companies Act 2013)	**2,781.81**
Stock Appreciation Rights granted (in Nos.)	**145,000**

B. REMUNERATION TO OTHER DIRECTORS EARNED DURING THE YEAR*

(₹ In Lakhs)

Particulars of Remuneration	Independent Directors				Total Amount	Non-executive Director	Total Amount
Name of Directors	Prof. J. Ramachandran	Mr. V.S. Hariharan	Mr. Keith WF Bradley	Ms. Suchitra Rajagopalan	(1)	B. Ramaratnam	(2)
Fees for attending Board/ Committee Meetings	6.65	5.25	4.15	0.75	16.80	4.20	4.20
Commissions	25.00	23.00	23.00	0.00	71.00	23.00	23.00
Others, Please Specify	-	-	-	-	-	-	-
Total	31.65	28.25	27.15	0.75	87.80	27.20	27.20
Total (1 + 2) = (B)							115.00
Ceiling as per the Act (being 1% of Net Profits of the Company as calculated as under Section 198 of the Companies Act 2013)							278.18
Total (A + B)							208.64
Overall Ceiling as per the Act (being 11% of Net Profits of the Company as calculated as under Section 198 of the Companies Act 2013)							3059.99

* Commission entitled for FY 2017-18 is considered.

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

(₹ In Lakhs)

Particulars of remuneration	Mr. S.V. Krishnan Chief Financial Officer	Mr. M. Muthukumarasamy Company Secretary
Gross Salary		
• Salary as per provisions contained in Section 17(1) Income Tax Act 1961	79.89	33.58
• Value of Perquisites u/s 17(2) Income Tax Act 1961	0.14	-
• Profits in lieu of salary as per Income Tax Act 1961	-	-
Stock Option	-	-
Sweat Equity	-	-
Commission	-	-
– as % of profit		
– others, specify...		
Others, please specify	-	-
Total	80.03	33.58
Ceiling as per the Act	Not applicable	Not applicable
Stock Appreciation Rights granted (in Nos.)	126,000	46,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

ANNEXURE J

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 contracts/arrangements/transactions with its related parties which are not in ordinary course of business or at arm's length during FY 2017-18.

   a) Name(s) of the related party and nature of relationship: Not Applicable
   b) Nature of contracts / arrangements / transactions: Not Applicable
   c) Duration of the contracts / arrangements / transactions: Not Applicable
   d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
   e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
   f) Date(s) of approval by the Board: Not Applicable
   g) Amount paid as advances, if any: Not Applicable
   h) 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 arrangements or transactions at arm's length basis:

   a) Name(s) of the related party and nature of relationship: Not Applicable
   b) Nature of contracts / arrangements / transactions: Not Applicable
   c) Duration of the contracts / arrangements / transactions: Not Applicable
   d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
   e) Date(s) of approval by the Board, if any: Not Applicable
   f) 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

Place : Chennai
Date : May 21, 2018

J. Ramachandran
Chairman

ANNEXURE K: POLICY ON DIVIDEND DISTRIBUTION

Purpose

The Company's dividend policy is to increase the shareholders' return by way of declaring increased dividends, considering two primary factors i.e Earnings and the financial needs of the Company

This policy is drafted in Compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The parameters set out in the policy are applicable for declaration of both Interim Dividend and Final Dividend.

Process for declaration and distribution of Dividend

The Board of Directors recommend/declare dividend as per the provisions of Companies Act, 2013. Interim Dividend will be paid on declaration of the same by the Board and the final dividend will be paid on the approval of shareholders at the Annual General Meeting. The company pays the dividend within 30 days of approval of shareholders / declaration by the Board.

Parameters to be considered for declaration of Dividend

1) Financial Parameters

   a. Quantum of Standalone and Consolidated Net Profits
   b. An Acceptable debt level and debt to equity ratio
   c. Adequate Cash flow

2) Internal and external factors

   a) Budget and forecast of future – Plans for any fund requirements eg., investment in new business verticals, expansion of business to new areas, Mergers & Acquisitions and downstream investment etc.
   b) Liquidity Position – If the Company has negative cash flow on year to date basis then the Company may choose to declare dividend or not.
   c) Business and Regulatory contingencies – If the Company expects any liabilities including statutory liabilities, non performance of business verticals, then company need to save cash instead of paying out as dividend.

The Company may utilize its Retained earnings after paying dividends for building strong reserves for future expansion plans and for contingencies.

The Company has only a single class of shares (Equity) and this policy shall be applicable only in this respect.

This Policy is subject to regulations such as the Companies Act, 2013, the Listing Regulations, 2015 and other provisions that govern the declaration and distribution of dividend applicable to the Company and shall stand amended in line with any regulatory amendments, modifications as the case maybe.

The Company, from time to time will declare the changes and rationale for changes on its website and the Annual Report as and when applicable.

Business Responsibility Report

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L52599TN1961PLC028758
2.	Name of the Company	Redington (India) Limited
3.	Registered address	SPL Guindy House, 95, Mount Road, Chennai 600032
4.	Website	www.redingtonindia.com
5.	E-mail id	investors@redington.co.in
6.	Financial Year reported	2017-18
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Wholesale of machinery, equipment and supplies 465 as per NIC 2008
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Wholesale distribution of Technology Products
9.	Total number of locations where business activity is undertaken by the Company	
	Number of International Locations (Provide details of major 5) -	25 Countries. Major 5 being UAE, Saudi Arabia, Turkey, Kenya and Nigeria.
	Number of National Locations -	49 Sales Offices, 43 Service Centres and 180 Warehouses
10.	Markets served by the Company	India, Middle East, Turkey, Commonwealth of Independent States (CIS) and South Asia.

Section B: Financial Details of the Company

(₹ In Crore)

1.	Paid up Capital	80.03
2.	Total Turnover	15,262.58
3.	Total profit after taxes	183.92
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	3.13

5. List of activities in which expenditure in 4 above has been incurred:-

Sr. No	Sector in which the project is covered	CSR Project or activity identified
1	Education	Employability Skill training, Training to differently - abled, Sponsorship to educational institutions and needy students.
2	Preventive Healthcare	Immunization in public areas

The details of expenditure can be accessed in the CSR report which is annexed to the Board's Report.

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	The Company has sixty one subsidiaries as on March 31, 2018.Out of these, in India the company has two wholly owned subsidiaries namely, ProConnect Supply Chain Solutions Limited and Ensure Support Services (India) Limited and one step down subsidiary in the name of Rajprotim Supply Chain Solutions Limited.
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Company's two Direct Indian Subsidiaries namely viz., ProConnect Supply Chain Solutions Limited and Ensure Support Services (India) Limited have adopted the applicable BR principles as prescribed by SEBI. The foreign subsidiaries comply with the requirements of their respective countries.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	The Company has long lasting relationships with its suppliers & dealers who support the BR initiatives of the Company. Our business partners take part in their independent BR initiatives.

Section D: BR Information

1 a)	Details of Director/Directors responsible for BR Policy/Policies	
	DIN Number	07525213
	Name	Mr B. Ramaratnam
	Designation	Non-Executive Director
1 b)	Details of the BR head	
	DIN Number (If applicable)	01814089
	Name	Mr. E. H. Kasturi Rangan
	Designation	Whole - Time Director
	Telephone Number	044-42243353
	e-mail id	kasturi.rangan@redington.co.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The spirit and intent of the Company's BR policies conform to the National Voluntary Guidelines issued by the Ministry of Corporate Affairs								
4.	Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://redingtonindia.com/images/BRRpolicies.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies[1]?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

[1]The Company has an email and helpline facility for its external stakeholders to raise ethical issues and grievances; Email: ethics.helpline@redington.co.in; Helpline: 1800-300-12333

3. **Governance related to BR**

(a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The Board has designated a Non-Executive Director, Mr. B. Ramaratnam for reviewing the status of Business Responsibility initiatives of the Company with the support of the BR head Mr. E.H. Kasturi Rangan, who is the Whole-Time Director.

The Audit Committee of the Board is responsible for assessing the BR performance of the Company. The assessment is carried out on an annual basis by the Audit Committee.

In addition to the above, the Board has constituted a Corporate Social Responsibility Committee, which oversees the strategy and progress of the CSR initiatives undertaken.

(b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes. The Company had published its maiden Business Responsibility Report last year. It publishes the Business Responsibility Report Annually. Hyperlink to access the previous year's report is as follows: https://redingtonindia.com/investor/pdf/RedingtonAR2016-17.pdf The Company is not mandated to publish a Sustainability Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

The Company has a well-defined Anti-Corruption Policy which comprehensively covers issues relating to Anti-Bribery and corruption.

In addition to the above, the Policy on Code of business conduct and ethics addresses issues relating to Ethics, Transparency and Accountability which extends to Directors and employees of the Company and its Indian subsidiary companies.

The Policies cover dealings with suppliers, customers and other business partners and stakeholders.

The Company encourages parties associated with its value chain like vendors, suppliers, contractors, etc. to follow the principles envisaged in the policy.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

There was one Complaint received from a shareholder of the Company during the financial year 2017-18 in connection with non-receipt of Special Interim Dividend. The shareholder was immediately clarified with necessary proofs that the said dividend was already credited to his relevant Bank Account. Subsequently, the compliant was duly closed.

The Company has different mechanisms for receiving and dealing with complaints from other stakeholders like Customers, Employees, Suppliers, etc.

Stakeholder Complaints			
	No. of complaints received during the Year	No. of Complaints resolved during the year	% of complaints resolved
Investor Complaints	1	1	100

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company is into the business of distribution of technology products and its subsidiaries offer warehousing, logistics and after sales service. Further the company does not distribute any hazardous products which are harmful to the environment. The products distributed are ROHS (Reduction of hazardous substances) compliant.

While the products being distributed by the Company are not hazardous to the environment or society, the waste generated thereof, if not properly disposed or recycled, may damage the environment to the extent it is exposed. Hence, the Company is channelizing the e-waste generated through authorized recyclers as specified under the regulations.

A subsidiary of the Company, Ensure Support Services (India) Limited (Ensure) has a business vertical with the objective of responsible disposal of electronic waste. It also works on the principle of Reduce, Re-use and Re-cycle electronic parts.

The Company is also engaged in the distribution of Solar panels. This has made a significant impact on the savings of non-renewable energy sources by utilizing clean and pure energy from the sun and reducing carbon foot print.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

(a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

The Company and its subsidiaries are not into the activity of manufacturing or production, hence the scope of usage of natural resources like water, electricity are limited. The following measures are taken to further improve the usage efficiency of the said resources.

1. Establishments of the Company have rain water harvesting system installed.
2. Active harmonic filters have been installed at the Corporate office which helps in judicious use of electricity thereby reducing consumption of non-renewable energy sources.
3. Scope of usage of water is limited to consumption and usage by the employees.

The Company makes use of the specialized warehousing and logistics services of its Wholly Owned subsidiary ProConnect Supply Chain Solutions Limited (ProConnect) for transportation of goods. This has resulted in optimum usage of resources through planned transportation and load consolidation.

ProConnect, which provides Warehousing and Logistics Solutions for the Company and other Third party clients includes following measures in its operations in order to efficiently make use of its resources;

1. Handheld terminals (HHT), which are digital communicating devices are used for paperless operation. This reduces the consumption of paper and in turn reduces deforestation.
2. Warehouses are designed in such a way that it utilizes natural light instead of artificial lighting resulting in conservation of energy.
3. Instead of diesel Fork lift, battery operated Material handling equipment are used which reduces carbon emission, thereby reducing pollution.
4. Rain water harvesting systems and water treatment plants have been installed in its warehouses resulting in conservation of water.
5. Stock transfers are planned efficiently to move through appropriate medium thereby minimizing carbon foot print.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Since the Company is in the distribution business and is not involved in production/manufacturing activities, the Company consumes minimal level of water and energy. The core operations of the Company are not dependent on usage of water or other natural resources.

To ensure minimal carbon footprint, the Company has incorporated environmental friendly installations such as energy efficient equipment in its office premises.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details there of, in about 50 words or so.

The Company is in the distribution business and is not involved in production/manufacturing activities, hence it is not required to source any raw materials.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes.

The Company's subsidiary, ProConnect makes use of local resources for its packing and logistics operations. Further, ProConnect procures packing materials from local and small producers enabling growth of small players in the market.

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company, uses the services of micro and small service providers also. They are required to meet the standards set by the company thereby improving their capabilities and efficiencies.

Further, ProConnect has a quality policy in place, which sets out the minimum standards that need to be maintained by its business partners. This in turn encourages them to strive for better standards.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company is in the distribution business and is not involved in production/manufacturing activities, hence it is not required to source any raw materials.

Under the extended producer responsibility bestowed on the Company by Central Pollution Control Board (CPCB) the Company has achieved safe disposal of e-waste as stipulated by the Board.

The Company has taken cognizance of the fact that its primary source of waste generation is E-waste hence deep emphasis is given to safe handling of the same by taking focused efforts towards management of E-waste in line with Global Standards.

At the Corporate Office, the Company has arranged for bifurcation of Plastic and Non-plastic waste to demonstrate the responsibility of the company towards the environment.

Principle 3 - Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees.

Total number of employees of the Company as on March 31, 2018 is 1,774.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

128 employees.

3. Please indicate the Number of permanent women employees.

Total number of women employees of the Company as on March 31, 2018 is 432.

4. Please indicate the Number of permanent employees with disabilities

None, as of now.

The Company conducted awareness sessions to its employees, spreading the message of inclusiveness of persons with disabilities in the society.

5. Do you have an employee association that is recognized by the management?

The Company respects right to freedom of association, participation, collective bargaining and provides access to appropriate grievance redressal mechanism.

Presently, the Company does not have any employee association. However, the employees are not discouraged from forming associations.

6. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

The Company has always advocated a business environment that favours the concept of equal employment opportunities for all, without any discrimination with respect to caste, creed, gender, race, religion, disability or sexual orientation. It provides a workplace environment that is safe, hygienic, humane and which upholds the dignity of its employees.

Child labour, forced labour, and involuntary labour are prohibited in the workplace as stated in the Company's Code of Conduct. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder.

The Company did not receive any complaints relating to child labour, forced labour, involuntary labour or sexual harassment from the employees of the Company during the last financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees - 66 % (approx.)

The Company has instituted a Learning & Development division which continuously works for the enrichment of its employees.

As the warehouses of the Company are managed by ProConnect, safety drills and training with regard to warehouse operations are provided periodically. Employees at the corporate office have been given with necessary safety trainings.

At ProConnect, several Soft Skill training programs were conducted during the year. Approximately 33% of the workforce were provided training on the overall enhancement of their personality. Further Self-defense training was also imparted to women employees on the occasion of Women's day, 2018.

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes

Following are the stakeholders identified by the company

- Employees
- Investors / Shareholders
- Vendors
- Customers
- Government
- Local Communities
- Banks

The Company engages with the identified stakeholders on a constant basis through various modes

Stakeholders	Engagement Mode
Investors	Analyst meet
	Periodical Reports
	Periodical meetings with existing & potential investors
	Quarterly Investor Connect programmes
	Annual General Meeting
Government / Regulatory Authorities	Reporting / Filings
	Submissions / Applications
Vendors	Vendor Partner meets
	Vendor Review Meeting
	Mailers / Brochures
Customers	Periodical meets / Reviews
	Mailers / Brochures
	Personal visits / Interviews
	Satisfaction surveys
Employees	Town Hall Meeting
	Mailers
	Events during special occasions
	Satisfaction surveys
	Intranet
Local Community (Through CSR foundation)	Local Community meetings
	Mailers / Brochures
	Meeting with Associations / NGOs
Bankers	Periodical Meetings
	Periodical reports

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   All the stakeholders of the Company in its business value chain are equally significant and no one is considered as disadvantaged, vulnerable and marginalized.

   Under the Company's Corporate Social Responsibility initiatives, disadvantaged, vulnerable & marginalized sections of society are identified as beneficiaries and activities are undertaken to uplift them.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company through its CSR trust, Foundation for CSR @ Redington, undertakes and has rolled out several programmes and projects designed to benefit marginalized sections of the society such as

   - Financially challenged youth/institutions
   - Socially challenged
   - Physically and mentally challenged (Differently abled people)

   The initiatives taken by the Company include enhancing employability skills, training and developing entrepreneurship skills etc.,

   The Foundation also undertakes livelihood support programmes concentrating on developing entrepreneurship skills to women and the physically and mentally challenged thus helping them to become independent and gain a steady source of income.

   Participating in the "New wings" project, the foundation supported sanitary workers with meaningful trainings such as Montessori teacher training and solar panel repairing.

Principle 5 - Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The policy of the company on human rights is applicable to the Company, its subsidiaries, vendors and channel partners.

   The Company remains committed to respect and protect human rights. The Company's code of conduct and the human resource practices cover most of these aspects. The Company never discriminates between its employees.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company did not receive any complaints in the area of human right violation from its external and internal stakeholders.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The policy on environment covers the Company and its subsidiaries.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change,global warming, etc.? Y/N. If yes, please give hyperlink for web page etc.**

   As stated earlier in this report, the Company and its subsidiaries are not involved in manufacture and do not source any raw materials. Being only a distributor of electronic products, E-waste arising out of such products, is the only manner by which the operations of the Company impact the environment.

   The Company has taken cognizance of this environmental impact and has made arrangements for ensuring safe handling of such waste.

   The Company as a part of its Extended Producer Responsibility under the E-waste Regulations has made elaborate awareness programmes to the public enabling reduction of improper disposal of E-waste, which is now identified as a global environmental issue.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, the Company has identified the risks involved in the generation of e-waste by the electronic products distributed by the Company as a potential environmental risk and the same is mitigated by managing and disposing such waste in an environmental friendly manner.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   No. Usage of energy is minimal as the Company does not fall under energy-intensive sector.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Not Applicable. The company does not emit/generate any effluents/pollutants.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Nil.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company and its subsidiaries are associated with industry bodies and associations like Technology Distributors Association of India (TDAI), Madras Chamber of Commerce and Industry, EFSI (Employee Federation of Southern India) and Madras Management Association.

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms,**

Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

As indicated the Company, not only took efforts to prepare itself for the new GST regime but also helped other members of the industry, including its partners, in their preparedness.

Principle 8 - Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes. The Company has a specified agenda framed to implement various corporate social responsibility activities towards the betterment of society. The activities are implemented through Foundation for CSR @ Redington as part of social activities under Corporate Social Responsibility. Ensure Support Services (India) Limited and ProConnect Supply Chain Solutions Limited, the wholly owned subsidiaries of the Company are also involved in the social initiatives by way of contributing funds to the Foundation for carrying out activities prescribed under their CSR policy of the Company. In addition to the above, employees of the Company and its subsidiaries, participate actively in the CSR initiatives of the Company. Approximately 500 employees participated in the various CSR programmes of the Company.

   The details of programmes / initiatives / projects are available vide the link : http://www.redingtonfoundation.org/

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   The projects are undertaken through "Foundation for CSR @ Redington", a trust constituted by the Company for undertaking CSR projects of the company and its Indian subsidiaries.

3. **Have you done any impact assessment of your initiative?**

   The impact assessment of the initiatives was carried out by an In-house Team of the foundation and by an external expert. This was reviewed by the Corporate Social Responsibility Committee of the Board of Directors.

   For instance, the impact assessment of the project on imparting employability skills is carried out by determining the number of students who successfully gained employment post the project completion.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The amount contributed towards CSR activities by the Company and its subsidiaries during the Financial Year 2017-18 is as follows;

   Redington (India) Limited – ₹ 5.74 Crore

   ProConnect Supply Chain Solutions Limited- ₹ 0.36 Crore

   Ensure Support Services (India) Limited-₹ 0.17 Crore

   The detailed project wise expenditure is given in the Annual Report on CSR activities annexed to the Board's report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Community development programmes of the Company are focused to create economic well-being of people in rural areas by providing better infrastructural facilities, amenities, sustainable management etc. through projects such as Rural Development Programme.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   29%. These are being addressed. The comparative previous year figure was 39%.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

   The goods procured locally does not require any product labeling by the Company, whereas the goods imported will contain the label affixed by the company with requisite information as required under Packaged Commodities Rules 2011.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   No such instances were filed by any stakeholder during the last five years.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   The Company regularly meets its channel partners and vendors to enhance the service of its offerings.

   The Company is the sole distributor of HP Indigo Printers and every year HP conducts a Total Customer Experience Survey (TCE) on HP Indigo Customers. The survey is being conducted through an online link sent directly by HP. It includes questions on the supplies and support on various parameters including back office support. Redington being the exclusive Service Provider facilitates the participation of the customers in the survey.

   The Results of the survey indicated 87% of satisfied customers for the current year as compared to 81% for the previous year. Based on the survey results of the previous year, the company had taken focused steps and achieved an improvement of 6%. Company continues to strive for more satisfied customer.

   Ensure Support Services (India) Limited, subsidiary of the Company that directly interacts with customers has a formalized mechanism for tracking customer satisfaction/ grievances called "Net Performance Score" (NPS).This year the Company had set a target Net Performance Score of 80% and achieved the same successfully. Every service receiver is surveyed, and his inputs are taken into the consideration for obtaining the score. Ensure Support Services (India) Limited constantly strives to better the scores.

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

"Decisions are the hardest moves to make especially when it is a choice between what you want and what is right."

Ethical way of doing business, giving preference to stakeholders' interest, creating trust and transparency and respecting the law of the land are the fundamentals for building a sustainable business, and this is what Redington stands for and practices.

Your Company's ethical way of doing business lays a strong foundation for growth and success. Transparency, accountability and integrity have been imbibed as a way of life in every employee of the organisation. Your Company endeavours to focus all its resources and strength in maximising stakeholder value and upholding the trust of all its stakeholders including the vendors, partners and employees. Your Company always aspires to implement the best corporate governance practices and move up the ladder to reach higher echelons of governance.

Rules are made for the benefit of the people, but the rule makers cannot envisage all possible situations that might surface. Instead of applying the rules blindly, the functionaries should apply them by looking into their appropriateness in the changing situations and with common sense. Your Company showcases the best compliance, by weaving through the spirit of law in all cases. It has developed the most flexible and adaptive environment leading to nimble and intact compliance of the statutory legislations in a precise manner.

This report sets out the Company's corporate governance processes and activities for the financial year 2017-18 with reference to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015).

2. BOARD OF DIRECTORS

The basic principle underlying the governance of a corporate entity is that the superintendence, control and direction of its business and affairs lie with its Board of Directors, with the executive management being delegated powers for smooth and efficient operational functioning.

Through a series of well-planned maneuver, the professional Board leads the management and guides them to effectively achieve the Company's objectives and fulfil the aspirations of the stakeholders. The Board of Directors have developed an ethical climate and a strong foundation inculcating effective governance practices in every process and throughout every constituent of the system. The Board exhibits sound leadership with an intellectual drive to see all possible opportunities through the vision of the Company.

To fulfill their ever-growing responsibility the Board needs to operate with a Professional mindset and guard its authority and independence zealously. An Optimized composition of the Board helps to ensure that it has the right mix of domain, demography, skill-sets and 'future ready' expertise, in addition to appropriate ethos, given the strategic context of the company.

From its inception, your Company has, de facto, been managed professionally with a Board having the right mix of Executive, Non-Executive and Independent Directors. At present, the Company has nine eminent Directors out of which there are three Independent Directors, four Non-Executive Directors and two Executive Directors.

The Board Meetings pave way for a healthy discussion between the Executive and Non-Executive Directors of the Company. The Board meetings held in every quarter serves to define the objectives of the next quarter. The schedule for the Board Meetings is decided in consultation with the Board and communicated well in advance to enable them to prepare for the discussion.

Though the dates of the Board Meeting are circulated in advance, the directors of the Company are residing at various parts of the world and it may not be possible for each one of them to be physically present. To enable all the directors to participate in the Board Meetings, the Company offers video conferencing facility to enable their participation. The agenda for Board Meetings include all matters as required to be placed under SEBI (LODR) Regulations, 2015, Companies Act, 2013 and Standards on Meetings of the Board of Directors issued by the Institute of Company Secretaries of India. The agenda is generally circulated seven days prior to the date of the Meetings and includes detailed notes on the items to be discussed to enable the Directors to take informed decisions.

At each Board Meeting, the Board reviews the action taken on the approvals given / decisions taken at the earlier Board Meetings. Apart from the detailed business information shared to the Board at its meeting, the management also shares material information, if any, on immediate basis to the Board of Directors.

During the Financial Year 2017-2018, five (5) Board Meetings were held on May 25, 2017, July 27, 2017, October 5, 2017, October 31, 2017, and February 1, 2018. The maximum time gap between any two meetings was less 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 January 31, 2018.

The Directors, at the time of their appointment, are provided with information about the Company, 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. The new Directors are briefed by senior executives of the Company on its operations. Existing directors are also periodically familiarized with the operations of the Company's subsidiaries in India and Overseas. 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 2017-18:

Name of Director	DIN	Category	No. of Board Meetings		Whether Attended Last AGM
			Held during tenure	Attended	
Prof. J. Ramachandran	00004593	Non-Executive Independent Chairman	5	5	Yes
Mr. Tu, Shu-Chyuan	02336015	Non-Executive Director	5	5	No
Mr. Lin Tai-Yang#	05110881	Non-Executive Director	4	4	No
Ms. Chen, Yi-Ju*	08031113	Non-Executive Director	1	1	NA
Mr. Udai Dhawan	03048040	Non-Executive Director	5	5	Yes
Mr. B. Ramaratnam	07525213	Non-Executive Director	5	4	Yes
Mr. V. S. Hariharan	05352003	Independent Director	5	5	Yes
Mr. Keith WF Bradley	06564581	Independent Director	5	5	Yes
Ms. Suchitra Rajagopalan#	07004299	Independent Director	2	1	No
Mr. Raj Shankar	00238790	Managing Director	5	5	Yes
Mr. E. H. Kasturi Rangan	01814089	Whole-Time Director	5	5	Yes

* Ms. Chen, Yi-Ju was appointed as an Additional Director (Non-Executive Nominee Director) on the Board with effect from December 26, 2017.

Ms. Suchitra Rajagopalan and Mr. Lin, Tai-Yang stepped down from the Board on September 28, 2017 and December 26, 2017 respectively.

Details of the Directorships and Membership/Chairmanship of Committees of each director in other Indian Public Companies as on March 31, 2018:

Name	Category	Directorship	Committees	
			Membership	Chairmanship
Prof. J. Ramachandran	Non-Executive Independent Chairman	5	4	1
Mr. Udai Dhawan	Non-Executive Director	3	2	0
Mr. V. S. Hariharan	Independent Director	1	0	0
Mr. E. H. Kasturi Rangan	Whole-Time Director	2	1	0

Notes:

1. 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 at any time during the year [as per Reg.26 (1) (a) of SEBI (LODR) Regulations, 2015].
2. 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

Your Board has constituted the following committees namely Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Strategy 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, CSR Committee and Strategy Committee meet at least twice a year; ESOP Compensation Committee and ESOP Share Allotment Committee meet on a need basis.

Except where a quorum has been prescribed by statute, the quorum for Committee meetings is either two members or one third of the total strength of the Committee, whichever is higher. The Chairman of each of the Committees provides an update on the deliberations and decisions taken during the meetings to the Board of Directors at the subsequent Board Meeting. Draft minutes of the Board and Committee meetings are circulated to the members for their comments and thereafter confirmed at the next meeting. The Board also takes note of the minutes of the Committee meetings held during the previous quarter.

(I) Audit Committee

The Company's Audit Committee consists of three Independent Directors namely Prof. J. Ramachandran, Mr. V.S. Hariharan and Mr. Keith W F Bradley and a Non- Executive Director, Mr. B. Ramaratnam. All the members of the Committee are financially literate. The Chief Financial Officer of the Company, Partners/ Representatives of the Statutory Auditors and the Internal Auditors are invited to attend the meetings of the Committee. Presentations are made by the audit firms on their findings as well as on various regulatory updates. To ensure Committee's effective performance, the Board has laid down the charter of the Audit Committee as given below. It encapsulates the requirements specified under Companies Act, 2013 and SEBI (LODR), Regulations, 2015 as amended from time to time and inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The terms of reference of the Committee are as follows:

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. evaluation of internal financial controls and risk management systems;
7. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
8. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
9. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   (a) matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   (b) major accounting entries involving estimates based on the exercise of judgment by management;
   (c) compliance with listing and other legal requirements relating to financial statements;
   (d) disclosure of any related party transactions;
10. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
11. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. reviewing the adequacy of internal audit function, if any, 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;
13. discussion with internal auditors of any significant findings and follow up there on;
14. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
15. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. to review the functioning of the whistle blower mechanism;
17. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
18. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

<u>Attendance record of Audit Committee:</u>

During FY 2017-18, the Audit Committee met four times - May 24, 2017, July 27, 2017, October 30, 2017 and January 31, 2018. The details of attendance of Audit Committee meetings are given below:

S.No.	Name of the Director	Category	Position	Held during tenure	Attended
1	Prof. J. Ramachandran	Independent Director	Chairman	4	4
2	Mr. V. S. Hariharan$	Independent Director	Member	3	3
3	Mr. B. Ramaratnam	Non - Executive Director	Member	4	4
4	Ms. Suchitra Rajagopalan*	Independent Director	Member	2	1
5	Mr. Keith W F Bradley#	Independent Director	Member	1	1

$ Co-opted as a member of the Committee from July 10, 2017

* Ceased to be a member on September 28, 2017

Co-opted as a member of the Committee from December 26, 2017

(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.

The terms of reference of the Committee are as follows:

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

The Committee consists of Mr. B. Ramaratnam Non-Executive Director, Mr. Udai Dhawan, Non-Executive Director and Mr. E.H. Kasturi Rangan, Whole-Time Director.

During the year, the Company had received one complaint from an investor relating to non-receipt of Special (Interim) Dividend. The Company had duly paid the dividend on time and requested the complainant to check his bank account and received a confirmation on the same from the investor and resolved immediately. The Company has a dedicated e-mail address: investors@redington.co.in for shareholders to communicate their grievances. No other complaints were received during the financial year.

Attendance record of Stakeholders' Relationship Committee:

During FY 2017-18, the Stakeholders' Relationship Committee met four times - May 25, 2017, July 27, 2017, October 31, 2017 and January 31, 2018. The details of attendance of Stakeholders' Relationship Committee meetings are given below:

S.No.	Name of the Director	Category	Position	Held during tenure	Attended
1	Mr. B. Ramaratnam	Non - Executive Director	Chairman	4	4
2	Mr. Udai Dhawan	Non - Executive Director	Member	4	4
3	Mr. E. H. Kasturi Rangan	Whole Time Director	Member	4	4

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

(III) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is entrusted with the responsibility of screening and selection process of new directors. The Committee has developed the criteria for appointment of Independent Directors, Non-Executive Directors and Executive Directors in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. A detailed policy on the appointment of Directors is enclosed as part of Board's Report. (Refer Part A - Annexure C). The Committee makes recommendation to the Board on the induction of new Directors. The Committee is also responsible for implementing the succession policy and also for monitoring orderly succession of Board and Senior Management

The committee comprises of three Independent Directors namely Mr. V.S. Hariharan, Prof. J. Ramachandran and Mr. Keith WF Bradley.

The terms of reference of the Committee are as follows:

- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Carrying out the performance evaluation of Directors;
- Developing and recommending to the Board policies relating to the remuneration of Directors, Key Managerial Personnel and employees;
- Reviewing and approving the appropriate remuneration of Directors, the Managing Director and the Senior Management Team of the Company;
- Developing policy for Succession planning of Board of Directors and senior management and reviewing the same;

The details of annual evaluation made by the Board of its own performance and that of its Committees and individual Directors are enclosed as Annexure D of the Board's Report.

Attendance record of Nomination and Remuneration Committee:

During FY 2017-18, the Nomination and Remuneration Committee met Four times - May 24, 2017, July 27, 2017,October 05, 2017, and January 31, 2018. The details of attendance of Nomination and Remuneration Committee meetings are given below:

S.No.	Name of the Directors	Category	Position	Held during tenure	Attended
1	Mr. V. S. Hariharan	Independent Director	Chairman	4	4
2	Prof. J. Ramachandran	Independent Director	Member	4	4
3	Mr. Keith WF Bradley	Independent Director	Member	4	4

Details of remuneration paid/payable to Directors for the financial year ended March 31, 2018

S.No.	Name of the Directors	Salary & Perquisites (₹/Lacs)	Commission (₹ /Lacs)#	Performance Linked Bonus (₹/Lacs)	Sitting Fees (₹ /Lacs)#	Total (₹ /Lacs)#
1	Prof J. Ramachandran	-	25.00	-	6.65	31.65
2	Mr. V. S. Hariharan	-	23.00	-	5.25	28.25
3	Mr. Keith WF Bradley	-	23.00	-	4.15	27.15
4	Ms. Suchitra Rajagopalan	-	-	-	0.75	0.75
5	Mr. B. Ramaratnam	-	23.00	-	4.20	27.20
6	Mr. E.H. Kasturi Rangan$	64.61	-	62.69	-	127.30
	Total	64.61	94.00	62.69	21.00	242.30

Exclusive of Goods and Service Tax

$ Salary entitlement for the full Financial Year 2017-18 is considered

Note

Pursuant to the resolution passed at the Annual General Meeting held on July 27, 2016, Nomination and remuneration committee ("Committee") revised the salary of Mr. E.H. Kasturi Rangan, Whole Time Director as follows:

Basic Salary	₹ 269,192 per month
Allowances	₹ 209,970 per month
Contribution to Provident Fund	12% of the Basic Salary
Contribution to National Pension Scheme	10% of the Basic Salary

Performance Linked Bonus: As may be approved by the Nomination and Remuneration Committee subject to the maximum of ₹ 27.69 Lakhs per annum.

Mr. Kasturi Rangan is one of the members of Long Term Incentive Plan, rolled out by the Company. Subject to the approval of the Committee, for the Financial Year 2017-18 he is eligible for an incentive of ₹ 35 Lakhs on achievement of certain criteria laid down as part of the incentive scheme.

Shareholding of Directors of the Company as on March 31, 2018:

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. Raj Shankar	Managing Director	594,946	0.1487
3	Mr. E. H. Kasturi Rangan	Whole Time Director	10,050	0.0025

No stock options were granted during FY 2017-18 to any of the Directors under Employee Stock Option Plan 2008.

Under Redington Stock Appreciation Right Scheme, 2017, Stock Appreciation Rights were granted to the executive directors of the Company and the details of the same are given below:

S.No.	Name of the Directors	No. of Stock Appreciation Rights
1	Mr. Raj Shankar	25,000
2	Mr. E. H. Kasturi Rangan	145,000

(IV) Corporate Social Responsibility Committee

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

The CSR Committee of the Board comprises of Mr. V. S. Hariharan, Independent Director, Mr. Keith WF Bradley, Independent Director and Mr. B. Ramaratnam, Non - Executive Director.

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

- Formulation and recommendation of CSR policy to the Board;
- Identification of CSR activities to be undertaken by the Company;
- Approval of budgets and monitoring of expenditure on CSR activities, as per the CSR policy from time to time.

Attendance record of Corporate Social Responsibility Committee:

During FY 2017-18, the Corporate Social Responsibility Committee met three times - May 24, 2017, October 30, 2017, and January 31, 2018. The details of attendance of Corporate Social Responsibility Committee meetings are given below:

S. No.	Name of the Directors	Category	Position	Held during tenure	Attended
1	Mr. V. S. Hariharan	Independent Director	Chairman	3	3
2	Mr. B. Ramaratnam	Non - Executive Director	Member	3	3
3	Mr. Keith WF Bradley	Independent Director	Member	3	3

(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 and approve the Risk Management Policy and associated frameworks, processes and practices.
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 Mr. Keith WF Bradley, Independent Director, Mr. V.S. Hariharan, Independent Director, Mr. Raj Shankar, Managing Director and Mr. E.H. Kasturi Rangan, Whole Time Director.

Attendance record of Risk Management Committee:

The Committee met three times during the year on May 24, 2017, July 27, 2017 and October 30, 2017. The details of attendance of Risk Management Committee meetings are given below:

S. No.	Name of the Directors	Category	Position	Held during tenure	Attended
1	Mr. Keith WF Bradley	Independent Director	Chairman	3	3
2	Mr. V. S. Hariharan	Independent Director	Member	3	3
3	Ms. Suchitra Rajagopalan*	Independent Director	Member	2	1
4	Mr. Raj Shankar	Managing Director	Member	3	3
5	Mr. E.H. Kasturi Rangan	Whole Time Director	Member	3	3

* Ceased to be a member on September 28, 2017

4. CODE OF CONDUCT AND ETHICS

The Company has in place a comprehensive 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 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 2017-18 is given below.

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

I hereby confirm that the Company has obtained affirmations from all the members of the Board and Senior Management Team that they have complied with the code of business conduct and ethics for Directors and Senior Management in respect of the Financial Year 2017-18.

Date: May 21, 2018 **Raj Shankar**
Place: Chennai **Managing Director**

5. GENERAL BODY MEETINGS

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

Year	Location	Date	Day	Time
2016-17	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Chennai -600 018.	July 28, 2017	Friday	10.00 A.M.
2015-16	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Chennai -600 018.	July 27, 2016	Wednesday	10.00 A.M.
2014-15	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Chennai -600 018.	August 3, 2015	Monday	10.00 A.M.

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

Year	Special resolutions passed
2016-17	None
2015-16	None
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 March 31, 2015

No Extra-ordinary General Meeting was convened during the last financial year.

II. Postal Ballot

The details of postal ballot conducted during the financial year is given below:

Date of notice of Postal Ballot	October 5, 2017
Voting period	October 21, 2017 to November 19, 2017
Date of declaration of results	November 20, 2017
Date of Approval	November 19, 2017

Name of resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			Number of votes	%	Number of votes	%
Approval of Redington Stock Appreciation Right Scheme 2017 and Issue of Stock Appreciation Rights to the eligible employees of the Company	Special	356,581,991	284,843,667	79.88	71,738,324	20.12
Approval of Redington Stock Appreciation Right Scheme 2017 and Issue of Stock Appreciation Rights to the eligible employees of the subsidiaries of the Company	Special	356,581,991	284,843,515	79.88	71,738,476	20.12
Declassification/Reclassification of promoter status of Harrow Investment Holding Limited	Ordinary	369,025,616	369,018,696	100	6,920	0

Results of the Postal Ballot:

All the resolutions were passed with requisite majority.

Procedure for Postal Ballot:

Pursuant to Section 108 of the Act, the Company offered E-Voting facility to all the Members of the Company through Central Depository Services (India) Limited (CDSL). Members who had registered their e-mail ID for the receipt of documents in electronic mode were sent Notice of Postal Ballot by e-mail. The Company on October 20, 2017 completed the dispatch of Postal Ballot notice, along with the postal ballot form to all members whose name appeared on the Register of Members on October 6, 2017. The Company also published a notice in the newspaper declaring the details and requirements as mandated by the Companies Act, 2013 and applicable rules thereunder.

Ms. CS R. Bhuvana, Practising Company Secretary was appointed as a scrutinizer for carrying out the Postal Ballot process in fair and transparent manner. The Scrutinizer completed the scrutiny and submitted the Results of the Postal Ballot on Monday, November 20, 2017 at the Registered office of the Company. The Results were displayed on the website of the Company www.redingtonindia.com

6. SUBSIDIARY COMPANIES

i. The Company has two Wholly Owned unlisted non - material Indian subsidiary companies Viz., ProConnect Supply Chain Solutions Limited and Ensure Support Services (India) Limited.

ii. 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 unlisted subsidiary companies are periodically placed before the Board. The Management invites key managers of the subsidiaries to provide updates on their business operations to the Board.

7. DISCLOSURES

Related Party Transactions

Transactions with related parties are disclosed in note 37 to the standalone financial statements for the year ended March 31, 2018.

Weblinks:

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) Omnibus approval of the Audit Committee is obtained for the related party transactions carried out with the Subsidiaries and Associate. Further the details of transactions with the related parties are placed before the Audit Committee for its review.

There are no transactions entered into by the Company with the related parties during the financial year ended March 31, 2018 which are prejudicial to the interests 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 relating to capital markets, wherever applicable. There were no instances of non-compliances of any matter relating 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 a whistle blower policy in the form of Vigil Mechanism and the same is disclosed in the Annexure to the Boards' Report.

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

Particulars	Weblinks
Policy on Related Party Transaction	http://redingtonindia.com/images/PolicydealingwithRelatedPartyTransactions.pdf
Policy for determining Material Subsidiaries	http://redingtonindia.com/images/PolicyonMaterialSubsidiaries.pdf
Criteria of Making payment to Non-Executive Directors	http://redingtonindia.com/images/PolicyonpaymenttoDirectors.pdf

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 in 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. The Company as per its policy allows reimbursement of expenses incurred in performance of his duties.

Shareholder's rights

The Company communicates the highlights of financial performance to the investors regularly through email, earnings calls, Investor conferences and road shows. The Company also hosts earnings presentations in its website www.redingtonindia.com The Company has enabled an option on its website 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 a high level of transparency and integrity in financial reporting. 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 and duties of the Chairman differs from that of the Managing Director.

Reporting by Internal Auditor

The Internal Auditors of the Company after discussing and obtaining responses to their findings from the Management of the Company submit their report directly to the Audit Committee.

9. MEANS OF COMMUNICATION

A. The quarterly, half yearly and annual results are published in newspapers, namely Business Standard in English and Makkal Kural in the regional language, Tamil.

B. The quarterly, half-yearly and annual financial results including official news releases appear on our corporate website www.redingtonindia.com under the investors interest section.

C. Management's Discussion and Analysis Report: This information is covered elsewhere in this Annual Report.

D. Presentations made to institutional investors or to the analysts are available on our website www.redingtonindia.com.

E. The Company has designated investors@redington.co.in as an email id for the purpose of registering complaints by investors and has displayed the same on the Company's website.

F. The Company organizes 'Earnings call' post announcement of the quarterly financial results. The transcript of these calls are communicated to Stock Exchanges and uploaded in the website of the Company.

G. The Company organizes 'Investor Connect' session periodically to enable the shareholders to interact with the Management and clarify their queries on the performance of the Company.

10. GENERAL SHAREHOLDERS' INFORMATION

I. Annual General Meeting

Date & Day : July 30, 2018 Monday

Time: 10.00 A.M.

Venue: Narada Gana Sabha, Mini Hall, No. 314, T.T.K. Road, Alwarpet, Chennai - 600 018.

II. Financial Calendar : 1st April to 31st March

(Tentative Board Meeting Calendar for the Financial Year 2018-19)		
Adoption of results for & considering other items for the I Quarter	:	July 31, 2018
Adoption of results for & considering other items for the II Quarter	:	October 30, 2018
Adoption of results for & considering other items for the III Quarter	:	January 29, 2019
Adoption of results for & considering other items for the IV Quarter	:	Before May 30, 2019

III. Date of Book Closure : July 24, 2018 to July 30, 2018

IV. Dividend payment date : August 27, 2018

V. Listing on Stock Exchanges

Name	Address	Scrip / Stock code
National Stock Exchange of India Ltd	Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.	REDINGTON
BSE Limited	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 : Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai – 600 002.

Phone No : + 91 44 2846 0390
Fax No : + 91 44 2846 0129
Email : investor@cameoindia.com
Website : www.cameoindia.com

VIII. Share Transfer System

The listing regulation provides that the Board can delegate the authority for transfer / transmission of securities to the Compliance Officer. Hence, 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.

The Company obtains and submits to the Stock Exchanges on a Half Yearly basis a Compliance Certificate from a qualified Practicing 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 Practicing Company Secretary during FY 2017-18, the Company has ensured the requisite compliance with regard to the transfer of shares and issue of duplicate share certificates and dematerialization/rematerialisation of shares.

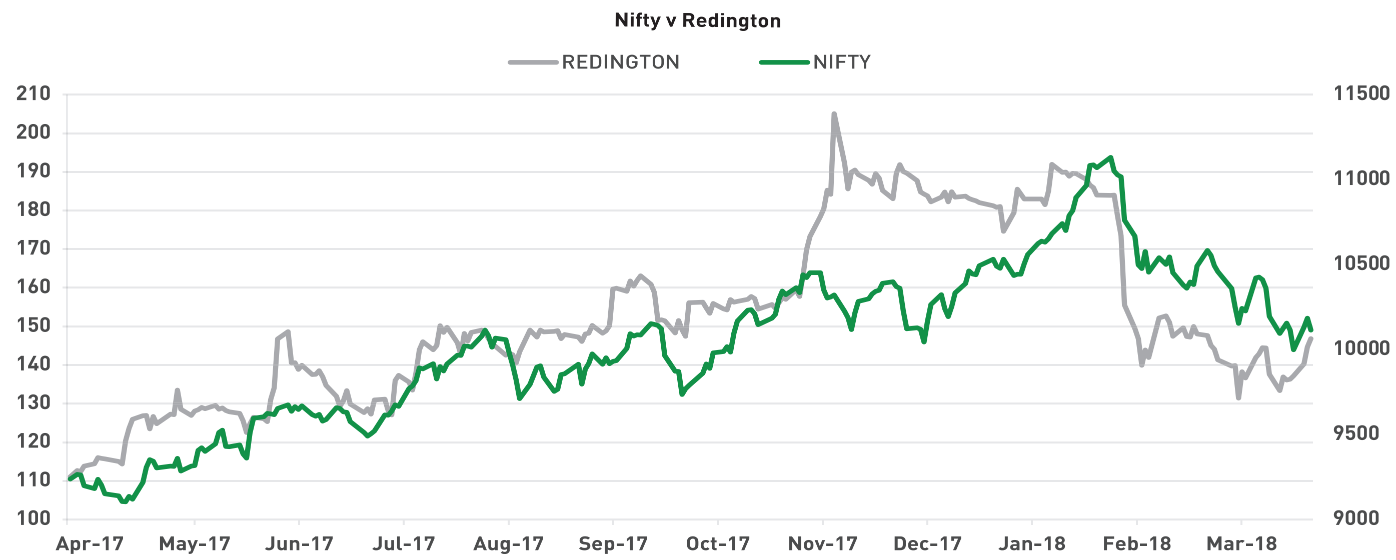
IX. Reconciliation of Share Capital Audit

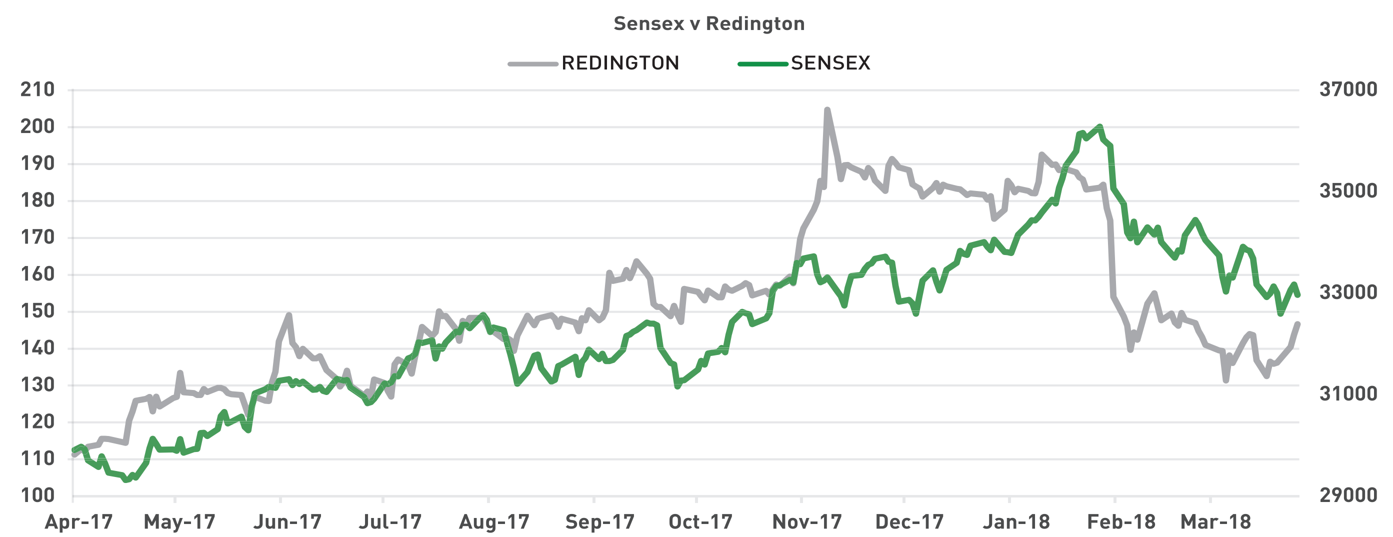
As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon are 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.

X. Market Price Data

High, Low and Closing price during each month of the Financial Year 2017-18

S. No.	Month	NSE			BSE		
		High	Low	Close	High	Low	Close
1	April-2017	129.80	110.05	124.80	129.95	109.55	124.35
2	May-2017	137.85	121.30	131.10	137.50	121.55	130.85
3	June-2017	156.95	124.60	130.95	155.35	125.05	131.65
4	July-2017	152.35	125.55	149.05	152.50	123.60	148.35
5	Aug-2017	154.00	136.00	148.20	154.25	136.60	147.65
6	Sep-2017	168.15	142.30	156.15	168.20	142.10	156.20
7	Oct-2017	164.80	152.00	157.70	164.45	151.75	157.45
8	Nov-2017	209.90	158.30	190.05	210.05	158.65	190.40
9	Dec-2017	196.25	174.00	174.60	196.80	174.40	175.20
10	Jan-2018	195.65	175.20	178.50	195.45	174.30	178.10
11	Feb-2018	183.50	138.10	144.05	183.60	138.80	143.15
12	Mar-2018	149.90	128.70	146.80	149.35	129.95	146.65





XI. Distribution of Shareholding as on March 31, 2018

Share Holding (in ₹)	No. of Shareholders	% of Total Shareholders	Amount of Share Capital (in ₹)	% of Total Share Capital
2-5000	20,428	96.65	8,497,916	1.06
5001-10000	299	1.42	2,164,280	0.27
10001-20000	115	0.54	1,665,570	0.21
20001-30000	44	0.21	1,081,034	0.13
30001-40000	21	0.10	761,764	0.10
40001-50000	25	0.12	1,163,540	0.15
50001-100000	40	0.19	2,982,478	0.37
100001 & Above	163	0.77	782,028,788	97.71
Total	**21,135**	**100.00**	**800,345,370**	**100.00**

XII. Statement Showing Shareholding Pattern as on March 31, 2018

Category	No. of holders	No. of shares	% of shareholding
Promoter Holding			
Foreign bodies corporate	-	-	-
Total of Promoter Holding	-	-	-
Non promoter holding			
Mutual funds / FIs & Banks	10	79,972,351	19.98
FIIs, FPIs	163	152,552,056	38.12
Non Institutions			
Bodies Corporate	257	9,719,379	2.43
Indian Public	19,387	7,874,750	1.97
NRIs / Foreign Corporate Bodies / Foreign Nationals	496	149,945,499	37.47
Others	62	108,650	0.03
Total of Non promoter Holding	20,375	400,172,685	100.00
Grand Total	**20,375***	**400,172,685**	**100.00**

*Shareholders having same PAN are clubbed together

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, 2018, 76.42% shares of the Company were held in dematerialized form.

XIV. ECS Mandate

In order to enable the Company to serve the investors in a better way, 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 risks associated with changes in Foreign Currency exchange rates. The Company takes forward contracts to mitigate such risk.

XVII. Locations of Branches

Our Company along with Indian and Overseas subsidiaries has the following distribution offices, warehouses and services centers both in India and overseas.

Particulars*	India	Overseas
Sales offices	49	33
Warehouses	180	30
Owned Service Centers	43	21
Partner Service Centers	213	30

* Includes branches of subsidiary companies

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 Para VII above 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 own website namely 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 the financial statements/results for the year ended March 31, 2018 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 21, 2018

Raj Shankar
Managing Director

S.V. Krishnan
Chief Financial Officer

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Redington (India) Limited

We have examined the compliance of conditions of Corporate Governance by Redington (India) Limited ('the Company'), for the year ended March 31, 2018, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's responsibility

The Company's Management is responsible for compliance of conditions of Corporate Governance requirements as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

Auditors' responsibility

Pursuant to the requirements of the above mentioned Listing Regulations, our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination of the corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under the Section 143 (10) of the Companies Act, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as per regulations 17 to 27, clause (b) to (i) of regulation 46(2) and paragraph C, D and E of Schedule V of the Listing Regulations, as applicable.

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.

Restriction on use

This Certificate has been solely issued for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

Place : Chennai
Date : May 21, 2018

Management Discussion and Analysis Report

ECONOMIC OUTLOOK

Your Company's business interests are spread across India, South Asia, Middle East, Turkey, Africa (META) and CIS regions. In today's inter-connected world, no region or country is totally immune to the geo-political or economic upheavals of another region or country.

Since most of the geographies in which your Company operates fall in the "emerging", "developing" and "least-developed" categories, the impact of global developments tend to impact them more than most.

A discussion of Global geopolitical and Economic developments, in the year gone by, is therefore essential, in order to position your Company's FY'18 business performance in the proper context.

INDIAN ECONOMY – REVIEW AND OUTLOOK:

2017 is a milestone year for the Indian economy, as it marked the successful roll out of the Goods and Services tax Act, which will help in reducing internal barriers to trade, increase efficiency, and improve tax compliance. The economic disruptions due to the ban on high-value currency notes towards the end of 2016 and the roll out of GST in July 2017, have started to normalise and growth is expected to stabilize. After a year of disruptions and growth slowdown, the Indian economy is consolidating the gains from the recent reforms and is moving in the right direction.

As per recent report released by International Monetary Fund, GDP growth in India is projected to increase from 6.7 percent in 2017 to 7.4 percent in 2018 and 7.8 percent in 2019, lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services tax. Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivize private investment The World Economic Situation and Prospects 2018 report of the United Nations also indicates that the outlook for India remains largely positive, underpinned by robust private consumption and public investment as well as ongoing structural reforms.

The Union Budget for 2018-19 focused on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education in the country. The Budget included various measures to provide a push to the economy, which among others, include major investments in infrastructure via all-time high allocations to rail & road sector and reduced corporate tax rates etc.,

IMD forecasts a normal monsoon for 2018, and if the predictions are accurate, the agricultural sector is set for a boost and other sectors like fast moving consumer goods, auto, fertilizers, and cement are likely to benefit greatly.

GLOBAL ECONOMY – REVIEW AND OUTLOOK:

Year 2017, was a tumultuous year marked by geopolitical tensions, and deep political divisions in many countries. On the economic front, however, 2017 ended on a high note, with GDP continuing to accelerate over much of the world in the broadest cyclical upswing since the start of the decade. As per the recent report by IMF, the global growth was at 3.8 percent, the fastest since 2011. With financial conditions still supportive, global growth is expected to pick up to a 3.9 percent rate in both 2018 and 2019.

The World Bank has reported that in advanced economies, growth in 2017 is estimated to have rebounded to 2.3 percent, driven by a pickup in capital spending, turnaround in inventories, and strengthening external demand. Growth in emerging market and developing economies is estimated to have accelerated to 4.3 percent in 2017, reflecting firming up of activity in commodity trade.

Middle East & Africa:

The structural challenges in the Middle East economies including small indigenous labour force, lack of private investment, very low economic diversification outside of oil production have held back the growth in this part of the globe. Though oil prices are getting stronger due to the recovery of oil demand and correcting the balance between supply and demand, there is a need for substantial reforms in the fiscal policies of the countries in MEA region.

In June 2017, Bahrain, Saudi Arabia, the United Arab Emirates, and the Arab Republic of Egypt cut diplomatic and economic ties with Qatar. All seaborne and air travel links from the involved countries to Qatar were shut down and bank lending to Qatar was restricted. This led to a chaotic disruption in Qatar's financial market.

Turkey:

The World Bank has reported that in Turkey, growth sharply accelerated to 7.4 percent in 2017 from 3.2 percent in 2016. But Turkey's rapid growth has also drawn a warning from the International Monetary Fund, which has mentioned that Turkey's current account gap could widen due to strong domestic demand and higher oil prices.

The economic and political uncertainty remains elevated. The state of emergency put in place after the 2016 failed coup attempt and associated measures affected the predictability of the regulatory environment. The Presidential Elections slated for in the year 2019 has now been advanced and is expected to pave the direction of the future course of business in Turkey.

INDUSTRY STRUCTURE, DEVELOPMENTS, OPPORTUNITIES AND THREATS

IT products distribution landscape in India is evolving and witnessing a digital revolution. Disruptive technology changes including Internet of Things (IoT) solutions, robots, drones, augmented & virtual reality (AR/VR) and 3D printers are expanding opportunity horizons while acting as serious disruptors to traditional hardware, software and services businesses. Digital transformation in many industry segments require the distributors who provide digital solutions beyond the offerings of the traditional distribution business. Channels are building their resources to adapt to these changes and transform themselves into solutions provider. Many leading IT product suppliers, are implementing new initiatives and promotions, to enable the downstream channel to exploit new market opportunities in this digital transformation.

According to the latest forecast by Gartner Inc., IT spending in India is projected to total $87.1 billion in 2018, an increase of 9.2 percent from 2017 estimated spending of $79.7 billion. Enterprise software and IT services continue to exhibit strong growth, with the devices segment continuing to drive the majority of overall IT spending in India.

In 2017, Investments by the Government gained momentum after slowdown due to demonetization. Gartner forecasts that IT spending in the Indian government sector is projected to reach $8.5 billion in 2018, an increase of 8.9 percent from 2017 estimated spending of $7.8 billion. Several initiatives by the government, such as the Make in India, Start-up India, Skill India, and the corresponding policy frameworks to support these initiatives, such as the new electronics policy, software product policy, data security and protection policy, will have a positive effect on government IT spending in the near future. One such initiative is the Digital India programme which aims to transform the country into a digitally empowered society and knowledge economy. It calls for technology investments in the backbone infrastructure, advanced data analytics, digital security, digital payment and e-commerce infrastructures. This will be a key driver for IT spending growth in the Indian government sector over the next few years.

Digital business initiatives are forcing infrastructure and operations leaders in India to adopt a hybrid IT infrastructure model that can deliver reliable, innovative and cost-effective solutions to the business in a timely manner. Technologies such as software-defined data centers are helping businesses optimize their existing resources, and as a result reducing overall spend on compute and storage resource.

Government support, improved vendor offerings, and an emergence of proven best practices have all combined to push cloud computing to the top of many organizations' priority lists. There is an increased adoption of cloud due to high demand in compute intensive workload and due to a desire to lower IT infrastructure and administrative costs.

Gartner recently reported that India public cloud services revenue is projected to grow 37.5 percent in 2018 to total US$2.5 billion, up from US$1.8 billion in 2017. However, the growth rate is expected to flatten, which is indicative of a maturing market. Infrastructure as a service (IaaS) is estimated to be the fastest-growing segment in the public cloud market. This growth is being driven by organizations refraining from pursuing data center build-outs and consolidation among data center vendors.

As per IDC, Global Smartphone vendors shipped a total of 334.3 million units during the first quarter of 2018, resulting in a 2.9% decline when compared to the 344.4 million units shipped in the first quarter of 2017. The Chinese smartphone market, the world's largest, was the biggest contributor to this decline, with shipment volumes dipping below 100 million in the quarter, which is the first instance since the third quarter of 2013.

India is the world's third largest smartphone market and continues to hold its position of being the biggest feature phone market globally. IDC has reported that the Indian smartphone market presented a sharp contrast to the rest of the world, delivering a healthy 14% annual growth, with a total shipment of 124 million units in 2017, making it the fastest growing market amongst the top 20 smartphone markets globally. The market resumed its double-digit growth after a temporary slowdown in 2016 caused by factors such as demonetization and a shortage of smartphone components.

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 company recognizes the importance of building a strong Human Capital for the futuristic world. Learning culture in Redington has been accelerated through Technology enabled learning and by learning Technology. Flexible HR policies reflecting our organization value of 'Trust' and work-life balance have been continuously devised. Employee engagement activities are conducted to make our workplace a fun-filled one. The total number of employees of the Company as on March 31, 2018 is 1,774.

FINANCIAL PERFORMANCE ANALYSIS

The Consolidated financials of your Company and its subsidiaries ("The Group") have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules.

The Consolidated financial statements are presented in Indian Rupees (₹) which is the functional/presentation currency. All financial information presented in Indian Rupees has been rounded off to the nearest Crores unless otherwise indicated

SEGMENT WISE PERFORMANCE:

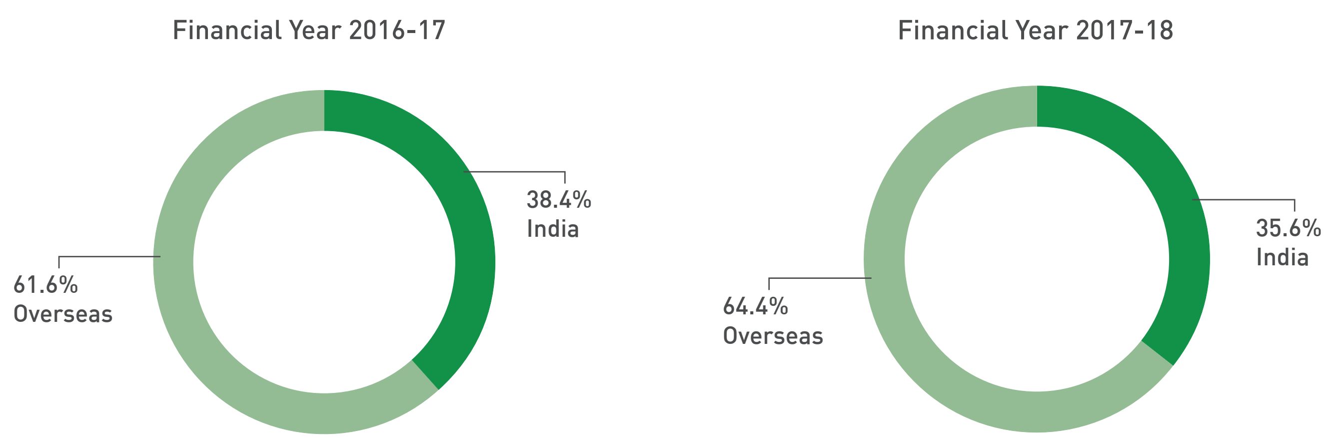
Your Company has identified "India" and "Overseas" in accordance with Ind AS 108 as its Operating segments. The reported operating segments;

a. engage in business activities from which the Group earns revenues and incur expenses,

b. have their operating results regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

c. have discrete financial information available.

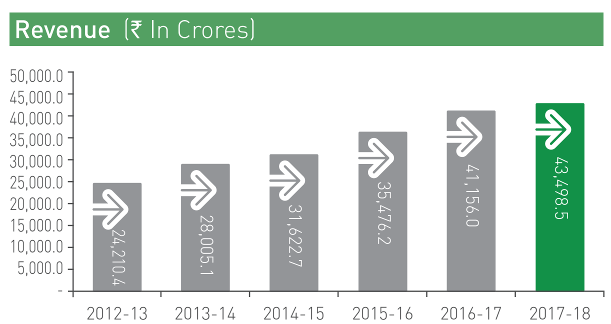
Revenue by Geography



ANALYSIS OF THE CONSOLIDATED FINANCIAL PERFORMANCE

Revenue

Fiscal year 2017-18 has been a challenging year as your Company had to experience introduction of GST and subdued demand in the India segment and operational challenges due to geo-political tension in some middle-east countries and Turkey in overseas segment. Your Company could grow despite the above challenges in both revenue and earnings after tax at consolidated level during the fiscal year 2017-18.



Consolidated revenue grew by 5.7% during the fiscal year 2017-18, with a Compounded Annual Growth Rate (CAGR) of 15.6% since listing. The growth in IT business is 2.9%, mobility business is 7.8% and service business is 22.9% respectively.

The subdued revenue growth in year 2017-18 as compared to CAGR is on account of de-growth in Indian segment due to GST impact and in overseas segment due to adverse currency translation impact .

India segment share in the overall revenue dip due to the introduction of GST which reduced the average selling price of the products by approximately 4.7% for the full year.

Gross Margin:

Gross margin grew by 3.6% (5.6% of revenue) during the fiscal year 2017-18 over fiscal year 2016-17 (5.7% of revenue). Gross margin growth is lesser than revenue growth due to sales mix. Mobility business which returns lesser gross margin percentage grew at a higher rate than IT business.

The benefit of faster growth in high-margin services business is offset by sales mix in the distribution business.

Overheads:

The consolidated overhead expenses grew by 6.3 % in the fiscal year 2017-18 as compared to the revenue growth of 5.7%. However overheads as a percentage of revenue has been constant at 3.6%. The overall increase of 6.3% is due to the increase in following costs for respective reasons.

a. Employee Costs:

Employee cost increased by 4.1% in the fiscal year 2017-18. The increase is primarily due to:

- Increment to the existing employees.
- Investment in new verticals for business expansion.
- Grant of Stock appreciation rights to the employees during the year.

b. Other Expenses:

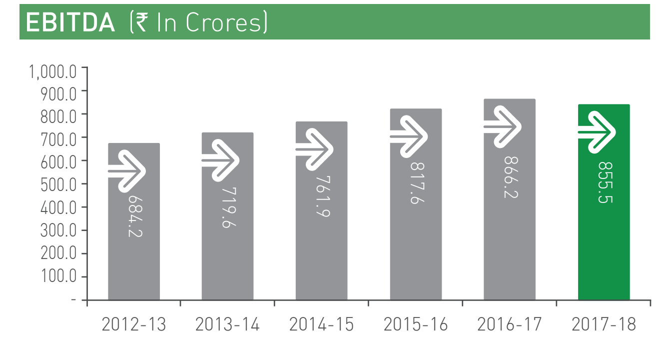
Other expenses increased by 8.0% in the said fiscal year 2017-18. This increase is primarily due to increase in the following costs:

- Increase in freight cost and warehouse handling charges which in line with increase in services business revenue.
- Increase in sales promotion expenses due to contractual obligation with concerned vendors.
- Increase in insurance cost on account of insurance of receivables.

The increase in other expenses is primarily on account of increase in expenses which is directly related to revenue and mitigation of risk. Your company has been very judicious in incurring expenses and has initiated many cost saving measures to leverage the expenses.

EBITDA:

EBITDA with a CAGR of 14.2% since listing has de-grown by 1.23% during the fiscal year 2017-18 due to drop in gross margin percentage as overheads are kept globally under control.



Finance Costs:

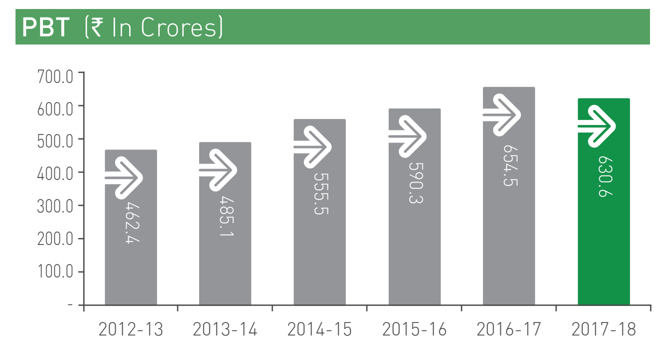
Finance costs increased by 7.0% during the fiscal year 2017-18. Finance costs grew at a higher rate than revenue growth during the fiscal year 2017-18 due to increase in working capital utilisation in business.

Finance cost of overseas segment decreased by 11.1% despite marginal increase in interest rates, due to improved average working capital turns. Overseas segment continues to impress with consistent increase in working capital turns that resulted in lower interest cost.

India segment average working capital turns increased primarily due to GST implementation resulting in higher finance cost as a percentage of revenue. However, India segment could recover towards the end and reduce the closing working capital by March 31, 2018.

Profit Before Tax (PBT):

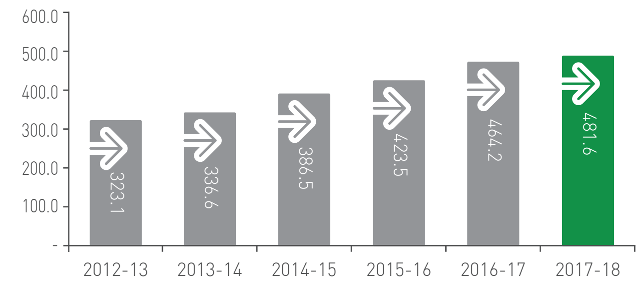
PBT with a CAGR of 15.7% since listing has decreased by 3.7% during the financial year 2017-18 due to decline in Gross Margin as the overheads and Interest costs are kept globally under control.



Profit After Tax (PAT):

PAT (after Non-controlling interest) with a CAGR of 15.2% sinces listing has grown due to reduction of Non-controlling interests, due to reduction in profits of Turkey in the current fiscal year. The subdued performance of Turkey on account of prevalence of Geo-political tension in the Turkey Market.

PAT (₹ In Crores)



Cash flow:

a. Cash flow generated from operation was ₹ 185.6 Crores for the fiscal year 2017-18. Better working capital management towards the close of the financial year resulted in better operational cash flow.

b. Cash from investment activities was negative at ₹ 19.1 Crores largely on capital expenditure during the year which includes investment in SAP software for India business.

c. The excess cash flow generated from operation was utilised for the purpose of repayment of loan.

With the above repayment your Company has maintained its Net debt to equity ratio at 0.2 times and is favourably poised to capture any upswing in the business opportunity, in the ensuing years.

Key Ratios:

Particulars	FY 2017-18	FY 2016-17
Return on Average Capital Employed (%)*	15.5	15.2
Return on Average Equity (%)*	14.5	15.3
Book Value/ Share (in ₹)	87.7	78.2
EPS (in ₹)	12.0	11.6
Interest Cover (No. of times)	4.8	5.2
Gross Debt : Equity (No. of times)	0.4	0.4
Net Debt : Equity (No. of times)	0.2	0.2

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

ROCE:

Return on capital employed has marginally improved in the current financial year 2017-18 primarily due to proper working capital management in overseas segment. Your company is confident of improving this in the ensuing financial year by adopting better working capital management strategy in India business and reduce borrowing.

ROE:

Return on Average Equity has dropped, due to lower earnings growth in the current year.

Book Value per share:

Book value has increased by ₹ 9.5 due to higher EPS of ₹ 12.0 pershare and despite dividend payment in the current fiscal year.

EPS:

EPS has also marginally improved due to Profit growth in the current fiscal year. There is no change in the underlying weighted average equity shares between the current fiscal year and the previous year.

ANALYSIS OF THE STANDALONE FINANCIAL PERFORMANCE

Revenue

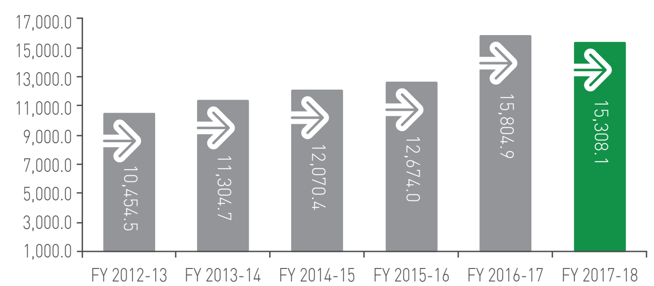
The fiscal year 2017-18 experienced introduction of Goods & Services Tax (GST). Post GST, point of collection of excise and counter veiling duty moved to customer, resulting in reduction of selling price of the products purchased and sold by your company. Consequently, revenue reduced by approximately 4.7% for the full year.

Modest growth during the fiscal year 2017-18 is primarily due to de-growth of 16.9% in the mobility business. Introduction of basic customs duty (BCD) for mobility products coupled with two time increase in BCD rate within a span of eight months and change in "Go to Market" strategy of key brands contributed to this de-growth.

The reduction in selling price and modest revenue growth accentuated the expenses ratio.

Your Company's revenue has a CAGR of 12% since listing.

Revenue (₹ In Crores)



Other income dropped by 1.2% during the fiscal year 2017-18. This drop is due to one-off interest income from Income-tax refund received in the previous fiscal year. Sans the one-time interest income, other income grew by 16.2% during the fiscal year 2017-18.

Gross Margin

Gross margin remained stable at 5.4% during the current fiscal year 2017-18 as there is no material change in the sales mix.

Reduced purchase and selling price reduced the absolute value of rebates (calculated as a % of sales), resulted in a loss of 0.2% on the revenue.

Expenses

Employee benefit expense

Employee cost has increased by 12.1% during the current fiscal year 2017-18. Increase is primarily on account of:

- Investment in emerging businesses which contributed to an increase of 3.7%.
- Stock compensation expense in respect of the Stock Appreciation Rights granted during the year to the eligible employees contributed to an increase of 2.1%.

Other expenses

Other expenses decreased by 5.4% during the fiscal year 2017-18. The decrease is primarily attributable to the ensuing reasons:

- Commercial taxes reduced by 6.5% during the fiscal year 2017-18. Octroi was subsumed under GST from July 1, 2017 which is the primary reason for reduction in commercial taxes.
- Exchange loss (net) decreased by 3.3% due to better position of INR vis-a-vis USD, during the fiscal year 2017-18 as compared to the previous year.
- Sales promotion expenses increased by 2.1 %. Spending on promotional activities is an agreed commitment with certain brands and hence had to be spent.

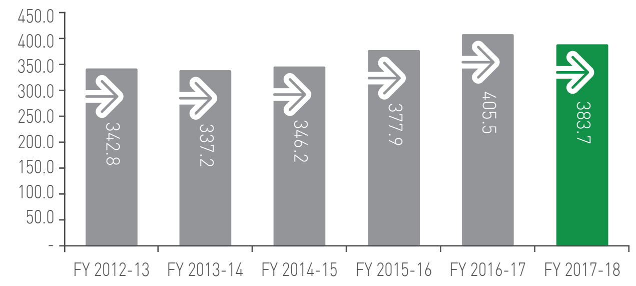
There has been a reduction in cost in all other expenses and your company has been very judicious in incurring expenses and has initiated many cost saving measures in leveraging the expenses.

EBITDA

EBITDA de-grew by 5.4% during the fiscal year 2017-18. De-growth in EBITDA is primarily due to reduction in gross margin on account of drop in rebate value which is a factor of selling price. The impact of 0.2% reduction in gross margin percentage due to GST has resulted in de-growth of EBITDA.

Your Company's EBITDA has a CAGR of 13% since listing.

EBITDA (₹ In Crores)



Finance Costs

Finance costs increased by 22.2% on account of the increased working capital. Average working capital increased on account of the following reasons:

- Delay in utilisation of GST transition credit due to requirements of filing of returns under GST. Per GST Act Tran 2 had to be filed only after December 31, 2017 which resulted in accumulation of transition credit.
- There was a delay in issuing of credit notes by vendors for rebates on account of introduction of GST. Vendors were deliberating on the process of issuing credit notes to align with GST requirement and it took time.
- Post GST there had been a general delay in collection as market was agnostic on claiming of input credit of GST & increase in IGST billing.

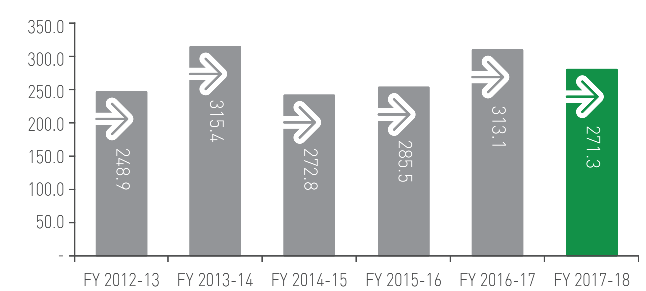
Consequent to high interest expense and reduction in margin due to the above mentioned reasons, interest cover ratio decreased to 3.7 times during the fiscal year 2017-18 as against 4.9 times for the previous fiscal year.

Profit before Tax (PBT)

Profit before tax de-grew by 13.3% during the fiscal year 2017-18. De-growth in PBT is due to various factors as explained above.

Your Company's PBT has a CAGR of 14% since listing.

Profit before Tax (PBT) (₹ In Crores)



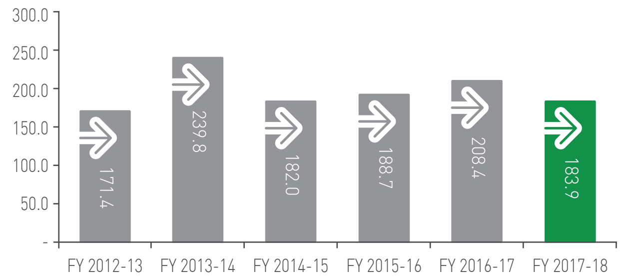
The spike during the fiscal year 2013-14 is on account of sale of shares in wholly owned subsidiary Easyaccess Financial Services Limited amounting to ₹ 65.8 Crores. If this one-off item is excluded, the PBT for the year 2013-14 would be ₹ 249.6 Crores.

Profit after Tax (PAT)

Profit after tax de-grew by 11.7% during the fiscal year 2017-18. De-growth in PAT is due to various factors as explained above.

Your Company's PAT has a CAGR of 14% since listing.

Profit after Tax (PAT) (₹ In Crores)



The spike during the fiscal year 2013-14 is on account of sale of shares in wholly owned subsidiary Easyaccess Financial Services Limited amounting to ₹ 65.8 Crores. If this one-off item is excluded, the PAT for the year 2013-14 would be ₹ 174.0 Crores.

Cash Flow Statement

Cash flow from operation was positive at ₹ 141.6 Crores for the fiscal year 2017-18. Positive cash flow from operation could be achieved inspite of modest increase towards the working capital at the end of the year as compared to the opening working capital. Though average working capital increased during the fiscal year 2017-18 mainly due to GST, your company could reduce the closing working capital due to effective discussion with the vendors and partners which resulted in positive cash flow from operation.

Cash flow from investment activity was positive at ₹ 60.5 Crores for the fiscal year 2017-18 due to dividend from subsidiaries and sale of a land situated at Delhi.

Funds Employed

Shareholder funds increased to ₹ 1,689.5 Crores from ₹ 1,609.7 Crores as at March 31, 2017, due to the accumulation of profit earned during the fiscal year 2017-18 net-off dividend pay-out for the fiscal year 2016-17.

Debt as on March 31, 2018 increased to ₹ 766.3 Crores from ₹ 707.3 Crores as at March 31, 2017, due to increase in working capital utilization during the fiscal year 2017-18.

Your company has maintained debt equity ratio at 0.38 times of equity. Your Company is favourably poised to capture any upswing in the business opportunity in the ensuing years, without any need for additional equity capital.

Dividend

With comfortable debt levels, the Board of Directors have recommended 120% dividend on the face value of shares for the year 2017-18, equivalent to ₹ 2.4 per share.

Book value and Earnings per Share

The book value of your Company increased from ₹ 38.7/- per share to ₹ 42.2/- per share.

The earnings per share decreased by 11.8% for the year ended March 31, 2018 to ₹ 4.60 per share as compared to the previous fiscal year. The reduction is on account of reduction in PAT as discussed above.

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDINGTON (INDIA) LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Redington (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information, in which are incorporated the financial information ('the Returns') for the year ended on that date audited by the branch auditors of the Company's branch at Singapore.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of branch auditors, the aforesaid standalone Ind AS 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, 2018, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Other Matters

1. The standalone Ind AS financial statements of the Company for the year ended March 31, 2017 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on May 25, 2017.
2. The comparative financial information of the Company for the year ended March 31, 2017 has been restated to give effect to the merger of an erstwhile wholly owned subsidiary Cadensworth (India) Limited ('CIL'). CIL was merged with the Company pursuant to the order of National Company Law Tribunal (NCLT) and the merger has been given effect from the beginning of the preceding period in the financial statements as the merger is a common control transaction. CIL was audited by their erstwhile auditors whose report has been furnished to us by management and our report in so far as it relates to the amounts and disclosures included in respect of CIL is based solely on the reporting of the other auditor.
3. We did not audit the financial information of one branch included in the standalone Ind AS financial statements of the Company whose financial information reflect total assets of INR 103.33 crores and net assets of INR 47.01 crores as at March 31, 2018, total revenues of INR 184.22 crores and net cash inflows of INR 10.97 crores for the year ended on that date. The financial information of the branch has been prepared in accordance with accounting principles generally accepted in its country of domicile and has been audited by branch auditors under generally accepted auditing standards applicable in that country and their report has been furnished to us. The Company's management has converted the financial information of such branch from accounting principles generally accepted in its country of domicile to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion on the standalone Ind AS financial statements, in so far as it relates to this branch, is based on the aforesaid report of the branch auditors.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
   c) The reports on the accounts of the branch office of the Company audited under Section 143(8) of the Act by branch auditors have 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.
   e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
   f) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
   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 standalone Ind AS financial statements; Refer Note 33 to the standalone Ind AS 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.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However, amounts as appearing in the audited Standalone Ind AS financial statements for the year ended March 31, 2017 have been disclosed.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

S Sethuraman
Place : Chennai *Partner*
Date : May 21, 2018 Membership No. 203491

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDINGTON (INDIA) LIMITED

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets / property, plant and equipment.

(b) The Company has a physical verification programme whereby certain items of fixed assets / property, plant and equipment were verified during the year. In our opinion, the frequency of such physical verification programme is reasonable. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties which are freehold, are held in the name of the Company. However for one immovable property amounting to INR 0.29 crores comprising of land and building transferred pursuant to a high court approved scheme of merger in an earlier year in respect of an erstwhile subsidiary, the Company is in the process of registering the title deeds in its name.

(ii) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such physical verification is reasonable. Based on the information and explanations given to us, no material discrepancies were noticed during such physical verification.

(iii) According to the information and explanations given to us, 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 Act.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments. As explained, the Company has not given any guarantee or security that are outstanding as at March 31, 2018.

(v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act in respect of any of the activities of the Company. Accordingly paragraph 3 (vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, value added tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, value added tax and any other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues of income-tax, sales tax and value added tax have not been deposited by the Company on account of disputes as set out in Appendix I.

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

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanation given to us, no fraud by the Company and no material fraud on the Company by its officers or employees have been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of records of the Company, the managerial remuneration for the year ended March 31, 2018 has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act and rules framed thereunder.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of section 188 and 177 of the Act, where applicable and the details of the such transactions have been disclosed in the standalone Ind AS financial statements as required by the Indian Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable.

(xv) According on the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly paragraph 3 (xv) of the Order is not applicable.

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

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

S Sethuraman
Place: Chennai *Partner*
Date: May 21, 2018 Membership No. 203491

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF REDINGTON (INDIA) LIMITED

To the members of Redington (India) Limited

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Redington (India) Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ("Guidance Note") 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 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements 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 ICAI.

for **B S R & Co. LLP**

Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

S Sethuraman

Place: Chennai *Partner*

Date: May 21, 2018 Membership No. 203491

Appendix I to the Independent Auditor's Report To the members of Redington (India) Limited

Details of material statutory dues which have not been deposited on account of any dispute

Nature of dues	Name of the statute	Forum where the dispute is pending	Period to which the amount relates	Disputed amount (in INR crores)	Amounts unpaid (in INR crores) *
Central sales tax	Central Sales Tax Act, 1956	High Court of Calcutta	2002-03	0.09	-
		Special Commissioner - VAT, Delhi	2009-10	0.55	0.55
		Joint Commissioner (Appeals), Mumbai	2006-07, 2007-08, 2010-11 and 2013-14	3.39	3.13
		Additional Commissioner (Appeals), Kolkata	2016-17	0.24	0.21
		Deputy Commissioner (Appeals), Mumbai	2012-13 and 2013-14	2.66	1.14
Sales tax / VAT	West Bengal Value Added Tax Act, 2003	West Bengal Taxation Tribunal, Kolkata	2002-03	0.37	-
	Uttar Pradesh VAT Act, 2008	Additional Commissioner (Appeals), Lucknow	2005-06	0.01	0.01
		Joint Commissioner (Appeals), Lucknow	2007-08 and 2015-16	0.03	-
	Tamil Nadu Value Added Tax Act, 2006	High Court of Madras	2002-03	0.12	-
	Delhi Value Added Tax Act, 2004	Special Commissioner-VAT, Delhi	2005-06 and 2009-10	5.91	5.91
		Special Commissioner (OHA), Delhi	2010-11	11.31	11.21
		Appellate Tribunal, Delhi	2008-09	4.90	4.60
	Kerala Value Added Tax Act, 2003	Deputy Commissioner (Appeals), Ernakulum	2005-06, 2006-07, 2010-11, 2012-13 and 2013-14	4.29	3.67
	Rajasthan Value Added Tax Act, 2003	Tax Board, Jaipur	2009-10 to 2015-16	3.88	-
	Bihar Value Added Tax Act, 2005	Joint Commissioner (Appeals), Patna	2009-10 to 2012-13	0.65	0.07

Nature of dues	Name of the statute	Forum where the dispute is pending	Period to which the amount relates	Disputed amount (in INR crores)	Amounts unpaid (in INR crores) *
Sales tax / VAT	Jharkhand Value Added Tax Act, 2005	Deputy Commissioner (Appeals), Ranchi	2009-10, 2011-12, 2012-13 and 2014-15	0.38	0.38
	Punjab VAT Act, 2005	Deputy Commissioner (Appeals), Ludhiana	2009-10 and 2010-11	0.04	0.03
	Madhya Pradesh VAT Act, 2002	Deputy Commissioner (Appeals), Indore	2013-14	0.05	-
	Karnataka Value Added Tax Act, 2003	Sales tax Appellate Tribunal, Bangalore	2009-10, 2011-12 and 2012-13	0.78	0.54
	Karnataka Value Added Tax Act, 2003	Joint Commissioner (Appeals), Bangalore	2010-11	0.45	0.31
	Maharashtra Value Added Tax Act, 2002	Deputy Commissioner (Appeals), Mumbai	2011-12, 2012-13 and 2013-14	5.53	4.03
		Joint Commissioner (Appeals), Mumbai	2013-14	11.34	11.34
	Orissa Value Added Tax Act, 2004	Joint Commissioner (Appeals), Cuttack	2015-16	0.15	0.14
	Chhattisgarh Value Added Tax Act, 2005	Additional Commissioner, Raipur	2011-12, 2012-13 and 2013-14	0.38	0.19
Income tax	Income-tax Act, 1961	High court of Madras	2005-06 and 2006-07	1.46	-
		Income-tax Appellate Tribunal	2009-10, 2012-13 and 2013-14	13.96	-

* Net of amount paid under protest.

STANDALONE BALANCE SHEET

as at March 31, 2018

(₹ in Crores)

Particulars	NOTE NO.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	90.81	97.03
Capital work-in-progress		2.78	0.50
Intangible assets	5	0.94	0.24
Intangible assets under development		12.06	-
Financial assets:			
Investments in subsidiaries and associate	6	605.06	602.72
Other financial assets	7	3.80	1.49
Deferred tax assets (net)	8	15.27	8.22
Income tax assets (net)	9	53.80	54.24
Other non-current assets	10	41.08	29.42
Total non-current assets		**825.60**	**793.86**
Current assets			
Inventories	11	1,089.48	1,565.92
Financial assets:			
Trade receivables	12	2,248.77	1,979.83
Cash and cash equivalents	13	119.94	71.07
Other bank balances	14	0.15	5.65
Loans	15	34.90	43.90
Other financial assets	16	9.57	5.63
Other current assets	17	120.53	48.62
Total current assets		**3,623.34**	**3,720.62**
Assets held for sale		0.03	18.51
Total assets		**4,448.97**	**4,532.99**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	80.03	79.97
Other equity	19	1,609.43	1,529.73
Total equity		**1,689.46**	**1,609.70**
LIABILITIES			
Non-current liabilities			
Provisions	20	13.49	7.88
Total non-current liabilities		**13.49**	**7.88**
Current liabilities			
Financial Liabilities:			
Borrowings	21	766.27	707.29
Trade payables	22	1,659.66	1,983.90
Other financial liabilities	23	187.42	103.68
Provisions	24	2.67	1.89
Other current liabilities	25	130.00	118.65
Total current liabilities		**2,746.02**	**2,915.41**
Total equity and liabilities		**4,448.97**	**4,532.99**

See accompanying notes forming part of the financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for **and on behalf of the Board of Directors**

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

(₹ in Crores)

Particulars	NOTE NO.	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue from operations	26	15,262.58	15,758.83
Other income	27	45.53	46.06
Total Income		**15,308.11**	**15,804.89**
Expenses			
Purchases of traded goods		14,004.50	14,948.67
Changes in inventories of traded goods		476.44	3.65
Employee benefits expense	28	131.95	117.67
Finance costs	29	98.86	80.91
Depreciation and amortisation expense	30	13.53	11.52
Other expenses	31	311.50	329.38
Total expenses		**15,036.78**	**15,491.80**
Profit before tax		**271.33**	**313.09**
Tax expense:			
Current tax		91.62	100.94
Deferred tax		(4.21)	3.80
Total tax expenses		87.41	104.74
Profit for the year (A)		183.92	208.35
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		(8.14)	(1.14)
Income tax relating to the above		2.84	0.39
Net Other Comprehensive Income that will not be reclassified to profit or loss		**(5.30)**	**(0.75)**
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operation		0.07	(0.19)
Net Other Comprehensive Income that will be reclassified to profit or loss		0.07	(0.19)
Total other comprehensive income (B)		**(5.23)**	**(0.94)**
Total comprehensive income for the year (A+B)		**178.69**	**207.41**
Earnings per equity share: (Face value ₹ 2 each)			
Basic (in ₹)	32	4.60	5.21
Diluted (in ₹)		4.60	5.21

See accompanying notes forming part of the financial statements

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

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(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

(₹ in Crores)

Particulars	Share capital	Other Equity						Total equity
		Securities premium	General reserve	Stock compensation reserve	Foreign currency translation reserve	Remeasurements of defined benefit liability	Surplus in the statement of profit and loss	
Balance at April 1, 2016 (refer note: 39)	79.96	354.53	90.30	-	0.09	0.14	1,070.76	1,595.78
Profit for the year	-	-	-	-	-	-	208.35	208.35
Other comprehensive income for the year (net of taxes)	-	-	-	-	(0.19)	(0.75)	-	(0.94)
Total comprehensive income for the year	-	-	-	-	**(0.19)**	**(0.75)**	**208.35**	**207.41**
Allotment of shares under Employee Stock Option Plan, 2008	0.01	0.27	-	-	-	-	-	0.28
Final dividend paid	-	-	-	-	-	-	(83.96)	(83.96)
Special (Interim) dividend paid (FY 2016-17)	-	-	-	-	-	-	(79.97)	(79.97)
Dividend distribution tax paid	-	-	-	-	-	-	(32.59)	(32.59)
Dividend distribution tax credit on account of dividend received from subsidiaries	-	-	-	-	-	-	2.75	2.75
Balance at March 31, 2017	**79.97**	**354.80**	**90.30**	-	**(0.10)**	**(0.61)**	**1,085.34**	**1,609.70**
Balance at April 1, 2017	79.97	354.80	90.30	-	(0.10)	(0.61)	1,085.34	1,609.70
Profit for the year	-	-	-	-	-	-	183.92	183.92
Other comprehensive income for the year (net of taxes)	-	-	-	-	0.07	(5.30)	-	(5.23)
Total comprehensive income for the year	-	-	-	-	**0.07**	**(5.30)**	**183.92**	**178.69**
Allotment of shares under Employee Stock Option Plan, 2008	0.06	2.50	-	-	-	-	-	2.56
Stock compensation expense	-	-	-	4.79	-	-	-	4.79
Final dividend paid	-	-	-	-	-	-	(91.96)	(91.96)
Dividend distribution tax paid on final dividend	-	-	-	-	-	-	(18.72)	(18.72)
Dividend distribution tax credit on account of dividend received from subsidiaries	-	-	-	-	-	-	4.40	4.40
Balance at March 31, 2018	**80.03**	**357.30**	**90.30**	**4.79**	**(0.03)**	**(5.91)**	**1,162.98**	**1,689.46**

See accompanying notes forming part of the financial statements

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for **and on behalf of the Board of Directors**

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2018

(₹ in Crores)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
A. Cash flow from operating activities:		
Profit for the year	**183.92**	**208.35**
Adjustments for:		
- Income tax expense recognised in profit and loss	87.41	104.74
- Depreciation and amortisation expense	13.53	11.52
- Finance costs	98.86	80.91
- Interest income	(3.28)	(9.21)
- Stock compensation expenses	2.45	-
- Allowance for doubtful receivables	19.84	11.97
- Dividend from subsidiaries	(21.62)	(17.38)
- Income from short term investments	(1.07)	(1.64)
- Unrealised exchange (gain)/ loss (net)	(5.34)	3.80
- Gain on sale of Property, Plant and Equipment and assets held for sale (net)	(2.68)	(0.55)
- Other non cash items	-	1.45
Operating Profit before working capital changes	**372.02**	**393.96**
Increase in trade receivables	(288.23)	(357.41)
Decrease in inventories	476.44	3.65
(Increase)/Decrease in other assets	(95.23)	22.32
(Decrease)/Increase in trade payables	(335.05)	167.50
(Decrease)/Increase in provisions	(1.75)	0.51
Increase/(Decrease) in other liabilities	104.60	(26.33)
Cash generated from operations	**232.80**	**204.20**
Income taxes paid (net)	(91.18)	(108.14)
Net cash generated from operating activities	**141.62**	**96.06**
B. Cash flow from investing activities:		
Payments towards acquisition of Property, Plant and Equipment	(6.95)	(22.68)
Payments towards acquisition of intangible assets	(0.95)	-
Proceeds from sale of Property, Plant and Equipment and assets held for sale	22.25	1.60
Interest received	9.01	20.57
Dividend received from subsidiaries	21.62	17.38
Income received from short term investments	1.07	1.64
Loans and advances given to subsidiaries and associate	(96.30)	(129.60)
Loans and advances settled by subsidiaries and associate	105.30	111.71
Changes in bank deposits not treated as cash and cash equivalents	5.50	(5.41)
Investments in subsidiaries	-	(15.00)
Net cash generated from/(used in) investing activities	**60.55**	**(19.79)**

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2018

(₹ in Crores)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
C. Cash flow from financing activities:		
Proceeds from short term borrowings	668.32	293.77
Repayment of short term borrowings	(558.04)	(107.26)
Proceeds from allotment of shares, including premium, under Employee Stock Option Plan, 2008	2.56	0.28
Dividends paid (including dividend distribution tax)	(106.28)	(193.73)
Finance costs paid	(96.09)	(81.16)
Net cash used in financing activities	**(89.53)**	**(88.10)**
Net increase/(decrease) in cash and cash equivalents	**112.64**	**(11.83)**
Cash and cash equivalents at the beginning of the year	**5.18**	**17.01**
Cash and cash equivalents at the end of the year	**117.82**	**5.18**
See accompanying notes forming part of financial statements		

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for **and on behalf of the Board of Directors**

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

NOTES to the standalone financial statements for the year ended March 31, 2018

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 is engaged in the business of distribution of information technology, mobility and other technology products besides supply chain solutions and after sales service. The Company has an operating branch in Singapore. The Company, its subsidiaries and associate operate in India, Middle East, Turkey, Africa, and South Asian countries.

2. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

2. a. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

2. b. Functional currency and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information has been rounded-off to the nearest Crores, unless otherwise indicated.

2. c. Basis of measurement

The standalone financial statements have been prepared on accrual basis under the historical cost convention except for:

Items	Measurement basis
Certain financial assets and liabilities (including forward contract)	Fair value
Stock appreciation rights	Fair value
Defined benefit liability	Present value of defined benefit obligation

2. d. Use of Estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions considered in the reported amount of assets, liabilities (including contingent assets and contingent liabilities) and the reported income and expenses during the year.

The management believes that these estimates, judgements and assumptions used in the preparation of the standalone financial statements are prudent and reasonable.

Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Estimates, judgements and underlying assumptions are reviewed periodically on an ongoing basis.

Key sources of judgement and estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to income and expenditure or the carrying amounts of assets and liabilities, is in respect of revenue recognition, useful lives of property, plant and equipment, income taxes and stock appreciation rights and have been discussed here.

i) *Useful lives of property, plant and equipment*

The cost of property, plant and equipment is depreciated over the estimated useful life, which is based on expected usage of the asset, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and the residual value.

ii) *Taxation*

Significant judgements are involved in determining the provision for income taxes. Judgments are also involved on whether the tax positions are probable of being sustained in tax assessments.

iii) *Stock appreciation rights*

Compensation cost in respect of stock appreciation rights (SAR) granted during the year have been determined using the Black Scholes option valuation model. The said model requires the Company to input certain assumption / variables to determine the fair value of the SAR granted. The Company has applied appropriate levels of judgements in determining these assumption / variables basis the information available as at the date of grant, the details of which are more fully described in note 43.

NOTES to the standalone financial statements for the year ended March 31, 2018

2. e. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind AS and amendments to Ind AS which the Company has not applied in these financial statements as they are effective for annual periods beginning on or after April 01, 2018. The Company plans to apply these standards from their respective applicable dates.

Ind AS 115 - Revenue from contracts with customers

Ind AS 115 will replace existing Ind AS 18 *"Revenue"*. Ind AS 115 has established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition which is summarized as below:

a. Identify the contract(s) with a customer.

b. Identify the performance obligations in the contract.

c. Determine the transaction price.

d. Allocate the transaction price to the performance obligations in the contract.

e. Recognise revenue when (or as) the entity satisfies a performance obligation.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company is in the process of assessing the impact of Ind AS 115 on its standalone financial statements.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix of the amendment explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Ind AS 12 - Income taxes recognition of deferred tax assets for unrealised losses

The Company has been applying Ind AS 12 in the preparation of its financial statements. A recent amendment to the standard deals with the matter of how an entity should evaluate whether there will be sufficient future taxable profits against which it can utilise a deductible temporary difference. The Company expects that the provisions of this amendment will not have any significant impact on its accounting.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Property, plant and equipment

Property, Plant and Equipment except Capital work in progress is stated at cost, net of accumulated depreciation and impairment losses, if any. Capital work in progress is stated at cost less any recognised impairment loss. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other costs including repairs and maintenance costs are charged to the Statement of Profit and Loss as and when incurred.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net proceeds from disposal and carrying amount of the asset and are recognised in the Statement of Profit and Loss.

Depreciation on Property, Plant and Equipment

i) Depreciable amount of Property, Plant and Equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

NOTES to the standalone financial statements for the year ended March 31, 2018

ii) The depreciable amount of Property, Plant and Equipment is depreciated on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or technical estimate made by the Company, whichever is lower. Freehold land is not depreciated.

Class of asset	Years
Buildings	10 - 20
Plant and Equipment	5
Furniture and Fixtures	4 - 5
Office Equipment	5
Computers	3
Vehicles	5

iii) Depreciation on additions to assets is provided from the month of addition.

iv) Individual assets whose cost does not exceed ₹ 5,000/- are fully depreciated in the month of addition.

v) Expenditure on leasehold improvements in respect of premises taken on lease (included in furniture and fixtures) are capitalized and depreciated not exceeding five years.

vi) The estimated useful life, residual value are reviewed at the end of each financial year.

b. Intangible assets

i) Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and impairment losses, if any.

ii) Intangible assets are amortized on straight line basis over useful life prescribed in Schedule II to the Companies Act, 2013 or technical estimate made by the Company, whichever is lower. Following are the useful lives of intangible assets:

Class of asset	Years
Software	3

iii) 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.

iv) An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the statement of profit and loss when the asset is de-recognized.

v) The intangible assets, that are not yet ready for their intended use are carried at cost and are reflected under Intangible assets under development.

c. Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount is determined for the asset or the Cash Generating Unit to which the asset belongs in case the assets do not generate independent cash flows.

Each Cash generating unit (CGU) represents the smallest group of assets that generates cash inflows and are largely independent of those from other assets. For the purpose of impairment testing, the recoverable amount is the higher of the fair value less cost to sell and the value-in-use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of the money and the risks specific to the asset or CGU.

If such asset or CGU are considered to be impaired, the impairment loss to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets or CGU exceeds the estimated recoverable amount. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

NOTES to the standalone financial statements for the year ended March 31, 2018

d. Leases

Leases, where the lessor effectively retains substantially all the risks and rewards incidental to ownership of the leased item are classified as operating leases. Payments under operating leases are recognized in the statement of profit and loss on straight line basis over the term of the lease except such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary costs increases.

e. Investments

Investments in Subsidiaries and Associate are accounted at cost less impairments.

f. Inventories

Inventories are measured at the lower of cost and the net realizable value. Costs includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition, net of discounts and rebates and is determined on weighted average basis. Net realizable value represents the estimated selling price for inventories in the ordinary course of business, less the costs necessary to make the sale.

g. Foreign currency

i) Foreign currency transactions

Income and expenditure in foreign currencies are recorded at the exchange rate prevailing at the date of transaction. Exchange gain/loss on settlement of foreign currency transactions are recognised in the statement of profit and loss.

All monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the end of the accounting period at the prevailing exchange rates as on the reporting date and the resulting exchange gain/loss is recognised in the Statement of Profit and Loss.

ii) Foreign branch operations

Transactions of branch operations are translated at the exchange rate at that date of transactions or at the average rate, if average rate approximates the actual rate at the date of transaction. All assets and liabilities are translated into the functional currency at the closing rates and resulting exchange differences are recognized in Other Comprehensive Income and included under Foreign Currency Translation Reserve ("FCTR") as a component of Equity.

h. Revenue recognition

i) Revenue from sale of goods is recognized when the significant risks and rewards of ownership is transferred. The Company has considered the detailed criteria for the recognition of revenue from the sale of goods and from rendering of services set out in Ind AS 18 *"Revenue"* and in particular transfer of risks and rewards of ownership of the goods and flow of economic benefits associated with the transaction. Revenue from sales is stated net of discounts, rebates and taxes.

ii) Service Income is recognized when services are rendered. Income from warranty and maintenance contracts is recognized as per the terms of contract.

iii) Income from supplier schemes is accrued, based on fulfillment of terms of such programs.

i. Other income

i) 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.

ii) Rental income under operating leases is recognized in the statement of profit and loss on a straight line basis over the term of the lease except where such receipts are structured to increase in line with the expected general inflation to compensate for the Company's (lessor) expected inflationary costs increases.

iii) Interest income is recognised using effective interest rate method. 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 are determined as per Company's policy/scheme and are recognized at the reporting date as expense based on the expected obligation on an undiscounted basis.

NOTES to the standalone financial statements for the year ended March 31, 2018

ii) ***Defined benefit plan***

A defined benefit plan is a post-employment benefit plan other than a defined-contribution plan. The Company's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The Company's gratuity plan is unfunded, the defined benefit obligation of which is determined annually by a qualified actuary using the projected unit credit method as at each balance sheet date. The defined benefit obligation is determined as the present value of the estimated future cash flows expected to be made by the Company in respect of services rendered by its employees up to the reporting date. Re-measurement of defined benefit obligation, which comprises of actuarial gains and losses are recognized in Other Comprehensive Income for the period in which they occur. Net interest expenses related to defined benefit plan are recognised in finance cost in the statement of profit and loss.

iii) ***Defined contribution plan***

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes monthly contributions towards Government administered schemes such as the provident fund and employee state insurance scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by the employees.

iv) ***Long-term employee benefits***

The Company's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method as at each balance sheet date.

k. Employee share based payments

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

l. Current and deferred tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit for the year except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

i) Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years. 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. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

iii) Deferred tax is not recognised for temporary difference arising on the initial recognition of assets

NOTES to the standalone financial statements for the year ended March 31, 2018

or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

iv) Deferred tax assets – unrecognised or recognised are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

m. Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liability is disclosed for all:

i) possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)

ii) present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

n. Cash and cash equivalents

Cash comprises of 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.

o. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of operating cash receipts or payments and item of income or expenses associate with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the nature of transactions.

p. Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax 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 would 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 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 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.

q. Dividend to shareholders

Final dividend distributed to Equity shareholders is recognised in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognised when approved by the Board of Directors at the Board Meeting. Both final dividend and interim dividend are recognised in the Statement of Changes in Equity.

r. Derivative financials instruments

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and

NOTES to the standalone financial statements for the year ended March 31, 2018

highly probable forecast transactions. The Company does not use derivative financial instruments for speculative purposes.

Forward contracts are initially recognised at fair value on the date the contract is entered into and are subsequently re-measured at fair value at each reporting date. The resulting gain or loss is recognised in the statement of profit and loss.

s. Fair value measurement

Certain of the Company's accounting policy or disclosures require the measurement of fair value for both financial/ non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the time of measurement date. When measuring fair value, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such basis, except for share based payment transactions that are within the scope of Ind AS 102 *"Share-based payment"*, leasing transactions that are within the scope of Ind AS 17 *"Leases"*, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 *"Inventories"* or value used in Ind AS 36 "*Impairment of assets*".

The Company has an established framework with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques which are follows:

i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an assets or a liability fall into different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

t. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Classification and subsequent measurement

Financial assets

i) On initial recognition, a financial asset is classified as measured at
   - Amortised cost
   - Fair value through profit and loss

ii) A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit or Loss (FVTPL):
   - The asset is held within a business model whose objective is to hold assets to collect contractual flows; and
   - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

iv) Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

   Financial assets at amortised cost – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit and loss.

v) Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing its financial assets.

Financial liabilities

i) Financial liabilities are classified as measured at amortised cost or FVTPL.

ii) A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

iii) Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on de-recognition is also recognised in profit and loss.

De-recognition

Financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is the cumulative gain or loss that has to be recognised in the statement of profit and loss.

Financial liabilities

The Company de-recognises a financial liability when its contractual obligations are discharges or cancelled, or expire. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the statement of profit and loss.

The Company also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

Financial assets and financial liabilities are offset and net amount presented in the balance sheet when, and only when the there is a legally enforceable right to set off the amounts and it intend either to settle them on a net basis or a realise the asset and settle the liabilities simultaneously.

NOTES to the standalone financial statements for the year ended March 31, 2018

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognises loss allowance for expected credit loss ('ECL') on financial asset measured at amortised cost. At each reporting date, the Company assess whether such financial assets carried at amortised cost are credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowance at an amount equal to lifetime expected credit losses except for bank balances which are measured as 12 month expected credit losses for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to life time expected credit losses.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the ECL which results from default events that are possible within 12 months after the reporting date.

Measurement of expected credit losses:

The Company has adopted a model, as permitted under Ind AS 109 "*Financial Instruments*", for measuring lifetime expected credit loss "*ECL*" allowance for trade receivables. The model determines the expected credit losses as the probability-weighted estimate of credit losses.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets. The gross carrying amount of a financial assets is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

u. Non-current assets held for sale

Non-Current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than continuing use and are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale these assets are no longer depreciated.

NOTES to the standalone financial statements for the year ended March 31, 2018

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Description	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2017	Additions	Deletions	As at March 31, 2018	As at April 01, 2017	For the Period	Deletions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land (Freehold)										
Current year	16.91	0.93	-	17.84	-	-	-	-	17.84	16.91
Previous year	*30.68*	-	*13.77^*	*16.91*	-	-	-	-	*16.91*	*30.68*
Buildings*										
Current year	57.22	0.73	0.08	57.87	5.82	3.16	0.05	8.93	48.94	51.40
Previous year	*46.81*	*10.64*	*0.23*	*57.22*	*2.84*	*3.07*	*0.09*	*5.82*	*51.40*	*43.97*
Plant and machinery										
Current year	6.25	0.80	0.37	6.68	2.26	1.28	0.15	3.39	3.29	3.99
Previous year	*4.38*	*2.16*	*0.29*	*6.25*	*1.18*	*1.21*	*0.13*	*2.26*	*3.99*	*3.20*
Furniture and fixtures										
Current year	12.07	0.57	0.12	12.52	5.03	2.57	0.04	7.56	4.96	7.04
Previous year	*7.53*	*4.73*	*0.19*	*12.07*	*2.65*	*2.51*	*0.13*	*5.03*	*7.04*	*4.88*
Office equipment										
Current year	8.78	0.84	0.06	9.56	1.58	2.05	0.04	3.59	5.97	7.20
Previous year	*2.49*	*6.36*	*0.07*	*8.78*	*0.65*	*0.96*	*0.03*	*1.58*	*7.20*	*1.84*
Computers										
Current year	8.36	2.33	0.22	10.47	3.64	2.54	0.10	6.08	4.39	4.72
Previous year	*5.33*	*3.57*	*0.54*	*8.36*	*1.89*	*2.10*	*0.35*	*3.64*	*4.72*	*3.44*
Vehicles										
Current year	8.00	1.92	1.27	8.65	2.23	1.68	0.68	3.23	5.42	5.77
Previous year	*5.33*	*3.21*	*0.54*	*8.00*	*0.75*	*1.56*	*0.08*	*2.23*	*5.77*	*4.58*
Tangible assets total										
Current year	**117.59**	**8.12**	**2.12**	**123.59**	**20.56**	**13.28**	**1.06**	**32.78**	**90.81**	**97.03**
Previous year	***102.55***	***30.67***	***15.63***	***117.59***	***9.96***	***11.41***	***0.81***	***20.56***	***97.03***	***92.59***

* Includes an immovable property amounting to ₹ 0.29 crores comprising of building transferred pursuant to an approved scheme of merger in an earlier year in respect of an erstwhile subsidiary (Nook Micro Distribution Limited), for which the Company is in the process of registering the title deeds in its name.

^ Based on the Memorandum of Undertaking for the sale entered into on April 5, 2017 for the sale of land amounting to ₹ 13.77 crores and related improvements included in capital work in progress ₹ 4.74 crores situated at Delhi aggregating to an amount of ₹ 18.51 crores, in the previous year the Company had classified these assets as "Assets held for sale". During the year the Company has disposed the same.

NOTES to the standalone financial statements for the year ended March 31, 2018

5. INTANGIBLE ASSETS

(₹ in Crores)

Description	Gross carrying value				Accumulated amortisation				Net carrying value	
	As at April 01, 2017	Additions	Deletions	As at March 31, 2018	As at April 01, 2017	For the Period	Deletions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Software										
Current year	0.87	0.95	-	1.82	0.63	0.25	-	0.88	0.94	0.24
Previous year	*0.87*	-	-	*0.87*	*0.52*	*0.11*	-	*0.63*	*0.24*	*0.35*
Intangible assets total										
Current year	0.87	0.95	-	1.82	0.63	0.25	-	0.88	0.94	0.24
Previous year	*0.87*	-	-	*0.87*	*0.52*	*0.11*	-	*0.63*	*0.24*	*0.35*

6. INVESTMENT IN SUBSIDIARIES AND ASSOCIATE

Unquoted investments

Investment in Indian subsidiaries

(₹ in Crores)

Name of the entity	March 31, 2018	March 31, 2017
72,43,230 (previous year: 72,43,230) equity shares of ₹ 10/- each fully paid-up in ProConnect Supply Chain Solutions Limited	19.55	19.55
45,00,000 (previous year: 45,00,000) equity shares of ₹ 10/- each fully paid-up in Ensure Support Services (India) Limited	4.50	4.50
Total	24.05	24.05

Investment in overseas subsidiaries

(₹ in Crores)

Name of the entity	March 31, 2018	March 31, 2017
2,76,68,025 (previous year: 2,76,68,025) equity shares of US$ 1 each fully paid-up in Redington International Mauritius Limited	346.82	346.82
Add :- Inter transfer of investment of Redington International Holdings Ltd *	214.12	214.12
	560.94	560.94
38,00,000 (previous year: 38,00,000) equity shares of US$ 1 each fully paid-up in Redington Distribution Pte. Limited	17.63	17.63
Total	578.57	578.57

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

Investment in associate

(₹ in Crores)

Name of the entity	March 31, 2018	March 31, 2017
100,000 (previous year: 100,000) equity shares of ₹ 10/- each fully paid-up in Redington (India) Investments Limited	0.10	0.10

Stock Appreciation Rights (SAR)

The Company has included fair value of the Stock Appreciation Rights (Stock compensation expense) as Investments, in respect of the Stock Appreciation Rights granted to the Directors and employees of Indian and overseas subsidiaries, as required under Ind AS 102 *"Share-based payment"*.

NOTES to the standalone financial statements for the year ended March 31, 2018

Stock Appreciation Right (SAR) related compensation expense (Stock compensation expense) of subsidiaries borne by the Company classified as investment cost are as follows:

(₹ in Crores)

Name of the entity	March 31, 2018	March 31, 2017
ProConnect Supply Chain Solutions Limited	0.69	-
Ensure Support Services (India) Limited	0.12	-
Redington International Mauritius Limited	1.43	-
Redington Distribution Pte. Ltd.	0.10	-
Total	**2.34**	**-**
Total investments	**605.06**	**602.72**
Aggregate value of unquoted investments	**605.06**	**602.72**

7. OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
Deposits	3.80	1.49

8. DEFERRED TAX ASSETS (NET)

Recognised deferred tax assets

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Deferred Tax Assets:		
Allowance for doubtful trade receivables	8.47	5.09
Provision for gratuity	4.20	2.31
Provision for compensated absences	1.46	0.63
Depreciation	1.14	0.19
Total	**15.27**	**8.22**

Movement in temporary differences

(i) For the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance as on April 01, 2017	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Balance as on March 31, 2018
Deferred Tax Assets				
Allowance for doubtful trade receivables	5.09	3.38	-	8.47
Provision for gratuity	2.31	(0.04)	1.93	4.20
Provision for Compensated absences	0.63	(0.08)	0.91	1.46
Depreciation	0.19	0.95	-	1.14
Total	**8.22**	**4.21**	**2.84**	**15.27**

NOTES to the standalone financial statements for the year ended March 31, 2018

(ii) For the year ended March 31, 2017

(₹ in Crores)

Particulars	Balance as on April 01, 2016	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Balance as on March 31, 2017
Deferred Tax Assets				
Allowance for doubtful trade receivables	8.11	(3.02)	-	5.09
Provision for gratuity	2.07	(0.07)	0.31	2.31
Provision for compensated absences	0.90	(0.35)	0.08	0.63
Depreciation	0.55	(0.36)	-	0.19
Total	**11.63**	**(3.80)**	**0.39**	**8.22**

Unrecognised deferred tax assets

Consequent to the sale of the Company's Investment in its wholly owned subsidiary Easyaccess Financial Services Limited in FY 2013-14 and a land at Delhi in FY 2017-18, there was a Long Term Capital loss, under Income Tax Act,1961, which resulted in deferred tax asset of ₹ 15.39 crores. Out of this ₹ 2.49 crores was recognized against realized Long Term Capital Gain in an earlier year. The balance Deferred Tax Asset of ₹ 12.90 crores will be recognized as and when there is a Long Term capital Gain. These unrecognized deferred tax asset will expire over a period of 4- 8 years

9. INCOME TAX ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Income tax assets (net of provisions)	53.80	54.24

Movement in income tax assets

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance at the beginning of the year	54.24	47.04
Add: Taxes paid (net of refunds)	91.18	108.14
Less: Provision during the year	91.62	100.94
Balance at the end of the year	**53.80**	**54.24**

Tax expense recognised during the year

(₹ in Crores)

Particulars	2017-18		2016-17	
	Recognised in the statement of profit and loss	Recognised in the other comprehensive income	Recognised in the statement of profit and loss	Recognised in the other comprehensive income
Current tax	91.62	-	100.94	-
Deferred tax (asset)/ liability	(4.21)	(2.84)	3.80	(0.39)
Total	**87.41**	**(2.84)**	**104.74**	**(0.39)**

NOTES to the standalone financial statements for the year ended March 31, 2018

Reconciliation of effective tax rate

(₹ in Crores)

Particulars	2017-18	2016-17	2017-18	2016-17
	Effective tax rate		Tax expense	
Profit before tax			271.33	313.09
Income tax expense	34.61%	34.61%	93.91	108.36
Effect of exempted income	-3.05%	-1.92%	(8.27)	(6.02)
Effect of non-deductible expense	0.66%	0.76%	1.77	2.40
Income tax Expense recognized in Profit and loss	**32.22%**	**33.45%**	**87.41**	**104.74**

10. OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
Capital advances	1.27	0.95
Receivable from Government authorities	39.81	28.45
Others	-	0.02
Total	**41.08**	**29.42**

11. INVENTORIES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Trading stocks	1,035.47	1,204.70
Goods in transit	54.01	361.22
Total	**1,089.48**	**1,565.92**

12. TRADE RECEIVABLES – UNSECURED

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Considered good	2,248.77	1,979.83
Considered doubtful	24.25	14.72
	2,273.02	1,994.55
Less :- Allowance for doubtful trade receivables	24.25	14.72
Total	**2,248.77**	**1,979.83**

13. CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Cash on hand	0.07	0.09
Balance in current account	119.87	70.98
Cash and cash equivalents as per Balance sheet	**119.94**	**71.07**
Bank Overdrafts used for cash management purposes	2.12	65.89
Cash and cash equivalents as per the statement of cash flows	**117.82**	**5.18**

NOTES to the standalone financial statements for the year ended March 31, 2018

14. OTHER BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(i) In deposit account	0.05	5.55
(ii) In earmarked accounts		
Unclaimed dividend account	0.10	0.10
Total	**0.15**	**5.65**

15. LOANS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
Loans to related parties		
Ensure Support Services (India) Limited	-	2.50
Currents Technologies Retail (India) Limited	34.90	31.40
ProConnect Supply Chain Solutions Limited	-	10.00
Total	**34.90**	**43.90**

The above loans have been given for working capital purposes.

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

(₹ in Crores)

Particulars	2017-18	2016-17
Cadensworth (India) Limited (refer note 39)	-	26.00
ProConnect Supply Chain Solutions Limited	20.00	20.00
Ensure Support Services (India) Limited	4.50	2.50
Currents Technologies Retail (India) Limited	38.30	32.90

16. OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
Deposits	5.95	5.63
Other assets	3.62	-
Total	**9.57**	**5.63**

17. OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
Receivable from Government authorities	101.52	25.68
Prepaid expenses	7.12	6.77
Other advances	11.89	16.17
Total	**120.53**	**48.62**

NOTES to the standalone financial statements for the year ended March 31, 2018

18. EQUITY SHARE CAPITAL

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

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Authorised capital		
42,50,00,000 (previous year: 42,50,00,000) equity shares of ₹ 2/- each	85.00	85.00
Issued, subscribed and fully paid up		
40,01,72,685 (previous year: 39,98,48,460) equity shares of ₹ 2/- each fully paid up	80.03	79.97

Reconciliation of the number of shares outstanding and amount of share capital at the beginning and at the end of the year

Particulars	2017-18		2016-17	
	No of shares	₹ in crores	No of shares	₹ in crores
At the beginning of the year	39,98,48,460	79.97	39,98,13,230	79.96
Allotment of shares under Employee Stock Option Plan, 2008 during the year	3,24,225	0.06	35,230	0.01
Outstanding at the end of the year	**40,01,72,685**	**80.03**	**39,98,48,460**	**79.97**

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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

Particulars	March 31, 2018		March 31, 2017	
	No of shares held	% of Share holding	No of shares held	% of Share holding
Synnex Mauritius Limited	9,42,95,940	23.56	9,42,95,940	23.58
Marina IV (Singapore) Pte.Ltd.	3,94,25,695	9.85	3,94,25,695	9.86
Harrow Investment Holding Limited	-	-	3,27,77,599	8.20
ICICI Prudential Life Insurance Company Limited	2,80,74,785	7.02	3,21,27,638	8.03
HDFC Trustee Company Limited	3,54,18,802	8.85	2,66,49,400	6.66

Shares reserved for issue under Employee Stock Option Plan, 2008 and Stock Appreciation Right Scheme, 2017:

Particulars	March 31, 2018		March 31, 2017	
	No of shares	₹ in crores	No of shares	₹ in crores
a. Employee Stock Option Plan, 2008	61,460	0.01	4,01,685	0.08
b. Stock Appreciation Right Scheme, 2017	86,81,681	1.74	-	-

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholder through the optimisation of the debt and equity balance.

NOTES to the standalone financial statements for the year ended March 31, 2018

The capital structure of the Company consists of Short-term Debt and Equity. The Company, over the years, has maintained parity between Net Debt and Equity. The ratio of net debt to equity at the end of the year is as follows:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Debt (Refer Note 21)	766.27	707.29
Cash and Cash Equivalents and Other Bank balance (Refer Note 13 & 14)	120.09	76.72
Net Debt(A)	646.18	630.57
Total Equity (Refer Note 18 & 19) (B)	1,689.46	1,609.70
Net debt Equity ratio (A/B)	**0.38**	**0.39**

19. OTHER EQUITY

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
i. Securities premium		
Opening balance	354.80	354.53
Add: Premium on allotment of shares under Employee Stock Option Plan, 2008 issued during the year	2.50	0.27
Balance at the end of the year	**357.30**	**354.80**
Securities premium is used to record the premium received on issue of shares.		
ii. General reserve		
Opening balance	90.30	90.30
Balance at the end of the year	**90.30**	**90.30**
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.		
iii. Remeasurement of defined benefit liability		
Opening balance	(0.61)	0.14
Add: Movement during the year (net)	(5.30)	(0.75)
Balance at the end of the year	**(5.91)**	**(0.61)**
Retirement Benefit Obligation reserve represents accumulated balances of actuarial gains/losses, arising out of employee defined benefit obligation and will not to be subsequently reclassified to Profit and Loss. This reserve is not a distributable reserve.		
iv. Foreign currency translation reserve		
Opening balance	(0.10)	0.09
Add: Movement during the year (net)	0.07	(0.19)
Balance at the end of the year	**(0.03)**	**(0.10)**
Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currency to the presentation currency are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve.		

NOTES to the standalone financial statements for the year ended March 31, 2018

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
v. Stock compensation reserve		
Opening balance	-	-
Add: Movement during the year (net)	4.79	-
Balance at the end of the year	**4.79**	**-**
The above reserve relates to SARs granted by the Company to the employees and Directors of the Company and its subsidiaries, under the Redington Stock Appreciation Right Scheme, 2017. Further information about SAR scheme is set out in Note 43.		
vi. Surplus in the statement of profit and loss		
Opening balance	1,085.34	1,070.76
Profit for the year	183.92	208.35
Sub total	**1,269.26**	**1,279.11**
Final dividend paid ₹ 2.30 per share (previous year: ₹ 2.10 per share)	(91.96)	(83.96)
Special (Interim) dividend paid Nil (previous year: ₹ 2.00 per share)	-	(79.97)
Dividend distribution Tax on dividend paid	(18.72)	(32.59)
Dividend distribution tax credit on account of dividend received from subsidiaries	4.40	2.75
Balance at the end of the year	**1,162.98**	**1,085.34**
The above reserve represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.		
Total other equity	**1,609.43**	**1,529.73**

20. PROVISIONS – NON-CURRENT

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Compensated absences	3.32	1.61
Gratuity	10.17	6.27
Total	**13.49**	**7.88**

Gratuity (included as part of employee benefits expense in note 28)

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company's obligation towards Gratuity is a defined benefit plan and the details of actuarial valuation as at the year-end are given below:

Reconciliation of present value of defined benefit obligation

(₹ in Crores)

Particulars	2017-18	2016-17
Defined Benefit Obligation at the beginning of the year	**6.65**	**6.04**
Current service cost	0.64	0.55
Liability transferred to Ensure Support Services (India) Limited a wholly owned Subsidiary, due to transfer of employees	-	(0.22)

NOTES to the standalone financial statements for the year ended March 31, 2018

(₹ in Crores)

Particulars	2017-18	2016-17
Interest cost	0.45	0.45
Actuarial loss	5.52	0.90
Benefits paid	(1.24)	(1.07)
Defined Benefit Obligation at the end of the year	**12.02**	**6.65**
Non-current obligation at the end of the year	10.17	6.27
Current obligation at the end of the year	1.85	0.38

Expenses recognised in statement of profit and loss and Other Comprehensive Income

(₹ in Crores)

Particulars	2017-18	2016-17
Cost of the defined plan for the year:		
Current service cost	0.64	0.55
Interest on obligation	0.45	0.45
Net cost recognized in the Statement of Profit and Loss	**1.09**	**1.00**
Net actuarial loss recognized in Other Comprehensive Income	**5.52**	**0.90**

Principal actuarial assumptions for Gratuity

(₹ in Crores)

Particulars	2017-18	2016-17
Discount Rate	7.55%	7.50%
Salary escalation rate	5.00%	5.00%
Attrition rate	10.50%	8.00 - 9.00%
Demographic assumptions – Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

Sensitivity analysis

The Company applies 1% as the sensitivity rate while ascertaining the impact of change in one of the actuarial assumptions, keeping other assumptions constant, on the defined benefit obligation. Following is the effect on defined benefit obligation:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Increase of 1% in assumptions	Increase/ (Decrease)	Increase/ (Decrease)
Discount rate	(0.70)	(0.95)
Salary escalation rate	0.64	0.63
Attrition rate	0.09	0.95
Decrease of 1% in assumptions	Increase/ (Decrease)	Increase/ (Decrease)
Discount rate	0.78	1.14
Salary escalation rate	(0.60)	(0.71)
Attrition rate	(0.10)	(1.14)

NOTES to the standalone financial statements for the year ended March 31, 2018

21. SHORT-TERM BORROWINGS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Secured loans from banks (refer note a)	479.16	400.47
Unsecured loans from:		
i. Banks	279.51	208.42
ii. Others	7.60	-
Commercial paper (refer note b)	-	98.40
Total	**766.27**	**707.29**

a. Secured by pari-passu charge on inventories and trade receivables and repayable on demand.

b. The facility is unsecured and the maximum amount outstanding at any time during the year was ₹ 1,390.00 crores (previous year: ₹ 1,365.00 crores).

Details of Loans availed & repaid during the year:

(₹ in Crores)

Particulars	Loan from Bank	Loan from Others	Commercial Paper	Total
Balance at the beginning of the year				
- Included under borrowings (refer note 21)	608.89	-	98.40	707.29
- Included under other financial liabilities (refer note 23)	1.16	-	-	1.16
Details of borrowings with a maturity of over 90 days				
Loans availed during the year	418.32	-	250.00	668.32
Repayments made during the year	(308.04)	-	(250.00)	(558.04)
Details of other borrowings				
Loans availed during the year	4,360.62	9.76	7,045.00	11,415.38
Repayments made during the year	(4,267.08)	(2.16)	(7,143.40)	(11,412.64)
Movement in bank overdrafts (net) (refer note 13)	(63.77)	-	-	(63.77)
Finance cost	30.98	-	67.88	98.86
Interest paid	(28.21)	-	(67.88)	(96.09)
Effects of changes in foreign exchange rates	9.73	-	-	9.73
Balance at the end of the year				
- Included under borrowings (refer note 21)	758.67	7.60	-	766.27
- Included under other financial liabilities (refer note 23)	3.93	-	-	3.93

22. TRADE PAYABLES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(A) Total outstanding dues to Micro enterprises and Small enterprises	-	6.42
Total (A)	-	**6.42**
(B) Total outstanding other than dues to Micro enterprises and Small enterprises		
i. Trade payables	1,616.11	1,966.14
ii. Other payables	43.55	11.34
Total (B)	**1,659.66**	**1,977.48**
Total (A+B)	**1,659.66**	**1,983.90**

NOTES to the standalone financial statements for the year ended March 31, 2018

The Company has circulated letters to suppliers and based on confirmations 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 are no overdue outstanding amounts (including interest) payable to these enterprises.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Amount due to Vendor		
- Principal	-	6.42
- Interest	-	-
Interest paid beyond the appointed day	-	-
Amount of interest due and payable for the year	-	-
Amount of interest accrued and remaining unpaid	-	-

23. OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Interest accrued but not due on borrowings	3.93	1.16
Unclaimed dividend *	0.10	0.10
Other liabilities^	183.39	102.42
Total	**187.42**	**103.68**

*No amount is due and outstanding to be credited to Investor Education and Protection Fund.

^Includes ₹ 15.87 crores (previous year: Nil) payable towards acquisition of Property, plant and equipment and intangible assets.

24. PROVISIONS - CURRENT

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Compensated absences	0.82	0.16
Gratuity	1.85	0.38
Others	-	1.35
Total	**2.67**	**1.89**

25. OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Statutory liabilities	54.41	61.49
Advances received from customers	22.01	21.76
Other liabilities	53.58	35.40
Total	**130.00**	**118.65**

NOTES to the standalone financial statements for the year ended March 31, 2018

26. REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	2017-18	2016-17
Sale of products	14,835.73	15,336.73
Service income	2.32	15.70
Rebates	424.51	406.26
Other operating revenue	0.02	0.14
Total	**15,262.58**	**15,758.83**

27. OTHER INCOME

(₹ in Crores)

Particulars	2017-18	2016-17
Interest income under the effective interest rate method on:		
Bank deposits	0.02	0.06
Loans	3.08	2.12
Others:		
Dividend from subsidiaries	21.62	17.38
Interest from dealers	12.15	11.82
Income from short term investments	1.07	1.64
Bad debts written off in earlier years recovered	0.87	0.78
Gain on sale of Property, plant and equipment and assets held for sale (net)	2.68	0.55
Interest on income tax refund	0.18	7.03
Rental income	2.70	2.79
Other non-operating income	1.16	1.89
Total	**45.53**	**46.06**

28. EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	2017-18	2016-17
Salaries and bonus	118.71	107.71
Contribution to provident and other funds	6.21	3.72
Welfare expenses (including compensated absences)	3.94	5.69
Stock compensation expenses	2.45	-
Gratuity	0.64	0.55
Total	**131.95**	**117.67**

NOTES to the standalone financial statements for the year ended March 31, 2018

29. FINANCE COSTS

(₹ in Crores)

Particulars	2017-18	2016-17
Interest on borrowings	96.84	79.90
Other borrowing costs	2.02	1.01
Total	**98.86**	**80.91**

30. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crores)

Particulars	2017-18	2016-17
Depreciation of property, plant and equipment (refer note 4)	13.28	11.41
Amortisation of intangible assets (refer note 5)	0.25	0.11
Total	**13.53**	**11.52**

31. OTHER EXPENSES

(₹ in Crores)

Particulars	2017-18	2016-17
Rent (refer note: 34)	12.71	12.50
Warehouse product/handling charges	70.37	70.24
Freight	2.52	3.75
Commercial taxes	4.02	25.76
Repairs and maintenance	7.59	6.53
Utilities	2.86	2.39
Insurance	12.09	9.86
Rates and taxes	0.51	0.48
Communication	5.47	4.64
Travel	13.05	11.76
Conveyance	3.82	3.45
Bad debts *	-	-
Allowance for doubtful trade receivables	19.84	11.97
Auditors' remuneration (Refer details below)	0.51	0.67
Exchange loss (net)	21.02	32.99
Factoring charges	11.48	8.59
Non-executive/ Independent Directors remuneration	1.42	1.35
Outsourced resource cost	4.97	5.75
Bank charges	2.36	4.68
Sales promotion expenses	100.29	99.04
Corporate social responsibility expenditure (refer note: 40)	5.75	5.82
Miscellaneous expenses	8.85	7.16
Total	**311.50**	**329.38**

* The amount of bad debts written off against allowance for doubtful trade receivables is ₹ 10.31 crores. (previous year: ₹ 20.68 crores)

NOTES to the standalone financial statements for the year ended March 31, 2018

Auditor's Remuneration

(₹ in Crores)

Particulars	2017-18	2016-17^
As auditor		
Audit fees	0.28	0.31
Tax audit	0.02	0.03
Remuneration to branch auditors (refer note (a) below)	0.09	0.15
In other capacities		
Certification fees (refer note (a) below)	0.11	0.12
Re-imbursement of expenses (includes taxes)	0.01	0.06*
Total remuneration	**0.51**	**0.67**

* Includes service tax expensed off

^ Represents fees paid / payable to the previous auditor

Note (a): Includes fees paid / payable to a firm other than B S R & Co. LLP

32. EARNINGS PER EQUITY SHARE

Particulars	2017-18	2016-17
Profit after tax (₹ in Crores)	183.92	208.35
Weighted average number of equity shares (Basic)	40,00,03,004	39,98,32,245
Earnings per share- Basic ₹	4.60	5.21
Weighted average number of equity shares (Diluted)	40,00,32,508	39,99,36,838
Earnings per share-diluted ₹	4.60	5.21
Face Value per share in ₹	2/-	2/-
Weighted average number of equity shares (Basic)	40,00,03,004	39,98,32,245
Add: Effect of ESOP (dilutive)	29,504	104,593
Less: Effect of SARs (anti-dilutive)	-	-
Weighted average number of equity shares (diluted) #	40,00,32,508	39,99,36,838

The effect of ESOP is dilutive whereas the effect of SAR is anti-dilutive.

33. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
i. Guarantees relating to channel financing	4.35	4.35
ii. Claims against the Company not acknowledged as debts	3.57	2.24

NOTES to the standalone financial statements for the year ended March 31, 2018

iii. Disputed Customs Duty/Income Tax/Sales Tax/Service Tax demands

(₹ in Crores)

Nature of Dues	March 31, 2018	March 31, 2017
Customs duty	-	0.96
Income Tax (refer **Note A** below)	15.42	6.08
Sales Tax	57.49	47.24
Service Tax (refer **Note B** below)	-	21.59

Note A

Contingent liabilities include similar issues for which the Company has received favourable disposition at the Tribunal level in the past.

Note B

The Company had filed an appeal during July 2016 before CESTAT – Delhi against the Service tax demand of ₹ 21.59 crores (including interest and penalty) raised for the period October 2009 to September 2014, determining service tax liability on the HP Indigo Consumables and Spare parts support agreement on which VAT is already paid. CESTAT - Delhi vide its order passed during April 2018 allowed the appeal filed by the Company and set-aside the demand raised in full with consequential reliefs. In the proceedings, the Company had earlier deposited ₹ 4.00 crores under protest and adjusted Cenvat input credit of ₹ 8.59 crores against the tax liability, totaling ₹ 12.59 crores. The Company would be filing for refund of these amounts as per due process of law.

iv. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 15.57 crores (previous Year: ₹ 1.32 crores).

34. OPERATING LEASES

The Company has taken various operating leases for its office premises, which is for a period ranging from 11 months to 9 years.

Payments recognized as expense

(₹ in Crores)

Particulars	2017-18	2016-17
Minimum lease payments	12.71	12.50
Total	**12.71**	**12.50**

Future minimum lease payments

The future minimum lease payments under non-cancellable operating leases are as follows:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Payable in less than one year	4.52	3.81
Payable between one and five years	4.90	5.70
Total	**9.42**	**9.51**

NOTES to the standalone financial statements for the year ended March 31, 2018

35. FINANCIAL INSTRUMENTS

Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities:

(₹ in Crores)

March 31, 2018	Carrying amount			
Particulars	Note reference	Other financial assets- amortised cost	FVTPL – others	Total carrying amount
Financial assets measured at fair value				
Trade receivables	Note 12	2,248.77	-	2,248.77
Cash and cash equivalents	Note 13	119.94	-	119.94
Other bank balances	Note 14	0.15	-	0.15
Loans	Note 15	34.90	-	34.90
Other financial assets	Note 7&16	13.37	-	13.37
Total		**2,417.13**	**-**	**2,417.13**
Financial liabilities measured at fair value				
Borrowings	Note 21	766.27	-	766.27
Trade payables	Note 22	1,659.66	-	1,659.66
Other financial liabilities	Note 23	186.74	-	186.74
Forward contract	Note 23	-	0.68	0.68
Total		**2,612.67**	**0.68**	**2,613.35**

The Investments in subsidiaries and associate (refer note 6), is accounted at cost less impairment.

(₹ in Crores)

March 31, 2017	Carrying amount			
Particulars	Note reference	Other financial assets- amortised cost	FVTPL – others	Total carrying amount
Financial assets measured at fair value				
Trade receivables	Note 12	1,979.83	-	1,979.83
Cash and cash equivalents	Note 13	71.07	-	71.07
Other bank balances	Note 14	5.65	-	5.65
Loans	Note 15	43.90	-	43.90
Other financial assets	Note 7&16	7.12	-	7.12
Total		**2,107.57**	**-**	**2,107.57**
Financial liabilities measured at fair value				
Borrowings	Note 21	707.29	-	707.29
Trade payables	Note 22	1,983.90	-	1,983.90
Other financial liabilities	Note 23	74.86	-	74.86
Forward contract	Note 23	-	28.82	28.82
Total		**2,766.05**	**28.82**	**2,794.87**

The Investments in subsidiaries and associate (refer note 6), is accounted at cost less impairment.

NOTES to the standalone financial statements for the year ended March 31, 2018

The following table shows the fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Financial assets measured at fair value		
Deposits (Level 2)	9.75	7.12
Financial liabilities measured at fair value		
Forward contract (Level 2)	0.68	28.82

The Company enters into foreign exchange forward contracts with banks. These foreign exchange forward contracts are valued using various inputs including the foreign exchange spot and expected forward rates.

36. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk of the Company is credit and foreign exchange risk.

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates is limited to payment in foreign exchange for purchase of goods.

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.

Details of derivative exposures are as under:-

Particulars	March 31, 2018		March 31, 2017	
	$ in crores	₹ in crores	$ in crores	₹ in crores
Trade Payables:				
Foreign Currency Exposure	7.73	504.41	8.29	537.26
Less: Hedged through Forward Exchange Contracts	7.24	472.26	7.42	481.00
Unhedged exposure	**0.49**	**32.15**	**0.87**	**56.26**
Receivables:				
Foreign Currency Exposure – Unhedged	**2.18**	**142.52**	**0.86**	**55.81**

The un-hedged balances as at March 31, 2018 are primarily on account of purchase of goods where the Company is in the process of hedging and the balance in vendor account which to a larger extent have natural hedge.

NOTES to the standalone financial statements for the year ended March 31, 2018

Sensitivity analysis:

Sensitivity analysis is carried out for un-hedged foreign exchange risk as at March 31, 2018. For every 1% strengthening of Indian Rupees against all relevant uncovered foreign currency transactions profit before tax would be impacted by loss of ₹ 1.10 crores (previous year ₹ 0.11 crores). Similarly, for every 1% weakening of Indian Rupee against these transactions, there would be an equal and opposite impact on the profit before tax.

B. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company borrows funds to meet its short-term requirements which are at fixed interest rates. Hence, the Company is not exposed to any significant interest rate risk.

C. Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under customer contract, leading to a financial loss. The Company is exposed to credit risk from its sale to small and large format retailers on credit.

The Company mitigates credit risk by strict receivable management, procedures and policies. The Company has a dedicated independent team to review credit and monitor collection of receivables on a pan India basis. Credit insurance is resorted to most of the receivable and in such cases the credit risk is restricted to 15 % of the receivable value.

Movement in the allowance for doubtful receivables

(₹ in Crores)

Particulars	2017-18	2016-17
Balance at the beginning of the year	14.72	23.45
Allowance recognized during the year	19.84	11.97
Less: Written-off during the year	10.31	20.68
Currency translation Adjustment	-	(0.02)
Balance at the end of the year	**24.25**	**14.72**

Ageing of trade receivables:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Less than 90 days	2,079.82	1,845.38
91-180 days	73.40	35.92
More than 180 days	119.80	113.25
Total	**2,273.02**	**1,994.55**

The concentration of credit risk is limited due to the customer base being large and unrelated. Further, the Company constantly evaluates the quality of trade receivable and provides allowance towards doubtful debts.

D. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

NOTES to the standalone financial statements for the year ended March 31, 2018

The Company has built an appropriate liquidity risk management framework for its short, medium and long-term funding and liquidity requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial liabilities.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities:

(₹ in Crores)

Particulars of financial liabilities	March 31, 2018		March 31, 2017	
	< 1 year	> 1 year	< 1 year	>1 year
Fixed interest rate instruments	766.27	Nil	707.29	Nil
Non-interest bearing instruments	1,847.08	Nil	2,087.58	Nil
Total financial liabilities	**2,613.35**	**Nil**	**2,794.87**	**Nil**

37. RELATED PARTY DISCLOSURES (AS PER IND AS 24 *"RELATED PARTY DISCLOSURES"*)

1) Key Management Personnel

Mr. Raj Shankar, Managing Director

Mr. M.Raghunandan, Whole time Director (Till May 24, 2016)

Mr. E.H. Kasturi Rangan, Whole time Director (From May 24, 2016)

Refer Note 38 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 (Upto July 13, 2017)
Subsidiary Companies	Redington International Mauritius Limited, Mauritius*
	Redington Gulf FZE, Dubai
	Cadensworth FZE, Dubai
	Redington Gulf & Co. LLC, Oman
	Redington Nigeria Ltd, Nigeria
	Redington Egypt Ltd (Limited liability company), Egypt
	Redington Kenya Ltd, Kenya
	Redington Middle East LLC, Dubai
	Redington Qatar WLL, Dubai
	Ensure Services Arabia LLC, Saudi Arabia
	Redington Africa Distribution FZE, Dubai
	Ensure Services Bahrain S.P.C, Bahrain
	Redington Distribution Pte. Limited, Singapore *
	Redington Bangladesh Limited, Bangladesh
	Redington Qatar Distribution W.L.L., Qatar
	Redington Kenya (EPZ) Ltd, Kenya
	Redington Limited, Ghana
	Redington Uganda Limited, Uganda
	Redington Gulf FZE Co, Iraq
	Cadensworth UAE LLC, Dubai

NOTES to the standalone financial statements for the year ended March 31, 2018

	Redington Morocco Limited, Morocco
	Redington Tanzania Ltd., Tanzania
	Redington SL (Private) Ltd., Sri lanka
	Redington Turkey Holdings S.A.R.L, Luxembourg
	Arena Bilgisayar Sanayi Ve Ticaret A.S., Turkey
	Arena International FZE, Dubai
	Ensure IT services (pty) Ltd., South Africa
	ProConnect Supply Chain Solutions Limited, India*
	Ensure Gulf FZE, Dubai
	Ensure Technical Services (PTY) Ltd., 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 Ltd, Rwanda
	Redington Kazakhstan LLP, Kazakhstan
	Sensonet Teknoloji Elektronik Ve Bilisim Hizmetleri Sanayi Ve Ticaret A.S., Turkey
	ProConnect Supply Chain Logistics LLC, Dubai
	Ensure Ghana Limited, Ghana
	Ensure Support Services (India) Limited, India*
	Ensure Technical Services Morocco Limited (SARL), Morocco
	Redington Senegal Limited SARL
	Redington Saudi Arabia Distribution Company, Saudi Arabia
	Paynet Ödeme Hizmetleri A., Turkey
	CDW International Trading FZE, Dubai (Name changed to CDW International Trading FZCO after the balance sheet date)
	RNDC Alliance West Africa Limited, Nigeria
	Linkplus Bilgisayar Sistemleri Sanayi ve TicaretA.S, Turkey
	Redserv Business Solutions Private Limited, India
	ProConnect Saudi LLC, Saudi Arabia
	Redington Distribution Company LLC, Egypt
	Ensure MiddleEast Technology Solutions LLC, Abu Dhabi
	Rajprotim Supply Chain Solutions Limited, India
	Incorporated during the year
	Citrus Consulting Services FZ-LLC, Dubai
	Arena Mobile Iletisim Hizmetleri Ve Tuketici Elektronigi Sanayi Ve Ticaret Anonim Sirketi, Turkey
	Online Elektronik Ticaret Hizmetleri Anonim Sirketi, Turkey
	Paynet (KIBRIS) Ödeme Hizmetleri Limited, Cyprus
	Ensure Services Limited, Egypt
	Redington Cote d'Ivoire SARL, Cote d'Ivoire
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.*

NOTES to the standalone financial statements for the year ended March 31, 2018

3) **Nature of Transactions**

(₹ in Crores)

Nature of Transactions	2017-18 Parties having Significant Influence	2016-17 Parties having Significant Influence
Synnex Mauritius Limited		
Dividend Paid	21.69	38.66
Harrow Investment Holding Limited		
Dividend Paid	-	13.44

(₹ in Crores)

Nature of Transactions	2017-18 Subsidiary Companies	2016-17 Subsidiary Companies
Redington International Mauritius Limited		
Stock compensation expense treated as investments	1.43	-
Redington Distribution Pte Limited		
Trading Purchases	9.43	50.06
Sales/Service Charges – Income	0.53	3.11
Dividend Income	16.42	15.56
Service Charges – Expenses	0.28	-
Stock compensation expense treated as investments	0.10	-
Amount Receivable at the year end	-	1.53
Amount Payable at the year end	0.09	12.61
ProConnect Supply Chain Solutions Limited		
Sales/Service charges- income	0.69	0.81
Service charges – expense	0.08	0.12
Interest income	0.58	0.26
Rental income	2.41	2.73
Sale of fixed assets	-	0.06
Warehouse/Product handling charges – expense	67.83	62.63
Stock compensation expense treated as investments	0.69	-
Dividend income	3.62	1.82
Loan disbursed	14.00	33.00
Loan settled	24.00	23.00
Loan outstanding receivable at the year end	-	10.00
Amount receivable at the year end	0.28	0.38
Amount payable at the year-end (Net)	7.83	10.12

NOTES to the standalone financial statements for the year ended March 31, 2018

(₹ in Crores)

Nature of Transactions	2017-18 Subsidiary Companies	2016-17 Subsidiary Companies
Equity contribution made during the year	-	15.00
Ensure Support Services (India) Limited		
Sales/Service Charges – Income	0.39	0.29
Rental Income	0.46	0.42
Interest Income	0.13	0.04
Dividend Income	1.58	-
Purchases – Expenses	0.03	0.21
Service Charges – Expense	3.87	2.70
Stock compensation expense treated as investments	0.12	-
Loan disbursed	4.00	2.50
Loan settled	6.50	-
Loan outstanding at the year end	-	2.50
Amount Payable at the year end	1.56	1.52
Amount Receivable at the year end	0.22	2.09

(₹ in Crores)

Nature of Transactions	2017-18 Subsidiary of Associate	2016-17 Subsidiary of Associate
Currents Technology Retail (India) Limited		
Sales income	54.90	57.86
Interest income	2.35	1.80
Loan disbursed	78.30	94.10
Loan settled	74.80	87.10
Loan outstanding at the year end	34.90	31.40
Amount receivable at the year end	17.64	12.08

(₹ in Crores)

Nature of Transactions	2017-18 Party Where Control Exists	2016-17 Party Where Control Exists
Redington Employee Share Purchase Trust		
Deficit absorbed	0.0007	0.0007

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.

NOTES to the standalone financial statements for the year ended March 31, 2018

38. KEY MANAGERIAL REMUNERATION

(₹ in Crores)

Nature of Transactions	2017-18	2016-17*
Remuneration to whole-time directors		
Salaries and Bonus	1.24	1.38
Contribution to Provident Fund	0.03	0.03
Stock compensation expense (SAR)	0.07	-
Total remuneration	**1.34**	**1.41**

* a) Includes remuneration paid to Mr. Raghunandan amounting to ₹ 0.14 crores.

* b) Salary entitlement for the full financial year 2017-18 for Mr. E.H. Kasturi Rangan is considered in salaries and bonus.

c) Provision for gratuity and compensated absences are based on the actuarial valuation performed on an overall Company basis and hence excluded above.

d) The Company has filed an application with Ministry of Corporate Affairs for reappointment of Mr. Raj Shankar as the Managing Director, since he is a non-resident Indian.

39. MERGER OF CADENSWORTH (INDIA) LIMITED

(i) Cadensworth (India) Limited ("Cadensworth") was engaged in information technology product distribution business and after sales services of information technology products. Cadensworth was a wholly owned subsidiary of the Company.

(ii) Pursuant to the order of National Company Law Tribunal, Chennai bench, Cadensworth (India) Limited, ("transferor") was merged with the Company with an appointed date of April 1, 2016. The order has been made effective on July 26, 2017, upon complying with all the relevant requirements under the Companies Act, 2013.

(iii) The amalgamation has been accounted for under the 'pooling of interests' method as prescribed by Ind AS 103 "*Business Combination*". Given that the merger is a common control transaction, the prior year figures have been restated as if the merger had occurred from the beginning of the preceding period i.e. April 01, 2016. Accordingly, the assets, liabilities and reserves of the transferor company as at April 01, 2016 have been taken over and recorded at their respective book values and in the same form.

(iv) 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.

(v) Details of assets and liabilities taken over as on April 01, 2016:

Particulars	(₹ in Crores)
Total assets taken over	273.75
Total liabilities taken over	210.29
Reserves taken over	57.34
Net assets taken over	**6.12**
Investments cancelled 1,301,294 shares of ₹ 10 each fully paid up	6.12

NOTES to the standalone financial statements for the year ended March 31, 2018

(vi) The impact of the above merger on the previously reported Standalone Balance Sheet as at March 31, 2017 is as follows:

(₹ in Crores)

Particulars	As previously Reported *	Cadensworth	Elimination	Total
Assets				
Non-Current Assets				
Property, Plant and Equipment	96.18	0.85	-	97.03
Capital work-in-progress	0.50	-	-	0.50
Intangible assets	0.24	-	-	0.24
Financial assets				
Investments in subsidiaries & associate	608.85	-	6.13	602.72
Other financial asset	1.45	0.04	-	1.49
Deferred tax asset (net)	5.98	2.24	-	8.22
Income tax asset (net)	53.35	0.89	-	54.24
Other non-current assets	29.40	0.02	-	29.42
Total non-current assets	**795.95**	**4.04**	**6.13**	**793.86**
Current assets				
Inventories	1,528.36	37.56	-	1,565.92
Financial assets:				
Trade receivables	1,889.85	89.98	-	1,979.83
Cash and cash equivalents	64.49	6.58	-	71.07
Other Bank balances	5.60	0.05	-	5.65
Loans	43.90	-	-	43.90
Other financial assets	5.63	-	-	5.63
Other current assets	44.83	3.79	-	48.62
Total current assets	**3,582.66**	**137.96**	**-**	**3,720.62**
Assets held for sale	18.51	-	-	18.51
Total assets	**4,397.12**	**142.00**	**6.13**	**4,532.99**
Equity and liabilities				
Equity				
Equity Share capital	79.97	1.30	1.30	79.97
Other equity	1,466.30	68.26	4.83	1,529.73
Total equity	**1,546.27**	**69.56**	**6.13**	**1,609.70**
Liabilities				
Non-current liabilities				
Provisions	7.77	0.11	-	7.88
Total non-current liabilities	**7.77**	**0.11**	**-**	**7.88**
Current liabilities				
Financial Liabilities				
Borrowings	697.84	9.45	-	707.29
Trade payables	1,933.04	50.86	-	1,983.90
Other financial liabilities	103.66	0.02	-	103.68
Provisions	1.89	-	-	1.89
Other current liabilities	106.66	11.99	-	118.65
Total current liabilities	**2,843.09**	**72.32**	**-**	**2,915.41**
Total equity and liabilities	**4,397.13**	**141.99**	**6.13**	**4,532.99**

* The previously reported amounts are after considering certain immaterial reclassification.

NOTES to the standalone financial statements for the year ended March 31, 2018

(vii) The impact of the above merger on the previously reported Standalone Statement of Profit and Loss for the year ended March 31, 2017 is as follows:

(₹ in Crores)

Particulars	As previously Reported *	Cadensworth	Elimination	Total
Revenue from operations	15,431.80	327.52	0.49	15,758.83
Other income	48.95	0.84	3.73	46.06
Total Income	**15,480.75**	**328.36**	**4.22**	**15,804.89**
Expenses				
Purchases of traded goods	14,702.19	246.67	0.19	14,948.67
Changes in inventories of traded goods	(41.49)	45.14	-	3.65
Employee benefits expense	112.46	5.21	-	117.67
Finance costs	79.56	1.85	0.50	80.91
Depreciation and amortisation expense	11.00	0.52	-	11.52
Other expenses	316.11	13.68	0.41	329.38
Total expenses	**15,179.83**	**313.07**	**1.10**	**15,491.80**
Profit before tax	**300.92**	**15.29**	**3.12**	**313.09**
Tax expense:				
Current tax	94.54	6.40	-	100.94
Deferred tax	4.69	(0.89)	-	3.80
Profit for the year (A)	**201.69**	**9.78**	**3.12**	**208.35**
Other comprehensive income				
Items that will not be reclassified to Profit or loss				
Remeasurements of the defined benefit plans	(1.24)	0.10	-	(1.14)
Income Tax Effect on above item	0.43	(0.04)	-	0.39
Net Other Comprehensive Income that will not be reclassified to profit or loss	**(0.81)**	**0.06**	**-**	**(0.75)**
Items that will be reclassified to Profit or loss				
Foreign currency translation adjustment	**(0.19)**	**-**	**-**	**(0.19)**
Net Other Comprehensive Income that will be reclassified to Profit or loss	**(0.19)**	**-**	**-**	**(0.19)**
Total other comprehensive income (B)	**(1.00)**	**0.06**	**-**	**(0.94)**
Total comprehensive income (A+B)	**200.69**	**9.84**	**3.12**	**207.41**

* The previously reported amounts are after considering certain immaterial reclassification.

NOTES to the standalone financial statements for the year ended March 31, 2018

(viii) The impact of the above merger on the previously reported Standalone Cash Flow Statement for the year ended March 31, 2017 is as follows:

(₹ in Crores)

Particulars	As previously Reported *	Cadensworth	Elimination	Total
Net cash generated from operating activities	58.16	38.01	0.11	96.06
Net cash generated from/(used in) investing activities	8.74	0.97	29.50	(19.79)
Net cash used in financing activities	(77.49)	(40.22)	(29.61)	(88.10)
Net increase/(decrease) in cash and cash equivalents	**(10.59)**	**(1.24)**	**-**	**(11.83)**

* The previously reported amounts are after considering certain immaterial reclassification.

40. CORPORATE SOCIAL RESPONSIBILITY

For the year 2017-18, the Company was required to spend ₹ 5.74 crores (previous year: ₹ 5.82 crores) on "Corporate Social Responsibility (CSR)" against which the Company has spent ₹ 5.75 crores (previous year: ₹ 5.82 crores), being the contribution made by the Company to a Trust formed for the purposes of carrying out CSR activities.

41. SEGMENT REPORTING

Since the Company prepares consolidated financial statements as per Ind AS-108 "*Operating Segment*", segment information has been disclosed in consolidated financial statements.

42. EMPLOYEE STOCK OPTION PLAN 2008 (ESOP 2008)

The Company followed intrinsic value method as per previous GAAP for accounting of employee stock options and had availed the exemption under Ind AS 101 *"First time adoption of Indian Accounting Standards"* at the time of transition to Ind AS from retrospective application of accounting requirements prescribed under Ind AS 102 *"Share-based payment"* for outstanding options as on the transition date. Accordingly, no compensation costs had been recognized in these accounts as the options have been granted at the prevailing market prices at the time of each grant. Details of various grants under ESOP 2008 are as follows:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	February 29, 2008	July 25, 2008	January 28, 2009	May 22, 2009	December 05, 2011
Exercise Price (₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	February 28, 2009	July 24, 2009	January 27, 2010	May 21, 2010	December 04, 2012
Options granted	23,35,973	11,000	2,76,143	25,000	1,73,212
Options lapsed	587,670	4,750	-	-	47,825
Options vested	17,48,303	6,250	2,76,143	25,000	1,25,387
Options exercised at the beginning of the year	17,48,303	6,250	2,76,143	25,000	48,250
Options exercised during the year	-	-	-	-	64,845
Total options outstanding and not exercised as on March 31, 2018	-	-	-	-	12,292

* Out of the total options granted in 2008, 19,59,830 options were re-priced at ₹ 130/- on January 28, 2009 and 75,000 options were re-priced at ₹ 165/- on May 22, 2009

NOTES to the standalone financial statements for the year ended March 31, 2018

Out of the lapsed options the Board/Committee of directors at their meetings had approved reissue of options as follows

Date of Grant	July 25, 2008	January 28, 2009	May 22, 2009	December 05, 2011
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 were as follows:

Grant Date	February 29,2008	Re-priced on January 28, 2009	Re-priced on May 22, 2009	July 25, 2008	Re-priced on January 28, 2009	January 28, 2009	May 22, 2009	December 05, 2011
Fair Value	171.33	25.56	33.04	159.71	23.77	47.46	79.82	171.72

The variables / assumption used for calculating the fair value of Grant V using the Black Scholes model and their rationale were as follows:

A. Stock price

The closing market price of the Company's share on the date prior to the date of grant as quoted on the National Stock Exchange (NSE) has been considered for the purpose of option valuation.

B. Volatility

Volatility is a measure of the amount by which the stock price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

In determining volatility, the Company considers the historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the option being valued.

Given that, the Company's stock is publicly traded on NSE and BSE, for the purpose of calculating volatility, the Company has considered the daily volatility of the stock prices on NSE, over a period prior to the date of grant, corresponding with the expected life of the options being valued.

The fair value of an option is very sensitive to this variable. Higher the volatility, higher is the fair value. The rationale being, the more volatile a stock is, the more is its potential to go up (or come down), and the more is the probability to gain from the movement in the price. Accordingly, an option to buy a highly volatile stock is more valuable than the one to buy a less volatile stock.

C. Risk free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

D. Exercise Price

Options have been granted primarily at a price of ₹ 348.05 on February 29, 2008. Subsequently, 1,959,830 and 75,000 options were re-priced at a market price of ₹ 130/- and ₹ 165/- on January 28, 2009 and May 22, 2009 respectively. On December 5, 2011 173,212 options were granted at a price of ₹ 396.50 per option.

E. Expected Life of options

Expected Life of options is the period over which the Company expects the options to be exercised. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

NOTES to the standalone financial statements for the year ended March 31, 2018

The fair value of each award has been determined based on different expected lives of the options that vest each year, as it would be if the award were viewed as several separate awards, each with a different vesting date. A weighted average of all vests has been calculated to arrive at the value of the options. The expected life of option is calculated as the average of the minimum life (vesting period) and the maximum life (i.e. vesting period + exercise period). Expected life of option has been estimated on a similar basis for the remaining vests.

F. **Expected Dividend yield:**

Expected dividend yield has been calculated as an average of dividend yields for the preceding two years to the date of the grant.

Details of movements in stock options during the year

Particulars	FY 2017-18		FY 2016-17	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at the beginning of the year	80,337	396.50	91,258	394.31
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	64,845	396.50	7,046	396.50
Expired during the year	3,200	396.50	3,875	344.92
Balance at the end of the year	12,292	396.50	80,337	396.50

Weighted average contractual life

The weighted average remaining contractual life of the options outstanding is 1.21 years.

Details of stock options exercised during the year

Particulars	Number exercised	Allotment date	Share price at allotment date
Grant I	NIL	-	-
Grant II	NIL	-	-
Grant III	NIL	-	-
Grant IV	NIL	-	-
Grant V	45,800	September 12, 2017	BSE -161.30/NSE-161.75
Grant V	19,045	December 13, 2017	BSE -182.55/NSE-182.25
Total	**64,845**		

NOTES to the standalone financial statements for the year ended March 31, 2018

43. STOCK APPRECIATION RIGHTS

A. Details of Stock Appreciation Rights

The Company has formulated 'REDINGTON STOCK APPRECIATION RIGHT SCHEME 2017' ("SAR Scheme 2017") with an intent to reward the employees of the Company and its subsidiaries for their performance and to motivate them to contribute to the growth and profitability of the Company. The maximum number of shares to be issued against the Stock Appreciation Rights (SARs) shall not exceed 86,81,681 equity shares of ₹ 2/- each as adjusted for any changes in the capital structure of the Company. Pursuant to the approval of SAR Scheme 2017 by the members of the Company, the Nomination and Remuneration Committee of the Board of Redington (India) Limited on 30th December 2017 approved the grant of 81,79,000 SARs to the employees of the Company and its subsidiaries.

Each SAR entitles the eligible employees and directors to receive equity shares of the Company equivalent to the increase in value of one equity share ('Appreciation'). Appreciation is calculated by reducing the issue price / base price from the reported closing price of the equity shares in the NSE / BSE where there is highest trading, on the day prior to the date of exercising of these SARs and multiplying the resultant with the number of SARs exercised.

These SARs vest over a period of 3 years from the date of the grant in the following manner:

10% of the SARs vest after a period of one year from the grant date, 20% of the SARs vest after a period of two years from the grant date and 70% of the SARs vest after a period of three years from the grant date. These SARs are exercisable within a period of three years from the respective date of vesting.

Certain SARs granted to the members of senior management team as identified by the Nomination and Remuneration committee have an associated performance condition. Of the total SARs granted to senior management team, 35% of the SARs that would vest at the end of 3 years from the date of the grant are subject to these performance conditions.

The Company has used the Black-Scholes Option Pricing Model to determine the fair value of the SARs based on which the compensation cost for the current year has been computed.

The said stock option scheme is in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Details of SARs granted are as follows:

A. Details of SAR	Particulars
Date of grant	December 30, 2017
Fair value at grant date (weighted-average)	₹ 71.99 per SAR
Exercise/ Base price	₹ 148.50 (15% discount to the Closing Market Price of ₹ 174.60 at NSE on December 29, 2017) date prior to the date of grant
Vesting commences on	December 30, 2018
Vesting requirement	The SARs granted would be vested subject to the time and performance conditions as may be decided by the Compensation Committee from time to time.
Maximum term of SARs granted	3 years from the date of vesting
Method of settlement	Equity shares of the Company

NOTES to the standalone financial statements for the year ended March 31, 2018

B. Details of movement in SARs granted during the year	Units (in numbers)
SARs outstanding at the beginning of the year	-
Number of SARs granted during the year	81,79,000
SARs vested during the year	-
SARs lapsed during the year	30,000
Total number of shares to be allotted on exercise of SAR	-
SARs outstanding at the end of the year	81,49,000
SARs exercisable at the end of the year	-
C. Range of exercise prices of SARs outstanding at the end of the year	₹ 2
D. Weighted average remaining contractual life (in years)	3.85

E. The fair value has been calculated using the Black Scholes Option Pricing model. The Assumptions used in the model on a weighted average basis at the time of the grant are as follows	Assumption values
1. Risk free interest rate	7.02%
2. Expected life (in years)	4.10
3. Expected volatility	35.72%
4. Dividend yield	1.20%
5. Price of the underlying share in market at the time of the option grant. (₹)	174.60

The variables / assumptions used for calculating the fair value using the above model and their rationale are as follows:

i. Stock price

The closing market price of the Company's share on the date prior to the date of grant as quoted on the National Stock Exchange (NSE) has been considered for the purposes of right valuation.

ii. Volatility

Volatility is a measure of the amount by which the stock price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes right pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

In determining volatility, the Company considers the historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the right being valued. Volatility has been calculated based on the daily closing market price of the Company's stock price on NSE over these years.

iii. Risk free interest rate

The risk-free interest rate is considered for the calculation is the interest rate applicable for maturity equal to the expected life of the rights based on the zero-coupon yield curve for Government Securities

iv. Exercise / base price

Exercise / base price of ₹ 148.50 is considered in the above valuation.

v. Expected Life of rights

Expected Life of rights is the period over which the Company expects the rights to be exercised. The minimum life of rights is the minimum period before which the rights cannot be exercised. The maximum life is the period after which the rights cannot be exercised.

The expected life of rights is calculated as the average of the minimum life (vesting period) and the maximum life (i.e. vesting period + exercise period).

vi. **Expected dividend yield:**

Expected dividend yield has been calculated based on the final dividend declared during the preceding financial year.

F. Expense recognized in statement of profit and loss

The Company has recognized costs with respect to those SARs which were issued to the employees and directors of the Company in the statement of profit and loss under employee benefit expenses.

G. Amount recognized as cost of investments in subsidiaries

The Company has recognized the cost of those SARs which were issued to the employees and directors of the subsidiaries as the cost of investments.

44. EVENTS AFTER THE REPORTING PERIOD (NON-ADJUSTING)

The Board of Directors at its meeting held on May 21, 2018 has recommended a dividend of ₹ 2.40 per equity share of ₹ 2/- each (i.e., 120% of face value) for the financial year ended March 31, 2018 (previous year ₹ 2.30 per equity share of ₹ 2/- each – i.e., 115% of face value) subject to the approval of shareholders in the ensuing Annual General Meeting.

45. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the previous year, the Company had specified bank notes and other denomination notes. As defined in the MCA notification G.S.R. 308 (E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in Crores)

Particulars	SBNs*	Other denomination Notes	Total
Closing Cash in hand as on November 8, 2016	0.15	0.02	0.17
(+) Permitted receipts	Nil	0.61	0.61
(-) Permitted payments	Nil	0.46	0.46
(-) Amount deposited in Banks	0.15	Nil	0.15
Closing Cash in hand as on December 30, 2016	Nil	0.17	0.17

*For the purpose of this disclosure, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs, S.O No. 3407(E), dated November 8, 2016.

The above disclosure is not applicable for the current year.

46. The financial statements were approved for issue by the Board of Directors on May 21, 2018.

for **B S R & Co. LLP**

Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDINGTON (INDIA) LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Redington (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"), in which are incorporated the financial information ('the Returns') for the year ended on that date audited by the branch auditors of the Company's branch at Singapore.

Management's Responsibility for the Consolidated Ind AS 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 state of affairs, consolidated profit / loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 consolidated 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its Associate are responsible for assessing the ability of the Group and of its Associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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, as well as evaluating the overall presentation of the consolidated financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its associates, joint ventures and joint operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associate to cease to continue as a going concern.

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-paragraph 2 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 and based on the consideration of reports of branch and other auditors on separate financial statements and on the other financial information of the branch, subsidiaries and associate, 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, 2018, and their consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Other Matters

1. The consolidated Ind AS financial statements of the Company for the year ended March 31, 2017 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on May 25, 2017.

2. We did not audit the financial statements of 2 foreign subsidiaries (which included the financial statements of 56 step-down subsidiaries) and an Indian step-down subsidiary whose financial statements reflect total assets of INR 6,887.82 crores and net assets of INR 2,720.79 crores as at March 31, 2018, total revenues of INR 27,007.51 crores and net cash outflows amounting to INR 235.97 crores 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 INR Nil for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of the associate, whose financial statements have not been audited by us. The financial statements of these subsidiaries and associate have been audited by other auditors whose reports have been furnished to us 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 our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

   We also did not audit the financial information of one foreign branch included in the consolidated Ind AS financial statements of the Company whose financial statements reflect total assets of INR 103.33 crores and net assets of INR 47.01 crores as at March 31, 2018 and total revenues of INR 184.22 crores for the year ended on that date. The financial statements of the foreign branch has been audited by the branch auditors 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 branch, is based solely on the report of such branch auditors.

   The branch and two subsidiaries (which included the financial statements of 56 step-down subsidiaries) are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by branch auditors and other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and the branch located outside India is based on the report of branch auditors and other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

   Our opinion above 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 branch auditors and other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the branch auditors and of the other auditors on separate financial statements and the other financial information of the branch, subsidiaries and associate, as noted in the 'other matters' paragraph, 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 including proper returns adequate for the purposes of our audit have been received from the branch not visited by us and the reports of the other auditors.

c) The report on the accounts of the branch office of the Holding Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity 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.

e) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 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 incorporated in India is disqualified as on March 31, 2018 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 with reference to financial statements of the Holding Company, its subsidiary companies and associate incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate. Refer Note 33 to the consolidated financial statements.

ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2018.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate incorporated in India during the year ended March 31, 2018.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However amounts as appearing in the audited consolidated financial statements for the year ended March 31, 2017 have been disclosed.

for **B S R & Co. LLP**

Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

Place: Chennai
Date: May 21, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF REDINGTON (INDIA) LIMITED ('THE COMPANY')

To the members of Redington (India) Limited

Report on the Internal Financial Controls 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, 2018, we have audited the internal financial controls over financial reporting of Redington (India) Limited ("the Holding Company") and its subsidiaries and associate, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective management of the Holding Company, its subsidiary companies and associate, which are the 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 respective companies 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 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 Act.

Auditors' 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Holding Company, its subsidiary companies and associate, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements 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 ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Companies Act, 2013 on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one step-down subsidiary and associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. - 101248W/W-100022

S Sethuraman

Place: Chennai Partner

Date: May 21, 2018 Membership No. 203491

CONSOLIDATED BALANCE SHEET

as at March 31, 2018

(₹ in Crores)

Particulars	NOTE NO.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	185.99	195.98
Capital work-in progress		2.78	0.50
Goodwill	6	21.27	21.16
Other intangible assets	5	262.88	258.88
Intangible assets under development		17.57	-
Financial assets			
Loans	13	-	5.00
Financial lease receivable	15	4.99	-
Other financial assets	14	16.18	13.11
Deferred tax assets	8	25.10	13.82
Income tax assets (net)	7	57.52	58.14
Other non-current assets	9	45.07	29.77
Total non-current assets		**639.35**	**596.36**
Current assets			
Inventories	10	3,106.62	3,374.56
Financial assets			
Investments	16	3.52	4.77
Trade receivables	11	6,072.55	5,087.25
Cash and cash equivalents	12	527.99	613.65
Other bank balances	12	13.28	107.56
Loans	13	46.90	36.40
Other financial assets	14	148.07	109.98
Other current assets	17	306.48	201.15
Total current assets		**10,225.41**	**9,535.32**
Assets held for sale		0.03	18.51
Total assets		**10,864.79**	**10,150.19**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	80.03	79.97
Other equity	19	3,450.53	3,067.94
Equity attributable to the shareholders of the Company		**3,530.56**	**3,147.91**
Non-controlling interests	20	358.83	361.50
Total equity		**3,889.39**	**3,509.41**

CONSOLIDATED BALANCE SHEET

as at March 31, 2018

(₹ in Crores)

Particulars	NOTE NO.	As at March 31, 2018	As at March 31, 2017
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	4.23	-
Provisions	22	81.66	69.16
Deferred tax liabilities (net)	8	1.49	-
Other non-current liabilities		0.16	-
Total non-current liabilities		**87.54**	**69.16**
Current liabilities			
Financial liabilities			
Borrowings	21	1,453.56	1,515.84
Trade payables	23	4,684.00	4,432.96
Other financial liablities	24	292.69	226.06
Provisions	22	4.21	0.85
Current tax liabilities (net)	7	26.21	26.44
Other current liablities	25	427.19	369.47
Total current liabilities		**6,887.86**	**6,571.62**
Total liabilities		**6,975.40**	**6,640.78**
Total equity and liabilities		**10,864.79**	**10,150.19**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

(₹ in Crores)

Particulars	NOTE NO.	For the year Ended March 31, 2018	For the year ended March 31,2017
Revenue from operations	26	43,459.41	41,114.65
Other income	27	39.09	41.39
Total income		**43,498.50**	**41,156.04**
Expenses			
Purchases of traded goods		40,754.92	38,437.43
Changes in inventories of traded goods		301.71	360.54
Employee benefit expense	28	652.95	627.25
Finance costs	29	168.03	157.03
Depreciation and amortisation expense	30	56.94	54.68
Other expenses	31	933.38	864.60
Total expenses		**42,867.93**	**40,501.53**
Profit before tax		**630.57**	**654.51**
Tax expense			
Current tax	7	150.26	171.34
Deferred tax	7	(4.11)	6.43
Total tax expense		**146.15**	**177.77**
Profit for the year (A)		**484.42**	**476.74**
Other comprehensive income (B)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability		(9.12)	(1.59)
Income tax relating to the above		3.18	0.55
Net other comprehensive income that will not be reclassified to profit or loss		**(5.94)**	**(1.04)**
Items that will be reclassified subsequently to Profit or loss			
Exchange differences in translating the financial statements of foreign operations		9.13	(68.48)
Income tax relating to item above		-	-
Net other comprehensive income that will be reclassified to profit or loss		**9.13**	**(68.48)**
Total other comprehensive income		**3.19**	**(69.52)**
Total comprehensive income for the year (A+B)		**487.61**	**407.22**
Profit for the year attributable to			
Shareholders of the Company		481.64	464.22
Non-controlling interests		2.78	12.52
Other comprehensive income for the year attributable to			
Shareholders of the Company		3.19	(69.52)
Non-controlling interests		-	-
Total comprehensive income for the year attributable to			
Shareholders of the Company		484.83	394.70
Non-controlling interests		2.78	12.52
Earnings per equity share: (Face value ₹ 2 each)			
Basic (in ₹)	32	**12.04**	**11.61**
Diluted (in ₹)		**12.04**	**11.61**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

(₹ in Crores)

Particulars	Share capital	Other Equity									Non-controlling interests	Total equity
		Securities premium	Capital reserve	Statutory reserve	Foreign currency translation reserve	General reserve	Remeasurement of defined benefit liability	Surplus in the statement of profit and loss	Stock compensation reserve	Total		
Balance as at April 1, 2016	79.96	354.53	71.44	0.64	300.47	109.61	(1.02)	2,033.72	-	2,869.39	367.40	3,316.75
Profit for the year	-	-	-	-	-	-	-	464.22	-	464.22	12.52	476.74
Other comprehensive income for the year (net of taxes)	-	-	-	-	(68.48)	-	(1.04)	-	-	(69.52)	-	(69.52)
Total comprehensive income for the year	-	-	-	-	(68.48)	-	(1.04)	464.22	-	394.70	12.52	407.22
Allotment of shares under Employee Stock Option Plan, 2008	0.01	0.27	-	-	-	-	-	-	-	0.27	-	0.28
Transfer from surplus in the statement of profit and loss to statutory reserve	-	-	-	0.03	-	-	-	(0.03)	-	-	-	-
Final dividend paid	-	-	-	-	-	-	-	(83.96)	-	(83.96)	-	(83.96)
Special (interim) dividend paid (financial year 2016-17)	-	-	-	-	-	-	-	(79.97)	-	(79.97)	-	(79.97)
Dividend distribution tax paid	-	-	-	-	-	-	-	(32.96)	-	(32.96)	-	(32.96)
Dividend distribution tax credit on account of dividend received from subsidiaries	-	-	-	-	-	-	-	2.75	-	2.75	-	2.75
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(2.28)	-	(2.28)	(5.30)	(7.58)
Disposal of interest in subsidiary	-	-	-	-	-	-	-	-	-	-	(4.49)	(4.49)
Currency translation adjustment	-	-	-	-	-	-	-	-	-	-	(8.63)	(8.63)
Balance as at March 31, 2017	79.97	354.80	71.44	0.67	231.99	109.61	(2.06)	2,301.49	-	3,067.94	361.50	3,509.41

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

(₹ in Crores)

Particulars	Share capital	Other Equity									Non-controlling interests	Total equity
		Securities premium	Capital reserve	Statutory reserve	Foreign currency translation reserve	General reserve	Remeasurement of defined benefit liability	Surplus in the statement of profit and loss	Stock compensation reserve	Total		
Balance as at April 1, 2017	79.97	354.80	71.44	0.67	231.99	109.61	(2.06)	2,301.49	-	3,067.94	361.50	3,509.41
Profit for the year	-	-	-	-	-	-	-	481.64	-	481.64	2.78	484.42
Other comprehensive income for the year (net of taxes)	-	-	-	-	9.13	-	(5.94)	-	-	3.19	-	3.19
Total comprehensive income for the year	-	-	-	-	9.13	-	(5.94)	481.64	-	484.83	2.78	487.61
Allotment of shares under Employee Stock Option Plan, 2008	0.06	2.51	-	-	-	-	-	-	-	2.51	-	2.57
Stock compensation expense	-	-	-	-	-	-	-	-	4.76	4.76	-	4.76
Transfer from surplus in the statement of profit and loss to statutory reserve	-	-	-	0.25	-	-	-	(0.25)	-	-	-	-
Final dividend paid	-	-	-	-	-	-	-	(91.96)	-	(91.96)	(3.20)	(95.16)
Dividend distribution tax paid on final dividend	-	-	-	-	-	-	-	(19.78)	-	(19.78)	-	(19.78)
Dividend distribution tax credit on account of dividends received from subsidiaries	-	-	-	-	-	-	-	4.40	-	4.40	-	4.40
Dividend paid by step-down subsidiaries	-	-	-	-	-	-	-	(0.12)	-	(0.12)	-	(0.12)
Adjustment of non-controlling interest on disposal of interest in step down subsidiaries (refer note 35)	-	-	-	-	-	-	-	(2.05)	-	(2.05)	(5.53)	(7.58)
Contribution of non-controlling interest upon incorporation of new step-down subsidiaries	-	-	-	-	-	-	-	-	-	-	1.15	1.15
Currency translation adjustment	-	-	-	-	-	-	-	-	-	-	2.13	2.13
Balance as at March 31, 2018	80.03	357.31	71.44	0.92	241.12	109.61	(8.00)	2,673.37	4.76	3,450.53	358.83	3,889.39

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

CONSOLIDATED CASH FLOW STATEMENT
for the year ended March 31, 2018

(₹ in Crores)

Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
A. Cash flow from operating activities		
Profit for the Year	484.42	476.74
Adjustments for:		
- Income tax expense recognized in profit and loss	146.15	177.77
- Depreciation and amortization expense	56.94	54.68
- Finance costs	168.03	157.03
- Interest income	(15.06)	(16.69)
- Stock compensation expense	4.76	-
- Allowance for doubtful receivables	33.73	31.45
- Gain on sale of a subsidiary	-	(3.32)
- Income received from short-term investments	(1.07)	(1.93)
- Unrealized exchange gain (net)	(6.12)	(19.84)
- (Gain)/loss on sale of property , plant and equipment and assets held for sale (net)	(2.62)	0.02
Operating Profit before working capital changes	**869.16**	**855.91**
(Increase)/decrease trade receivables	(977.69)	184.04
Increase in other assets	(191.55)	(539.40)
Decrease in inventories	278.98	358.98
Increase in other liabilities	109.40	381.48
Increase in trade payables	243.16	310.24
Increase/(decrease) in provisions	5.35	(21.26)
Cash generated from operations	**336.81**	**1,529.99**
Income taxes paid (net)	(151.19)	(169.52)
Net cash generated from operating activities	**185.62**	**1,360.47**
B. Cash flow from investing activities		
Payment towards acquisition of property, plant and equipment	(38.90)	(55.83)
Payment towards acquisition of other intangible assets	(19.79)	(8.18)
Proceeds from sale of property, plant and equipment and assets held for sale	25.35	4.44
Interest received	20.00	17.15
Income received from short-term investments	1.07	1.93
Loans given to other corporate	(2.00)	(10.00)
Loans given to Associate	(78.30)	(94.10)
Loans settled by Associate	74.80	87.10
Proceeds from sale of mutual fund investments	114.73	13.70
Purchase of mutual fund investments	(113.19)	(18.20)
Changes in bank deposits not treated as cash and cash equivalents	4.76	(5.74)
Cash outflow for acquisition of additional interest/control in step-down subsidiary	(7.58)	(7.60)
Net cash used in investing activities	**(19.05)**	**(75.33)**

CONSOLIDATED CASH FLOW STATEMENT
for the year ended March 31, 2018

(₹ in Crores)

Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
C. Cash flow from financing activities		
Proceeds from short-term borrowings	801.09	157.11
Repayment of short-term borrowings	(729.51)	(829.53)
Repayment of long-term borrowings	-	(109.47)
Proceeds from allotment of shares under Employee Stock Option Plan, 2008	2.57	0.28
Proceeds from issue of shares in subsidiary to non-controlling interest	1.68	3.12
Contribution of non-controlling interest upon incorporation of new step-down subsidiaries	1.15	-
Dividends Paid (including dividend distribution tax)	(107.46)	(194.14)
Dividend paid by step-down subsidiary to non-controlling interest	(3.20)	(3.60)
Finance costs paid	(165.26)	(154.49)
Payment of finance lease obligations	(0.21)	-
Proceeds from finance lease	0.13	-
Net cash used in from financing activities	**(199.02)**	**(1,130.72)**
Net (decrease)/increase in cash and cash equivalents	**(32.45)**	**154.42**
Cash and cash equivalents at the beginning of the year	**530.13**	**386.10**
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(5.59)	(10.39)
Cash and cash equivalents at the end of the year (refer note 12)	**492.09**	**530.13**
See accompanying notes forming part of consolidated financial statements		

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

NOTES to the consolidated financial statements for the year ended March 31, 2018

1. OVERVIEW

Redington (India) Limited ("the Company/Parent 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, its fifty nine subsidiaries (including two overseas subsidiaries and its step-down subsidiaries) and an associate and its subsidiary ("Associate") operate in India, Middle East, Turkey, Africa and South Asian countries and are engaged mainly in the business of Information Technology, Mobility and other technology products besides supply chain solutions and after sales service. The Company has an operating branch in Singapore.

These Consolidated financial statements comprise the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interest in Associate.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a. Statement of compliance

The Consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b. Functional / Presentation Currency

The Consolidated financial statements are presented in Indian Rupees (₹) which is also the functional currency of the Company and its Indian subsidiaries. Functional currency of Company's overseas subsidiaries is determined based on a number of factors, including the primary economic environment in which each of the Company's overseas subsidiaries operate. All amounts in the Consolidated financial statements have been rounded off to the nearest Crores, unless otherwise indicated.

c. Basis of measurement

The Consolidated financial statements have been prepared on accrual basis under the historical cost convention except for:

Items	Measurement basis
Certain financial assets and liabilities (including forward contract)	Fair value
Stock Appreciation Rights (SARs)	Fair value
Defined benefit liability	Present value of defined benefit obligation

d. Basis of Preparation

The Consolidated financial statements encompass the standalone financial statements of the Company and its subsidiaries for the year ended March 31, 2018. These Consolidated financial statements have been prepared in accordance with Ind AS 110, "*Consolidated financial statements*". These consolidated financials also include results of an Associate and its subsidiary accounted under equity method as specified in the Ind AS 28 "Investments in Associates".

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date the Company ceases to control the subsidiary.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate.

The audited financial statements of the Company and all its subsidiaries and step-down subsidiaries used

NOTES to the consolidated financial statements for the year ended March 31, 2018

in preparing these Consolidated financial statements are drawn up to the same reporting date as that of the Company. The details of the financial statements used in preparing these Consolidated financial statements are as follows:

a. Standalone financial statements of Redington (India) Limited is prepared in accordance with Ind AS.

b. Standalone financial statements of ProConnect Supply Chain Solutions Limited and Standalone financial statements of Ensure Support Services (India) Limited are prepared in accordance with Ind AS.

c. Standalone financial statements of Rajprotim Supply Chain Solutions are prepared in accordance with Ind AS.

d. Consolidated Financial Statements of Redington International Mauritius Limited are prepared in accordance with International Financial Reporting Standards (IFRS).

e. Consolidated Financial Statements of Redington Distribution Pte. Limited and the standalone financial statements of Singapore Branch of the Company are prepared in accordance with Singapore Financial Reporting Standards (SFRS).

The Consolidated financial statements have been prepared using uniform accounting policies on the following basis:

a. The financial information of the Company and its subsidiaries has been combined on a line-by-line basis in respect of assets, liabilities, income and expenses. The financial statements of the overseas subsidiaries and branch have been converted from the accounting principles generally accepted in the respective countries to Ind AS.

b. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

c. 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.

d. With respect to the Associate, the loss to the extent of cost of investment is written off and the investment is reported at NIL value in line with equity method of accounting in Ind AS 28. Where the Group's share of loss of the Associate exceeds the Group's interest in Associate, the Group discontinues recognizing the share of further losses.

e. Use of Estimates/Judgments

The preparation of the Consolidated financial statements in conformity with Ind AS requires the management to make estimates and judgments considered in the reported amounts of assets and liabilities (including contingent assets and liabilities) and the reported income and expenses during the year. The management believes that the estimates/ judgments used in preparation of the Consolidated 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/materialise. Estimates, judgments and assumptions are reviewed on a on-going basis.

The below are the key sources of judgment and estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to income and expenditure/ the carrying amounts of assets and liabilities.

(i) Control

The Consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

NOTES to the consolidated financial statements for the year ended March 31, 2018

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holding of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties, if any;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that demonstrate that the Company has, the current ability to direct the relevant activities at the time the decisions need to be made, including voting patterns at shareholders' meetings and Board meetings.

(ii) Intangible asset - Trade name

The Group considers the acquired trade name, encompassing trademark and brand name, which is separately identifiable and controlled by the Group, to have an indefinite useful life. The Group considers such brand name to have an indefinite useful life on the basis that there is no foreseeable limit to the period over which the asset is expected to generate economic benefits.

(iii) Useful lives of Property, Plant and Equipment

The cost of Property, Plant and Equipment is depreciated over the estimated useful life, which is based on technical evaluation made by the Group considering various factors including expected usage of the asset, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and the residual value.

(iv) Taxation

The Group operates in multiple tax jurisdictions. Significant judgements are involved in determining the provision for current income taxes, including judgment on whether tax positions are probable of being sustained in tax assessments.

(v) Stock Appreciation Rights

Compensation cost in respect of stock appreciation rights (SAR) granted during the year have been determined using the Black Scholes option valuation model. The said model requires the Company to input certain assumption / variables to determine the fair value of the SAR granted. The Company has applied appropriate levels of judgements in determining these assumption / variables basis the information available as at the date of grant, the details of which are more fully described in note 42.

f. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind ASs and amendments to Ind AS's which the Company has not applied in these financial statements as they are effective for annual periods beginning on or after April 1, 2018. The Company plans to apply these standards from April 1, 2018.

Ind AS 115 – Revenue from contracts with customers

Ind AS 115 will replace existing Ind AS 18 "*Revenue*" Ind AS 115 established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a five-step approach to revenue recognition which are summarized as below:

a. Identify the contract(s) with a customer.

b. Identify the performance obligations in the contract.

c. Determine the transaction price.

d. Allocate the transaction price to the performance obligations in the contract.

e. Recognise revenue when (or as) the entity satisfies a performance obligation.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Companies in the Group are in the process of assessing the impact of Ind AS 115 on its consolidated financial statements.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix of the amendment explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

Ind AS 12 Income Taxes Recognition of Deferred Tax Assets for Unrealized Losses

The Group has been applying Ind AS 12 in the preparation of its financial statements. A recent amendment to the standard deals with the matter of how an entity should evaluate whether there will be sufficient future taxable profits against which it can utilise a deductible temporary difference. The Group expects that the provisions of this amendment will not have any significant impact on its accounting.

3. LIST OF DIRECT AND STEP-DOWN SUBSIDIARIES

The following are the list of Direct and Step-down subsidiaries of the Company that are consolidated.

A. Direct Subsidiaries

S. No.	Name of the Company	Principal business activity	Country of incorporation	Ownership/Beneficial interest % (As at March 31, 2018 and March 31, 2017)
1	ProConnect Supply Chain Solutions Limited	Comprehensive Supply Chain Management (SCM), providing total logistics solution services including warehousing management and allied services for various corporate customers.	India	100
2	Ensure Support Services (India) Limited	Engaged in the business of providing warranty and post warranty services, annual maintenance contract services, on-site support services and other related services.	India	100
3	Redington International Mauritius Limited (RIML)	Acting as a holding company for investments which are engaged in the distribution of information technology products and related businesses.	Mauritius	100
4	Redington Distribution Pte. Limited (RDPL)	Importer and Exporter of computers, computer peripherals and components.	Singapore	100
5	Cadensworth (India) Limited*	Distribution business and provides component level repair services for the information technology (IT) products and also provides the services of part replacement for mission critical products in the IT and telecom space and logistics support service.	India	Not applicable

* Pursuant to the Order of National Company Law Tribunal, Chennai Bench, Cadensworth (India) Limited, an erstwhile wholly-owned Subsidiary, was merged with the Company with an Appointed Date of April 1, 2016. The Order has been made effective on July 26, 2017, upon complying with all the relevant requirements under the Companies Act, 2013. The Order has no impact on the Consolidated financial statements as the merger is treated as a common control transaction of a subsidiary which is already being consolidated and included in the Consolidated financial statements.

NOTES to the consolidated financial statements for the year ended March 31, 2018

B. Step-down Subsidiaries

S.No.	Name of the Company	Principal business activity	Country of incorporation	Ownership Interest of the Group % (As at March 31, 2018 and March 31, 2017)	Beneficial Interest of the Group % (As at March 31, 2018 and March 31, 2017)
1	Redington Gulf FZE	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, UAE	100	100
2	Redington Egypt Ltd (Limited liability company)	Distribution of information technology products, providing hardware support and maintenance services.	Cairo, Egypt	100	100
3	Redington Nigeria Limited	Distribution of information technology products, providing hardware support and maintenance services.	Lagos, Nigeria	100	100
4	Redington Gulf & Co. LLC	Distribution of information technology products, providing hardware support and maintenance services.	Ruwi, Oman	70	100
5	Redington Kenya Limited	Distribution of information technology products, providing hardware support and maintenance services.	Nairobi, Kenya	100	100
6	Cadensworth FZE	Distribution of information technology products and spare parts.	Dubai, UAE	100	100
7	Redington Middle East LLC *(refer note (a) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, UAE	49	100
8	Ensure Services Arabia LLC	Providing hardware support and maintenance services.	Riyadh, Saudi Arabia	100	100
9	Redington Africa Distribution FZE	Distribution of information technology and telecommunication products.	Dubai, UAE	100	100
10	Redington Qatar WLL(refer note (a) below)	Providing hardware support and maintenance services.	Dubai, UAE	49	100
11	Ensure Services Bahrain SPC	Providing hardware support and maintenance services.	Manama, Kingdom of Bahrain	100	100
12	Redington Qatar Distribution WLL *(refer note (a) below)*	Providing hardware support and maintenance service.	Doha, Qatar	49	100
13	Redington Limited	Distribution of information technology products, providing hardware support and maintenance services.	Accra, Ghana	100	100
14	Redington Kenya (EPZ) Limited	Distribution of information technology products, providing hardware support and maintenance services.	Nairobi, Kenya	100	100
15	Redington Uganda Limited	Distribution of information technology products, providing hardware support and maintenance services.	Kampala, Uganda	100	100
16	Cadensworth UAE LLC *(refer note (a) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, UAE	49	100
17	Redington Tanzania Limited	Distribution of information technology products, providing hardware support and maintenance services.	Dar e saalam, Tanzania	100	100
18	Redington Morocco Limited	Distribution of information technology products, providing hardware support and maintenance services.	Casablanca, Morocco	100	100
19	Ensure IT services (Pty) Ltd.	Providing hardware support and maintenance services.	Johannesburg, South Africa	100	100
20	Redington Gulf FZE Co. (refer note (b) below)	Distribution of information technology products, providing hardware support and maintenance services.	Erbil, Iraq	100	100
21	Redington Turkey Holdings SARL	Investment in companies which are engaged in supply chain and related businesses.	Luxembourg city, Grand Duchy of Luxembourg	100	100
22	Arena Bilgisayar Sanayi Ve Ticaret A.S. *(refer note (d) below)*	Distribution of information technology and telecommunication products.	Istanbul, Turkey	49.40	49.40
23	Arena International FZE *(refer note (d) below)*	Computer software trading, computer equipment requisites trading, telephones and telecommunication equipment trading, computer and data processing requisites trading.	Dubai, UAE	49.40	49.40
24	Redington Bangladesh Limited	Marketing, selling and Maintenance of computer hardware, accessories and spare parts.	Dhaka, Bangladesh	99	100
25	Redington SL (Private) Limited	Wholesale distribution of Information Technology products and spare parts.	Colombo, Sri Lanka	100	100

NOTES to the consolidated financial statements for the year ended March 31, 2018

S.No.	Name of the Company	Principal business activity	Country of incorporation	Ownership Interest of the Group %	Beneficial Interest of the Group %
				As at March 31, 2018 and March 31, 2017	
26	Redington Rwanda Ltd.	Distribution of information technology products, providing hardware support and maintenance services.	Kigali, Rwanda	100	100
27	Redington Kazakhstan LLP	Distribution of information technology and telecommunication products.	Almaty, Kazakhstan	100	100
28	Ensure Gulf FZE	Providing hardware support and maintenance services.	Dubai, UAE	100	100
29	Ensure Technical Services (PTY) Ltd. *(refer note (b) below)*	Providing hardware support and maintenance services.	KwaZulu-Natal, South Africa	100	100
30	Ensure Middle East Trading LLC *(refer note (a) below)*	Providing hardware support and maintenance services.	Dubai, UAE	49	100
31	Ensure Solutions Nigeria Limited	Providing hardware support and maintenance services.	Lagos, Nigeria	99.90	100
32	Ensure Technical Services Kenya Limited	Providing hardware support and maintenance services.	Nairobi, Kenya	100	100
33	Ensure Services Uganda Limited	Providing hardware support and maintenance services.	Kampala, Uganda	100	100
34	Ensure Technical Services Tanzania Limited	Providing hardware support and maintenance services.	Dar e saalam, Tanzania	100	100
35	Ensure Ghana Limited	Providing hardware support and maintenance services.	Accra, Ghana	100	100
36	Proconnect Supply Chain Logistics LLC *(refer note (a) below)*	Providing logistics services.	Dubai, UAE	49	100
37	Ensure Technical Services Morocco Limited (Sarl)	Providing hardware support and maintenance services.	Casablanca, Morocco	100	100
38	ADEO Bilişim Danışmanlık Hizmetleri San. ve Tic. A.ş. ("Adeo") *(refer note (c) below)*	IT consulting and training	Istanbul, Turkey	-	-
39	Redington Senegal Limited SARL	Distribution of information technology and telecommunication products.	Dakar, Senegal	100	100
40	Redington Saudi Arabia Distribution Company	Distribution of information technology and telecommunication products.	Riyadh, Saudi Arabia	75	100

NOTES to the consolidated financial statements for the year ended March 31, 2018

S.No.	Name of the Company	Principal business activity	Country of incorporation	Ownership Interest of the Group %	Beneficial Interest of the Group %
				As at March 31, 2018 and March 31, 2017	
41	Paynet Ödeme Hizmetleri A.S. *(refer note (d) below)*	Payment intermediation services	Istanbul, Turkey	49.40	49.40
42	Sensonet Teknoloji Elelektronık Ve Bılısım Hızmetlerı Sanayı Ve Tıcaret A.S. *(refer note (d) below)*	Distribution of information technology and telecommunication products including surveillance equipment.	Istanbul, Turkey	49.40 (March 31, 2017: 49.29)	49.40 (March 31, 2017: 49.29)
43	CDW International Trading FZE *(refer note (e) below)*	Distribution of information technology and telecommunication products	Dubai, UAE	100	100
44	RNDC Alliance West Africa Limited	Distribution of Information technology and telecommunication products.	Lagos, Nigeria	100	100
45	Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S. ('Linkplus') *(refer note (f) below)*	Distribution of information technology products.	Istanbul, Turkey	90 (March 31, 2017: 80)	90 (March 31, 2017: 80)
46	Ensure Middle East Technology Solutions LLC *(refer note (a) below)*	Providing Hardware support and maintenance services	Abu Dhabi, UAE	49	100
47	Rajprotim Supply Chain Solutions Limited	Providing Supply chain Management Services	India	76	76
48	Proconnect Saudi LLC	Providing logistics services	Riyadh, Saudi Arabia	100	100
49	Redserv Business Solutions Private Limited *(refer note (b) below)*	Business process consulting and outsourcing	Chennai, India	100	100
50	Redington Distribution Company LLC	Distribution of information technology and telecommunication products	Cairo, Egypt	99	100
51	Africa Joint Technical Services *(refer note (g) below)*	Providing hardware support and maintenance services	Tripoli, Libya	65	100
52	Redington Angola Ltd. (refer note *(g) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Luanda, Angola	100	100

NOTES to the consolidated financial statements for the year ended March 31, 2018

C. Step-down subsidiaries incorporated during the year

S. No.	Name of the Company	Principal business activity	Country of Incorporation	Ownership Interest of the Group %	Beneficial Interest of the Group %
				As at March 31, 2018	
53	Citrus Consulting Services FZ LLC	Providing hardware support and maintenance service	Dubai, UAE	60	60
54	Arena Mobile Iletişim Hizmetleri Ve Tüketici Elektroniği Sanayi Ve Ticaret Anonim Şirketi *(refer note (d) below)*	Wholesale trade of mobile phones and other mobile devices	Istanbul, Turkey	49.40	49.40
55	Online Elektronik Ticaret Hizmetleri Anonim Şirketi *(refer note (d) below)*	Online electronics retail and market	Istanbul, Turkey	44.46	44.46
56	Paynet (Kibris) Ödeme Hizmetleri Limited *(refer note (b) & (d) below)*	Payment Intermediation services	Gazimagusa, Cyprus	49.40	40.40
57	Ensure Services Limited *(refer note (b) below)*	Providing hardware support and maintenance services	Cairo, Egypt	99	100
58	Redington Cote d'Ivoire SARL	Distribution of Information Technology and Telecommunciation products	Côte d'Ivoire	100	100

Note:

a. Although the holding is less than 50% of Equity Shares, the Group has the power over these companies, is exposed to or has rights to variable returns from its involvement in these Companies and has the ability to use its power over these Companies to affect its returns and therefore exercises effective control. Consequently, these entities are considered as the Company's subsidiaries and sub-subsidiaries and are consolidated.

b. Yet to commence operations.

c. On March 31, 2017, the entire holdings of the Group in Adeo have been sold to the existing shareholders of Adeo.

d. Redington Turkey Holdings S.A.R.L (RTHS), Luxembourg has the power over these companies, is exposed to or has rights to variable returns from its involvement with these companies and has the ability to use its power over these companies to affect its returns (through control over the composition of the Board of Directors of Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi's (Arena). Consequently Arena and its subsidiaries are consolidated in the Consolidated financial statements.

e. Refer note 44(b)

f. Acquired during the financial year 2015-16, over and above the fair value of net assets as on acquisition date (refer note 35).

g. Operations ceased during the previous year.

D. Associate of the Company

Name of the Company	Country of incorporation	Ownership / Beneficial interest % (As at March 31, 2018 and March 31, 2017)
Redington (India) Investments Limited*	India	47.62

NOTES to the consolidated financial statements for the year ended March 31, 2018

E. Subsidiary of Associate

Name of the Company	Country of incorporation	Ownership / Beneficial interest % (As at March 31, 2018 and March 31, 2017)
Currents Technology Retail (India) Limited*	India	47.62

*In line with Ind AS 28, loss absorbed till March 31, 2018 in the Consolidated financial statements is equivalent to the total investment of ₹ 0.10 Crores and the Group's proportionate share of unabsorbed total comprehensive loss for the year March 31, 2018 is ₹ 2.32 Crores (Previous Year: ₹ 1.80 Crores) and cumulative loss in line with Equity method of accounting as at March 31, 2018 is ₹ 11.29 Crores (Previous Year: ₹ 8.98 Crores).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Business combinations

Acquisitions of businesses are accounted for using the acquisition method except for 'common control' transactions that are accounted for using pooling of interest method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former shareholders of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in the Consolidated statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized in the Other comprehensive income.

(b) Non-Controlling interests

Non-controlling interests that have present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets.

(c) Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment

Property, Plant and Equipment except capital work-in progress is stated at cost, net of accumulated depreciation and impairment losses, if any. Capital work-in progress is stated at cost less any recognized impairment loss. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs including repairs and maintenance costs are charged to the Consolidated Statement of Profit and Loss as and when incurred.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net proceeds from disposal and carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss.

Depreciation on Property, Plant and Equipment

Depreciable amount of Property, Plant and Equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The depreciable amount of Property, Plant and Equipment is depreciated on the straight-line

NOTES to the consolidated financial statements for the year ended March 31, 2018

method as per the useful life assessed as under based on technical estimate, taking into account the nature of the asset, the estimated usage of the asset, manufacturers warranties and maintenance support, etc. Freehold land is not depreciated.

Class of asset	Years
Buildings	20-40
Plant and equipment	05-10
Furniture and fixtures	04-10
Office equipment	05-08
Computers	01-05
Vehicles	03-10

Depreciation on additions to assets is provided from the month of addition

Expenditure on leasehold improvements in respect of premises taken on lease (included in furniture and fixtures) are capitalized and depreciated over the shorter of its useful life or the lease term.

The estimated useful life, residual value are reviewed at the end of each financial year.

Intangible assets

Intangible assets acquired outside of a business combination

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less amortization and impairment losses, if any.

Intangible assets are amortized over the estimated useful lives, using straight line method. The estimated useful lives are as follows:

Class of asset	Years
Software	03-05

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.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Consolidated statement of profit and loss when the asset is de-recognized.

The intangible assets, that are not yet ready for their intended use are carried at cost and are reflected under Intangible assets under development.

Intangible assets acquired in a business combination

Intangible assets that are acquired in a business combination are recognized separately from goodwill and are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets are amortized over the estimated useful lives, using straight line method. The estimated useful lives are as follows:

Class of Asset	Years
Trade name	**Indefinite**
Customer relationship	**07**
Contract based intangible assets	**04-10**

Intangible assets with indefinite useful life is not amortized and is tested for impairment annually.

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. An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Consolidated statement of profit and loss when the asset is de-recognized.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGU) or groups of cash-generating units that are expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment

NOTES to the consolidated financial statements for the year ended March 31, 2018

loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the CGU.

For consolidation purpose, Goodwill is stated at the closing rates that exist as on a particular reporting date in accordance with Ind AS 21, The Effects of Changes in Foreign Exchange Rates.

Impairment of Property, Plant and Equipment, Intangible assets and Goodwill

Property, Plant and Equipment, Intangible assets and Goodwill are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount is determined for the asset or the Cash Generating Unit to which the asset belongs in case the assets do not generate independent cash flows.

Each CGU represents the smallest group of assets that generates cash inflows and are largely independent of those from other assets.

If such asset or CGU are considered to be impaired, the impairment loss to be recognized in the Consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets or CGU exceeds the estimated recoverable amount. An impairment loss is reversed in the Consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is determined based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of the money and the risks specific to the asset or CGU.

Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(d) Leases

Operating lease

Leases, where the lessor effectively retains substantially all the risks and rewards incidental to ownership of the leased item are classified as operating leases. Payments under Operating leases are recognized in the Consolidated statement of profit and loss on a straight line basis over the term of the lease except such payments are structured to increase in line with expected general inflation to compensate for the lessor inflationary cost increase.

Finance lease

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Group's Consolidated Balance Sheet. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(e) Inventories

Inventories are measured at the lower of cost and the net realizable value. Costs include cost of purchase and other costs incurred in bringing the inventories to the present location and condition, net of discounts and rebates and is determined on a weighted average basis. Net realizable value represents the estimated selling price for inventories in the ordinary course of business, less the costs necessary to make the sale.

NOTES to the consolidated financial statements for the year ended March 31, 2018

(f) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in Consolidated statement of profit and loss.

(ii) Foreign currency operations for the branch of the Company

The assets and liabilities of foreign operations (subsidiaries, and branch) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in other comprehensive income (OCI) is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to non-controlling interest (NCI). When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(g) Revenue recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership and is transferred. The Group has considered the detailed criteria for the recognition of revenue from the sale of goods and from rendering of services set out in Ind AS 18 "Revenue" and in particular transfer of risks and rewards of ownership of the goods and flow of economic benefits associated with the transaction. Revenue from sales is stated net of discounts, rebates and taxes.

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 contracts is recognized on annuity basis proportionately over the period of the contract. Unbilled revenue represents services rendered and revenues recognized on contracts to be billed in subsequent periods as per the terms of the related contract.

Income from supplier schemes is accrued, based on the fulfillment of terms of such schemes.

(h) Other income

Rental income under operating leases is recognized in the Consolidated statement of profit and loss on a straight line basis over the term of the lease except where such receipts are structured to increase in line with the expected general inflation to compensate for the Group's (lessor) expected inflationary costs increases.

Interest income is recognized using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt.

Dividend income from short-term investments is accounted when right to receipt is established.

(i) Employee benefits

i. Short term employee benefits

Short term employee benefits are determined as per Group's policy/scheme and are recognized at the reporting date as expense based on expected obligation on an undiscounted basis.

ii. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined-contribution plan. The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

NOTES to the consolidated financial statements for the year ended March 31, 2018

The calculation of defined benefit obligation gratuity plan is unfunded, the defined benefit obligation of which is determined annually by a qualified actuary using the projected unit credit method as at each balance sheet date. The defined benefit obligation is determined as the present value of the estimated future cash flows expected to be made by the Group in respect of services rendered by its employees up to the reporting date. Re-measurement of defined benefit obligation, which comprises of actuarial gains and losses are recognized in the other comprehensive income for the period in which they occur. Net interest expenses related to defined benefit plan are recognized in finance cost in the Consolidated statement of profit and loss.

With respect to overseas subsidiaries, provisions for employees' end-of-service indemnity has been made in accordance with local labour laws of the countries where each subsidiary is established and is based on current remuneration and accumulative years of service at the reporting date.

iii. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which en entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company and its Indian Subsidiaries make monthly contributions towards Government administered schemes such as the provident fund and employee state insurance scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by the employees.

With respect to overseas subsidiaries, contributions are made under respective statutory laws prevailing in various geographies relating to employee benefits, including provident fund and is charged to the Consolidated Statement of Profit and Loss as and when services are rendered by the employees.

iv. Long-term employee benefits

The obligation of the Company and its Indian Subsidiaries in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method as at each balance sheet date.

With respect to overseas subsidiaries liability is recognized as and when the obligation to pay arises in line with respective management's policy.

(j) Employee share based payments

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

(k) Taxation

Current and Deferred tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit for the year except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the

NOTES to the consolidated financial statements for the year ended March 31, 2018

recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax is not recognized for temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction. In addition, deferred tax is not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax assets – unrecognized or recognized are reviewed at each reporting date and are recoginsed/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

(l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that a outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liability is disclosed for all

i. Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)

ii. Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Group discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect. Contingent assets are not recognized.

(m) Segment reporting

"Operating Segments" reported are in a manner consistent with internal reporting made to the undersigned Managing Director who is the Chief Operating Decision Maker for the Group. The reported operating segments

a. engage in business activities from which the Group earns revenues and incur expenses

b. have their operating results regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

c. have discrete financial information available

(n) Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

(o) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature and any deferrals of past or accruals of future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the nature of the transactions.

(p) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges (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 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.

(q) Derivative financial instruments:

The Company and its Indian Subsidiaries uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions No derivative financial instruments are used for speculative purposes. Forward contracts are initially recognized at fair value on the date the contract is entered into and are subsequently re-measured to at fair value at each reporting date. The resulting gain or loss is recognized in Consolidated Statement of Profit and Loss.

(r) Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Companies in the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Consolidated statement of profit and loss.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortized cost
- Fair value through profit and loss

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit or Loss (FVTPL):

- The asset is held within a business model whose objective is to hold assets to collect contractual flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the companies in the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Consolidated statement of profit or loss.

Financial assets at amortized cost – These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in the Consolidated statement of profit and loss.

Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing its financial assets.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL.

NOTES to the consolidated financial statements for the year ended March 31, 2018

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Consolidated profit and loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in profit and loss. Any gain or loss on de-recognition is also recognized in the Consolidated statement of profit and loss.

De-recognition

Financial assets

Financial assets are de-recognized when the contractual rights to the cash flows from the financial asset expire, or the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in a transaction where neither there is a transfer nor retention of substantial risks and rewards of ownership and does not retain control of the financial asset.

The transaction whereby, assets recognized in the Consolidated balance sheet are transferred, but either all or substantially all of the risks and rewards of the transferred assets are retained, the transferred assets are not de-recognized.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is the cumulative gain or loss that has to be recognized in the Consolidated statement of profit and loss.

Financial liabilities

Financial liability is de-recognized when its contractual obligations are discharges or cancelled, or expire. The difference between the carrying amount of the financial liability de-recognized and the sum of consideration paid and payable is recognized as gain or loss in the Consolidated statement of profit and loss.

Financial liability is also de-recognized when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the Consolidated statement of profit and loss.

Financial assets and financial liabilities are offset and net amount presented in the balance sheet when, and only when the there is a legally enforceable right to set off the amounts and it intend either to settle them on a net basis or realise the asset and settle the liabilities simultaneously.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

Loss allowance is recognized for expected credit loss ('ECL') on financial asset measured at amortized cost. At each reporting date, it is assessed whether such financial assets carried at amortized cost are credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowance is measured at an amount equal to lifetime expected credit losses except for bank balances for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to life time expected credit losses.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the ECL which results from default events that are possible within 12 months after the reporting date.

Measurement of Expected credit losses

The Companies in the Group have adopted a model, as permitted under Ind AS 109 "Financial Instruments", for measuring lifetime expected credit loss "ECL" allowance for trade receivables. The model determines the expected credit losses as the probability-weighted estimate of credit losses.

The impairment losses and reversals are recognized in the Consolidated statement of profit and loss.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Loss allowance for financial assets measured at amortized cost are deducted from gross carrying amount of the assets. The gross carrying amount of a financial assets is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

(s) Fair value measurement

Certain of the Company's accounting policies or disclosures require the measurement of fair value for both financial/non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the time of measurement date. When measuring the fair value, the company taken into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and /or disclosure purpose in these Consolidated financial statements is determined on such basis, except for share based payment transactions that are within the scope of Ind AS 102 "Share based payment", leasing transactions that are within the scope of Ind AS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 "Inventories" or value used in Ind AS 36 "Impairment of assets".

The Companies in the Group have an established framework with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques which are follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an assets or a liability fall into different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(t) Non-current assets held for sale

Non-Current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than continuing use and are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held for sale these assets are no longer depreciated.

(u) Dividend to Shareholders

Final dividend distributed to Equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board Meeting. Both final dividend and interim dividend are recognized in the Statement of Changes in Equity.

NOTES to the consolidated financial statements for the year ended March 31, 2018

5. (a) PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Gross carrying value					Accumulated depreciation					Net carrying value	
	As at April 1, 2017	Additions	Deletions	Translation adjustments	As at March 31, 2018	As at April 1, 2017	For the year	Deletions	Translation adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land^												
Current year	16.92	0.93	-	-	17.85	-	-	-	-	-	17.85	16.92
Previous year	*30.69*	-	*13.77*	-	*16.92*	-	-	-	-	-	*16.92*	*30.69*
Buildings**												
Current year	91.01	0.73	0.08	0.22	91.88	10.45	5.33	0.05	0.09	15.82	76.06	80.56
Previous year	*81.32*	*10.64*	-	*(0.95)*	*91.01*	*5.51*	*5.27*	-	*(0.33)*	*10.45*	*80.56*	*75.81*
Plant and Equipment												
Current year	19.64	3.32	0.44	0.10	22.62	6.85	4.63	0.19	0.08	11.37	11.25	12.79
Previous year	*11.71*	*10.39*	*2.01*	*(0.45)*	*19.64*	*4.17*	*4.59*	*1.65*	*(0.26)*	*6.85*	*12.79*	*7.53*
Furniture and Fixtures												
Current year	51.47	14.97	4.96	0.61	62.09	15.50	11.54	2.61	0.44	24.87	37.22	35.97
Previous year	*47.04*	*16.64*	*9.89*	*(2.32)*	*51.47*	*13.59*	*10.92*	*7.26*	*(1.75)*	*15.50*	*35.97*	*33.45*
Office Equipment												
Current year	35.26	3.76	1.17	0.30	38.15	13.88	7.11	0.85	0.26	20.40	17.75	21.38
Previous year	*28.04*	*10.60*	*2.09*	*(1.29)*	*35.26*	*9.20*	*7.49*	*1.77*	*(1.04)*	*13.88*	*21.38*	*18.84*
Computers												
Current year	32.00	8.59	0.85	0.15	39.89	12.99	9.95	0.44	0.14	22.64	17.25	19.01
Previous year	*24.14*	*11.81*	*3.35*	*(0.60)*	*32.00*	*7.46*	*8.72*	*2.80*	*(0.39)*	*12.99*	*19.01*	*16.68*
Vehicles												
Current year	13.15	3.25	2.59	0.06	13.87	3.80	3.06	1.69	0.09	5.26	8.61	9.35
Previous year	*10.61*	*5.60*	*2.81*	*(0.25)*	*13.15*	*3.15*	*3.01*	*2.15*	*(0.21)*	*3.80*	*9.35*	*7.48*
Tangible assets-Total												
Current year	**259.45**	**35.55**	**10.09**	**1.44**	**286.35**	**63.47**	**41.62**	**5.83**	**1.10**	**100.36**	**185.99**	**195.98**
Previous year	***233.55***	***65.68***	***33.92***	***(5.86)***	***259.45***	***43.08***	***40.00***	***15.63***	***(3.98)***	***63.47***	***195.98***	***190.48***

** The building consists of a distribution centre in Jebel Ali Free Zone which is constructed on land leased for a period of 20 years expiring in 2027.

^Based on the Memorandum of Undertaking for the sale entered into on April 5, 2017 for the sale of land amounting to ₹ 13.77 Crores and related improvements included in capital work in progress ₹ 4.74 Crores situated at Delhi aggregating to an amount of ₹ 18.51 Crores, in the previous year the Company had classified these assets as "Assets held for sale". During the year the Company has disposed the same.

Assets under Finance leases

One of the Company's Indian subsidiary, ProConnect Supply Chain Solutions Limited has acquired a set of warehouse racks amounting to ₹ 5.07 Crores under a finance lease arrangement. The lease provides the subsidiary with an option to purchase the warehouse racks at the end of the lease term. The lease equipment secures the related lease obligations. Out of these leased assets, the subsidiary has further sub leased the assets amounting to ₹ 4.84 Crores under a finance lease arrangement.

NOTES to the consolidated financial statements for the year ended March 31, 2018

5. (b) INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Gross carrying value					Accumulated amortization				Net carrying value	
	As at April 1, 2017	Additions	Deletions	Translation adjustments	As at March 31, 2018	As at April 1, 2017	For the year	Translation adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Software											
Current year	41.19	16.11	0.01	0.50	57.79	17.66	12.58	0.35	30.59	27.20	23.53
Previous year	*38.22*	*4.47*	-	*(1.50)*	*41.19*	*9.23*	*9.51*	*(1.08)*	*17.66*	*23.53*	*28.99*
Non-compete fee											
Current year	2.93	-	-	-	2.93	2.93	-	-	2.93	-	-
*Previous year**	*3.15*	-	-	*(0.22)*	*2.93*	*2.16*	*1.01*	*(0.24)*	*2.93*	-	*1.00*
Trade Name											
Current year	219.53	-	-	1.10	220.63	-	-	-	-	220.63	219.53
Previous year	*224.37*	-	-	*(4.84)*	*219.53*	-	-	-	-	*219.53*	*224.37*
Customer relation											
Current year	18.46	-	-	0.09	18.55	3.76	1.74	1.80	7.30	11.25	14.70
Previous year	*18.86*	-	-	*(0.40)*	*18.46*	*2.83*	*1.04*	*(0.11)*	*3.76*	*14.70*	*16.03*
Contract based intangible assets											
Current year	4.94	3.68	-	-	8.62	3.82	1.00	-	4.82	3.80	1.12
Previous year	*13.96*	*3.71*	*12.56*	*(0.17)*	*4.94*	*0.70*	*3.12*	-	*3.82*	*1.12*	*13.26*
Intangible assets-Total											
Current year	**287.05**	**19.79**	**0.01**	**1.69**	**308.52**	**28.17**	**15.32**	**2.15**	**45.64**	**262.88**	**258.88**
Previous year	***298.56***	***8.18***	***12.56***	***(7.13)***	***287.05***	***14.92***	***14.68***	***(1.43)***	***28.17***	***258.88***	***283.65***

NOTES to the consolidated financial statements for the year ended March 31, 2018

6. GOODWILL

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance at the beginning of the year	21.16	23.50
Less: Sale of a subsidiary	-	1.84
Add: Currency translation adjustment	0.11	(0.50)
Balance at the end of the year	21.27	21.16

Goodwill is tested for impairment for the following cash-generating units to which such goodwill has been allocated on annual basis and is not amortized.

The below table gives the breakup of goodwill for the respective cash-generating units.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Arena	18.83	18.76
Linkplus	2.44	2.40
Total	21.27	21.16

The recoverable amount of the above cash-generating units is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets prepared by management covering a five-year period, after which an estimated long term growth rate of 1.5% (Previous year: 1.5%) for Arena and 3% (Previous year: 3%) for Linkplus is applied, at a weighted average cost of capital of 14.06% (Previous year: 13.66%) for Arena and 22.03% (Previous year: 22.07%) for Linkplus per annum.

The Group believes that any reasonable change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

7. INCOME TAXES

The Group is subject to taxation in India, South Asia and some of the Middle East and African regions. The income tax rates of the Group range between 10% and 35%.

(a) Income tax expense recognized during the year

(₹ in Crores)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Recognized in the statement of profit and loss	Recognized in the other comprehensive income
Current tax	150.26	-	171.34	-
Deferred tax (asset)/ liability	(4.11)	(3.18)	6.43	(0.55)
Total	146.15	(3.18)	177.77	(0.55)

(b) Movement in income taxes (assets)

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance at the beginning of the year	58.14	51.22
Less: Provision during the year	108.30	116.00
Add: Taxes paid (net of refund received)	107.68	122.92
Balance at the end of the year	57.52	58.14

NOTES to the consolidated financial statements for the year ended March 31, 2018

(c) Movement in income taxes (liabilities)

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance at the beginning of the year	26.44	22.58
Add: Provision during the year	41.96	55.34
Less: Taxes paid (net of refund received)	43.51	46.60
Currency translation adjustment	1.32	(4.88)
Balance at the end of the year	26.21	26.44

(d) Reconciliation of effective tax rate

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax (a)	630.57	654.51
Enacted tax rate in India (b)	34.61%	34.61%
Income tax expense (a*b)	218.24	226.53
Effect of different in tax rates, etc. of subsidiaries operating in other jurisdictions	(69.61)	(50.02)
Effect of exempted income	(8.86)	(6.07)
Effect of non-deductible expense	1.93	3.20
Impact of change in tax rates	0.42	(0.12)
Changes in estimates related to prior years	(0.25)	0.06
Others	4.28	4.19
Income tax expense recognized in profit and loss	146.15	177.77

8. DEFERRED TAXES

Break-up of recognized deferred tax assets

(i) For the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Currency translation adjustment	Balance at the end of the year
Deferred tax assets					
Allowance for doubtful trade receivables	7.80	3.08	-	0.26	11.14
Gratuity	5.36	(0.66)	2.27	0.27	7.24
Compensated absences	0.62	(0.08)	0.91	0.01	1.46
Depreciation	(1.06)	2.42	-	1.40	2.76
Others	1.10	0.32	-	1.08	2.50
Total	13.82	5.08	3.18	3.02	25.10

NOTES to the consolidated financial statements for the year ended March 31, 2018

(ii) For the year ended March 31, 2017

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Recognized on sale of Adeo	Currency translation adjustment	Balance at the end of the year
Allowance for doubtful trade receivables	8.83	(2.30)	-	-	1.27	7.80
Gratuity	4.44	0.56	0.47	-	(0.11)	5.36
Compensated absences	0.89	(0.36)	0.08	-	0.01	0.62
Depreciation	0.42	(2.58)	-	2.10	(1.00)	(1.06)
Others	2.83	(1.75)	-	0.85	(0.83)	1.10
Total	**17.41**	**(6.43)**	**0.55**	**2.95**	**(0.66)**	**13.82**

Break-up of deferred tax liability arising on account of timing differences

For the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Currency translation adjustment	Balance at the end of the year
Deferred tax liability	-	(0.97)	-	(0.52)	(1.49)

Unrecognized deferred tax assets

Consequent to the sale of the Company's Investment in its wholly-owned subsidiary Easyaccess Financial Services Limited in FY 2013-14 and a land at Delhi in FY 2017-18, there was a long-term capital loss, under Income-tax Act, 1961, which resulted in deferred tax asset of ₹ 15.39 Crores. Out of this ₹ 2.49 Crores was recognized against realized long-term capital gain in an earlier year. The balance deferred tax asset of ₹ 12.90 Crores will be recognized as and when there is a long-term capital Gain. These unrecognized deferred tax asset will expire over a period of 4- 8 years.

9. OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured and considered good		
Capital advances	1.93	1.27
Receivable from government authorities	41.19	28.45
Others	1.95	0.05
Total	**45.07**	**29.77**

10. INVENTORIES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Trading stocks	2,950.07	2,906.48
Goods in transit	112.48	410.51
Service spares	44.07	57.57
Total	**3,106.62**	**3,374.56**

NOTES to the consolidated financial statements for the year ended March 31, 2018

11. TRADE RECEIVABLES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good	6,072.55	5,087.25
Unsecured, considered doubtful	139.25	133.61
Less: Allowance for doubtful trade receivables	139.25	133.61
Total trade receivables	**6,072.55**	**5,087.25**
Amount receivable from related parties (Currents Technology Retail (India) Limited) (refer note 38)	17.64	12.08

12. (a) CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Cash on hand	3.15	2.38
Balance in current accounts	455.86	611.27
Short-term deposits*	68.98	-
Cash and cash equivalents as per Balance Sheet	**527.99**	**613.65**
Less: Bank overdrafts used for cash management purposes	35.90	83.52
Cash and cash equivalents as per the statement of cash flows	**492.09**	**530.13**

* Short-term deposits have an original maturity period of 3 months or less

(b) OTHER BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
In deposit accounts	3.77	96.21
In earmarked accounts		
a. Margin money with banks*	9.41	11.25
b. Unclaimed dividend	0.10	0.10
Total	**13.28**	**107.56**

* Margin money with banks represents deposits pertaining to a wholly-owned subsidiary, Redington International Mauritius Limited (RIML), held by banks against letters of guarantee issued by them.

13. LOANS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
Current		
Loans to related parties		
Currents Technology Retail (India) Limited	34.90	31.40
Other loans		
Loans to other corporates	12.00	5.00
Total	**46.90**	**36.40**
Non-current		
Other loans		
Loans to other corporates	-	5.00
Total	**-**	**5.00**

The above loans are given for working capital purposes.

NOTES to the consolidated financial statements for the year ended March 31, 2018

14. OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Current		
Deposits	24.13	20.90
Current maturities of finance lease receivable	0.45	-
Derivative financial asset (refer note 35)	1.69	2.41
Others	121.80	86.67
Total	**148.07**	**109.98**
Non-current		
Deposits	12.58	9.99
Others	3.60	3.12
Total	**16.18**	**13.11**

15. FINANCE LEASE RECEIVABLE

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Non-current	4.99	-
Current	0.45	-

Finance lease receivable as at March 31, 2018 is as follows:

(₹ in Crores)

Particulars	Future minimum lease payments (MLP)	Interest elements of MLP	Present value of MLP
Within one year	1.11	0.67	0.44
Between one and five years	5.54	2.27	3.27
More than five years	1.92	0.19	1.73
Total	**8.57**	**3.13**	**5.44**

16. INVESTMENTS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Investments in mutual funds	3.52	4.77
Total	**3.52**	**4.77**

17. OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Interest accrued on bank deposits	1.57	1.93
Advances to employees	3.53	5.31
Prepayments	34.02	48.71
Receivable from government authorities	190.72	68.40
Advances to suppliers and others	76.64	76.80
Total	**306.48**	**201.15**

NOTES to the consolidated financial statements for the year ended March 31, 2018

18. EQUITY SHARE CAPITAL

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

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Authorized capital 42,50,00,000 (previous year: 42,50,00,000) equity shares of ₹ 2/- each	85.00	85.00
Issued, subscribed and fully paid up 40,01,72,685 (previous year:39,98,48,460) equity shares of ₹ 2/- each fully paid up	80.03	79.97
Total	**80.03**	**79.97**

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	39,98,48,460	79.97	39,98,13,230	79.96
Allotment of shares under Employee Stock Option Plan, 2008 during the year	324,225	0.06	35,230	0.01
Outstanding at the end of the year	**40,01,72,685**	**80.03**	**39,98,48,460**	**79.97**

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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

Particulars	March 31, 2018		March 31, 2017	
	No of shares held	% of Share holding	No of shares held	% of Share holding
Synnex Mauritius Limited	9,42,95,940	23.56	9,42,95,940	23.58
Marina IV (Singapore) Pte.Ltd	3,94,25,695	9.85	3,94,25,695	9.86
Harrow Investment Holding Limited	-	-	3,27,77,599	8.20
ICICI Prudential Life Insurance Company Limited	2,80,74,785	7.02	3,21,27,638	8.03
HDFC Trustee Company Limited	3,54,18,802	8.85	2,66,49,400	6.66

NOTES to the consolidated financial statements for the year ended March 31, 2018

Shares reserved for issue under employee stock options and stock appreciation rights

Particulars	March 31, 2018		March 31, 2017	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
a. Employee Stock Option Plan, 2008	61,460	0.01	4,01,685	0.08
b. Stock Appreciation Right Scheme, 2017	86,81,681	1.74	-	-

Capital management

Capital is managed to ensure that the companies in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimisation of the debt and equity balance.

The capital structure consists of debt and equity (equity includes Non-controlling interest and excludes Good will). Over the years, parity has been maintained between net debt and equity. The ratio of net debt to equity at the end of the year is as follows:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Debt	1,457.79	1,515.84
Less: Cash and cash equivalents and other bank balances	541.27	721.21
Net debt (A)	**916.52**	**794.63**
Total equity	3,889.39	3,509.41
Less: Goodwill	21.27	21.16
Adjusted equity (B)	**3,868.12**	**3,488.25**
Net debt / equity ratio (A/B)	**0.24**	**0.23**

19. OTHER EQUITY

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(a) Securities premium		
Opening balance	354.80	354.53
Add: Premium on allotment of shares under Employee Stock Option Plan, 2008 issued during the year	2.51	0.27
Balance at the end of the year	**357.31**	**354.80**

Securities premium is used to record the premium received on issue of shares.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(b) Capital reserve		
Opening balance	71.44	71.44
Balance at the end of the year	**71.44**	**71.44**

NOTES to the consolidated financial statements for the year ended March 31, 2018

Capital reserve represents the excess of book value of net assets over the purchase consideration paid for entities acquired under common control.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(c) Statutory reserves		
Opening balance	0.67	0.64
Add: Transfer from surplus in the statement of profit and loss	0.25	0.03
Balance at the end of the year	**0.92**	**0.67**

Statutory reserves are reserves required by the local laws of the countries where overseas subsidiaries are established. Statutory reserves are created by allocating a certain mandated percentage of the profits for the year. These reserves are not distributable except as provided by the relevant country's law in which such subsidiaries operate.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(d) Foreign currency translation reserve		
Opening balance	231.99	300.47
Movement during the year	9.13	(68.48)
Balance at the end of the year	**241.12**	**231.99**

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the presentation currency are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(e) General reserve		
Opening balance	109.61	109.61
Balance at the end of the year	**109.61**	**109.61**

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(f) Remeasurement of defined benefit obligation		
Opening balance	(2.06)	(1.02)
Movement during the year	(5.94)	(1.04)
Balance at the end of the year	**(8.00)**	**(2.06)**

NOTES to the consolidated financial statements for the year ended March 31, 2018

This represents accumulated balances of actuarial gains/losses, arising out of employee defined benefit obligation valuation and will not to be subsequently reclassified to Profit and Loss. This reserve is not a distributable reserve.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(g) Surplus in the statement of profit and loss		
Opening balance	2,301.49	2,033.72
Profit for the year	481.64	464.22
Less: Appropriations		
Final dividend paid	(91.96)	(83.96)
Special (Interim) dividend paid (Financial year 2016-17)	-	(79.97)
Dividend distribution tax on dividend paid	(19.78)	(32.96)
Acquisition of non-controlling interest	(2.05)	(2.28)
Dividend distribution tax credit on account of dividends received from Indian subsidiaries	4.40	2.75
Dividend paid by step-down subsidiaries	(0.12)	-
Transfer to statutory reserve	(0.25)	(0.03)
Balance at the end of the year	**2,673.37**	**2,301.49**

The above reserve represents profits generated and retained by the Group post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
(h) Stock compensation reserve		
Opening balance	-	-
Stock compensation expenses	4.76	-
Balance at the end of the year	**4.76**	**-**

The above reserve relates to SARs granted by the company to its employees and Directors of the Company and its subsidiaries under the Redington Stock Appreciation Right Scheme, 2017. Further the information about SAR scheme is set out in Note 42.

NOTES to the consolidated financial statements for the year ended March 31, 2018

20. NON-CONTROLLING INTERESTS

The below table summarises the details relating to each of the Group's subsidiaries that have material non-controlling interests before intra-group eliminations:

(₹ in Crores)

Name of Subsidiary	Proportion of ownership interests held by non-controlling interests (%)		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2017-18	2016-17	2017-18	2016-17	March 31, 2018	March 31, 2017
Arena Bilgisayar Sanayi Ve Ticaret A.S	50.60	50.60	1.57	9.76	346.16	348.83
Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S	10.00	20.00	1.10	2.82	6.37	9.26
Adeo Bilisim Danismanlik Hizmetleri San. Ve Tic. A.S.	-	49.00	-	(0.36)	-	-
Online Electronik Ticaret Hizmetleri A.S.	10.00	-	(0.54)	-	0.30	-
Citrus Consulting Services FZ- LLC	40.00	-	(0.49)	-	(0.23)	-
Rajprotim Supply Chain Solutions Limited	24.00	24.00	1.14	0.30	6.23	3.41
Total			**2.78**	**12.52**	**358.83**	**361.50**

During the year ended March 31, 2018, step-down subsidiaries Online Elektronik Ticaret Hizmetleri Anonim Şirketi and Citrus Consulting Services FZ-LLC were incorporated. Non-controlling interest relating to these step-down subsidiaries are 10% and 40% respectively.

The below is the summarised consolidated financial information of subsidiary with material non-controlling interest (Arena Bilgisayar Sanayi Ve Ticaret A.S) before intra-group eliminations.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Current assets	1,126.00	1,219.89
Non-current assets	244.25	10.80
Current liabilities	663.75	714.59
Non-current liabilities	4.21	8.09
Equity attributable to the shareholders of Arena	352.94	354.75
Non-controlling interest	349.35	358.09

NOTES to the consolidated financial statements for the year ended March 31, 2018

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue	3,242.67	3,820.77
Expenses	3,239.56	3,782.81
Profit for the year	**3.11**	**37.96**
Other comprehensive loss	(2.70)	(12.29)
Total Comprehensive income	**0.41**	**25.67**
Net cash from operating activities	17.15	56.26
Net cash (used in) investing activities	(4.92)	(6.08)
Net cash (used in) financing activities	(33.94)	(46.51)

21. BORROWINGS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Current		
Secured loans from banks (refer note a)	914.89	971.17
Unsecured loans from banks	516.45	443.05
Unsecured loans from others	21.56	3.22
Commercial paper (refer note b) - Unsecured	-	98.40
Finance lease obligations - Secured	0.66	-
Total	**1,453.56**	**1,515.84**
Non-current		
Long-term maturities of finance lease - Secured	4.23	-
Total	**4.23**	**-**

Summary of borrowing arrangements

a. The Company has availed loans from banks which are secured by pari-passu charge on inventories and trade receivables repayable on demand. Loans availed by the Company's Indian subsidiary (Proconnect Supply Chain Solutions Limited) from banks are secured by a pari-passu charge on all amounts received / receivable by the Company including all book debts, cash flows, receivables and cash in hand. Loans availed by the overseas subsidiaries from banks are secured by assignment of insurance policies over inventories on a pari-passu basis and by the shares of Redington Gulf FZE.

b. Commercial paper is unsecured and the maximum amount outstanding at any time during the year was ₹ 1,390 Crores (previous year: ₹ 1,365 Crores).

NOTES to the consolidated financial statements for the year ended March 31, 2018

Movement in bank borrowings

(₹ in Crores)

Particulars	Loans from banks	Loans from others	Commercial paper	Finance lease obligations	Total
Balance at the beginning of the year					
- Included under borrowings (refer note 21)	1,414.22	3.22	98.40	-	**1,515.84**
- Included under other financial liabilities (refer note 24)*	1.16	-	-	-	**1.16**
Details of borrowings with a maturity of over 90 days					
Loans availed during the year	551.09	-	250.00	-	**801.09**
Repayments made during the year	(479.51)	-	(250.00)	-	**(729.51)**
Details of other borrowings					
Loans availed during the year	22,700.91	18.22	7,045.00	4.89	**29,769.02**
Repayments made during the year	(22,838.49)	-	(7,143.40)	-	**(29,981.89)**
Movement in bank overdrafts^	(47.62)	-	-	-	**(47.62)**
Finance costs	100.15	-	67.88	-	**168.03**
Interest paid	(97.38)	-	(67.88)	-	**(165.26)**
Effects of changes in foreign exchange rates	130.74	0.12	-	-	**130.86**
Balance at the end of the year					
- Included under borrowings (refer note 21)	**1,431.34**	**21.56**	**-**	**4.89**	**1,457.79**
- Included under other financial liabilities (refer note 24)	**3.93**	**-**	**-**	**-**	**3.93**

* Represents interest accrued and not due at the end of the reporting period.

^ Bank overdrafts used for cash management purposes are classified as part of cash and cash equivalents for the purpose of cash flow statement.

22. PROVISIONS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Current		
Provision for compensated absences	1.78	0.24
Provision for gratuity	2.43	0.61
Total	**4.21**	**0.85**
Non-Current		
Provision for compensated absences	4.53	2.57
Provision for gratuity	77.13	66.59
Total	**81.66**	**69.16**

NOTES to the consolidated financial statements for the year ended March 31, 2018

Movement in Provision for Gratuity

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Projected benefit obligation at the beginning of the year	67.20	60.50
Gross amount charged to the statement of profit and loss	15.17	16.02
Amount charged to other comprehensive income	6.17	1.22
Amount transferred on account of sale of a subsidiary	-	(0.23)
Benefits paid	(9.30)	(9.00)
Currency translation adjustment	0.32	(1.31)
Projected benefit obligation at the end of the year	**79.56**	**67.20**
Current	**2.43**	**0.61**
Non-current	**77.13**	**66.59**

Expenses recognized in the statement of profit and loss and other comprehensive income:

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cost of the defined plan for the year		
Current service cost	14.36	15.32
Interest cost	0.81	0.70
Total cost recognized in the statement of profit and loss	**15.17**	**16.02**
Actuarial loss	6.17	1.22
Total cost recognized in other comprehensive income	**6.17**	**1.22**

Principal actuarial assumptions considered for the valuation of defined benefit liability relating to the Group's Indian entities are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.55%	7.50%
Salary escalation rate	5.00%	5.00%
Attrition rate	10.50%	8.00 - 9.00%
Demographic assumptions – mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

Sensitivity analysis

The Company and its Indian subsidiaries apply 1% as the sensitivity rate while ascertaining the impact of change in one of the actuarial assumptions, keeping other assumptions constant, on the defined benefit obligation. Following is the effect on defined benefit obligation:

NOTES to the consolidated financial statements for the year ended March 31, 2018

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Increase of 1% in assumptions	**Increase/ (decrease) in defined benefit obligation**	**Increase/ (decrease) in defined benefit obligation**
Discount rate	(1.12)	(1.38)
Salary escalation rate	1.00	0.87
Attrition rate	0.12	0.68
Decrease of 1% in assumptions	**Increase/ (decrease) in defined benefit obligation**	**Increase/ (decrease) in defined benefit obligation**
Discount rate	1.25	1.65
Salary escalation rate	(0.94)	(0.95)
Attrition rate	(0.13)	(0.81)

23. TRADE PAYABLES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Total outstanding dues to Micro enterprises and Small enterprises	-	6.42
Total (i)	-	**6.42**
Total outstanding other than dues to Micro enterprises and Small enterprises		
Trade payables	4,640.45	4,415.20
Other payables	43.55	11.34
Total (ii)	**4,684.00**	**4,426.54**
Total (i+ii)	**4,684.00**	**4,432.96**

The Company has circulated letters to suppliers and based on confirmations 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 are no overdue outstanding amounts (including interest) payable to these enterprises.

Details of amounts payable to Micro, Small and Medium enterprises are as follows:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Amount due to vendor		
- Principal	-	6.42
- Interest	-	-
Interest paid beyond the appointed day	-	-
Amount of interest due and payable for the year	-	-
Amount of interest accrued and remaining unpaid	-	-

NOTES to the consolidated financial statements for the year ended March 31, 2018

24. OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unclaimed dividend *	0.10	0.10
Extended supplier credit	40.64	-
Interest accrued but not due on borrowings	3.93	1.16
Other liabilities^	248.02	224.80
Total	**292.69**	**226.06**

*No amount is due and outstanding to be credited to Investor Education and Protection Fund.

^Includes ₹ 15.87 Crores (previous year: Nil) payable towards acquisition of Property, plant and equipment and intangible assets.

25. OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Unamortized revenue	60.21	6.58
Statutory liabilities	131.78	76.34
Advances / deposits received from customers	99.29	138.97
Employee payable	75.36	77.44
Others liabilities	60.55	70.14
Total	**427.19**	**369.47**

26. REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of goods	40,774.18	39,031.51
Service income	821.22	662.07
Rebates	1,862.96	1,419.87
Other operating revenues	1.05	1.20
Total	**43,459.41**	**41,114.65**

27. OTHER INCOME

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income under the effective interest rate method on:		
Loans	3.42	1.80
Bank deposits	11.36	7.87
Interest from dealers	12.25	11.88
Interest on income tax refund	0.18	7.03
Gain on sale of a subsidiary*	-	3.32
Income from short-term investments	1.07	1.93
Gain on sale of property, plant and equipment, and assets held for sale (net)	2.62	-
Other non-operating income	8.19	7.56
Total	**39.09**	**41.39**

*On March 31, 2017, the entire holdings of the Group in Adeo have been sold to the existing shareholders of Adeo. The net assets of the subsidiary as of that date of sale are as follows:

(₹ in Crores)

Particulars	March 31, 2017
Total assets (A)	24.04
Total liabilities (B)	14.87
Total net assets (C = A-B)	**9.17**
Non-controlling interest (D)	(4.49)
Total net assets (E = C-D)	**4.68**
Goodwill (F)	1.83
Identifiable net assets (G = E+F)	**6.51**
Sale proceeds receivable (H)	**9.73**
Currency translation adjustment(H-G-I)	**(0.10)**
Gain on sale (I)	**3.32**

28. EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and bonus	601.04	584.11
Contribution to provident fund and other funds	10.63	9.94
Welfare expenses	21.95	17.66
Gratuity	14.57	15.54
Stock compensation expenses	4.76	-
Total	**652.95**	**627.25**

29. FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on borrowings	165.67	155.72
Other borrowing costs	2.36	1.31
Total	**168.03**	**157.03**

30. DEPRECIATION AND AMORTIZATION EXPENSE (refer note 5)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Property, Plant and Equipment	41.62	40.00
Intangible assets	15.32	14.68
Total	**56.94**	**54.68**

NOTES to the consolidated financial statements for the year ended March 31, 2018

31. OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent (refer note 34)	92.95	97.73
Freight	151.36	89.13
Commercial taxes	6.77	29.03
Repairs and maintenance	25.40	21.75
Utilities	14.03	12.10
Insurance	48.68	41.93
Communication	23.67	26.15
Sales promotion expenses	199.18	184.04
Travelling expenses	47.34	49.81
Professional charges	24.44	19.58
Warehouse handling charges	64.67	30.10
Bad debts*	-	-
Allowance for doubtful receivables	33.73	31.45
Auditors' remuneration (including remuneration to subsidiaries' auditors)	8.37	8.16
Exchange loss (net)	24.12	60.57
Factoring charges	11.48	8.59
Non-executive / Independent Directors remuneration	1.42	1.47
Outsourced resource cost	54.97	51.02
Security charges	12.27	11.69
Packing charges	2.01	3.69
Software expenses	22.64	24.73
Bank charges	29.38	26.22
Corporate social responsibility expenditure (refer note 40)	6.27	6.11
Miscellaneous expenses	28.23	29.55
Total	**933.38**	**864.60**

* The amount of bad debts written off against allowance for doubtful trade receivables is ₹ 25.78 Crores. (Previous year: ₹ 21.57 Crores)

32. EARNINGS PER EQUITY SHARE

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit after tax (₹ in Crores)	481.64	464.22
Weighted average Number of equity shares (Basic)	40,00,03,004	39,98,32,245
Earnings per share- Basic ₹	**12.04**	**11.61**
Weighted average Number of equity shares (Diluted)	40,00,03,004	39,98,32,245
Earnings per share- Diluted ₹	**12.04**	**11.61**
Face Value per share in ₹	2/-	2/-
Weighted average Number of equity shares (Basic)	40,00,03,004	39,98,32,245
Add: Effect of ESOP (dilutive)	29,504	1,04,593
Less: Effect of SARs (anti-dilutive)	-	-
Weighted average number of equity shares (diluted)*	40,00,32,508	39,99,36,838

The effect of ESOP is dilutive whereas the effect of SAR is anti-dilutive.

NOTES to the consolidated financial statements for the year ended March 31, 2018

33. CONTINGENCIES AND COMMITMENTS

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
i. Bank guarantees	9.95	13.18
ii. Guarantees relating to channel financing	4.35	4.35
iii. Claims not acknowledged as debts	3.59	2.26

iv. Disputed customs duty / income tax / sales tax / service tax demands

(₹ in Crores)

Nature of dues	March 31, 2018	March 31, 2017
Customs duty	-	0.96
Income tax (refer **Note A** below)	15.42	6.08
Sales tax	57.49	47.24
Service tax (refer **Note B** below)	-	21.59

Note A

Contingent liabilities include similar issues for which the Company has received favourable disposition at the Tribunal level in the past.

Note B

The Company had filed an appeal during July 2016 before CESTAT – Delhi against the Service tax demand of ₹ 21.59 Crores (including interest & penalty) raised for the period October 2009 to September 2014, determining service tax liability on the HP Indigo Consumables and Spare parts support agreement on which VAT is already paid . CESTAT - Delhi vide its order passed during April 2018 allowed the appeal filed by the Company and set-aside the demand raised in full with consequential reliefs. In the proceedings, the Company had earlier deposited ₹ 4.00 Crores under protest and adjusted Cenvat input credit of ₹ 8.59 Crores against the tax liability, totaling ₹ 12.59 Crores. The Company would be filing for refund of these amounts as per due process of law.

v. Lawsuit filed by Redington Turkey Holding S.A.R.L (RTHS)

On August 25, 2011, the Capital Markets Board ("CMB") gave its decision requiring Redington Turkey Holdings SARL (RTHS) to file an application to conduct a mandatory tender offer towards the shareholders of Arena in connection with its purchase of 49.4% stake in Arena on November 29, 2010. CMB's decision was based on an injunction given by the 13th Chamber of the Council of State on 18 July 2011 as a result of a lawsuit filed by an individual investor against CMB requesting an injunction on and the cancellation of certain provisions of the CMB Communique regulating mandatory tender offer in Turkish public companies and the CMB's decision turning down the request of the investor seeking a mandatory tender offer to be made by RTHS. The 13th Chamber of the Council of State was challenged by the CMB before the Council of Administrative Chambers of Council of State which ruled for the revoke of the stay of execution on February 2, 2012.

On October 10, 2011, RTHS applied to the 13th Chamber of the Council of State to join and become a party to 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 April 11, 2012, the CMB imposed an administrative monetary fine against RTHS in the amount of US$ 68,041, stating RTHS had not complied with its decision dated August 15, 2011.

NOTES to the consolidated financial statements for the year ended March 31, 2018

On May 9, 2012, RTHS challenged the monetary fine imposed by CMB by filing a lawsuit before the 20th Peace Criminal Court of Istanbul which was later on sent to 4th Peace Criminal Court due to organizational changes in the court house.

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 the lawsuit should be rejected.

On December 7, 2012, RTHS was notified about the decision of the 8th Administrative Court of Ankara dated September 25, 2012 that the administrative lawsuit filed by RTHS requesting the cancellation of the decision of the CMB dated August 15, 2011 has been concluded in favor of RTHS's request and the decision of CMB dated August 25, 2011 has been cancelled.

On January 3, 2013, CMB appealed the decision made by 8th Administrative Court of Ankara dated September 25, 2012.

On February 20, 2013, RTHS filed its responses against the petition appealed by CMB dated January 3, 2013.

On November 21, 2014, 4th Peace Criminal Court decided that considering the new Capital Markets Law, the peace criminal court are no more competent to review lawsuits regarding administrative fines issued by CMB and the lawsuit must be filed before 13th Administrative Court of Ankara. The case was re-filed on January 27, 2015.

On October 15, 2015, the 13th Chamber held a hearing and heard the parties.

On October 19, 2016, the 13th Chamber of Council of State rejected the claims of the individual investors, and issued a verdict in favor of RTHS and the CMB, indicating that an obligation to conduct a mandatory tender offer did not arise, thus the CMB's original verdict had legal grounds.

On January 20, 2018, the claimant (individual investor) appealed against the judgment of the 13th Chamber of the Council of State before the Council of State, Plenary Session of the Chambers for Administrative cases.

On February 3, 2018, RTHS filed a petition against the appeal claim of the individual investor. As at March 31, 2018, the appeal claim of the individual investor was pending. Management believes that no capital outflow or material impact on the statement of profit or loss and other comprehensive income will arise out of the pending case and therefore no special reserve has been allocated as at the reporting date.

vi. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 20.82 Crores (previous year ₹ 1.70 Crores).

34. OPERATING LEASES

The Group has taken on lease a number of offices and warehouse facilities under operating leases. The leases are for varied periods which are renewable at the option of the Group. The amount recognized as rental expense in the Consolidated Statement of Profit and Loss towards such leases amounts to ₹ 92.95Crores (previous year ₹ 97.73Crores).

Future minimum rental payable under Non-Cancellable Operating leases at the end of the reporting period are as follows:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Payable in less than one year	13.96	10.05
Payable between one and five years	23.54	11.17
More than five years	6.45	-
Total	43.95	21.22

NOTES to the consolidated financial statements for the year ended March 31, 2018

35. FINANCIAL INSTRUMENTS

The following table shows the fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Categories of financial instruments

(₹ in Crores)

As at March 31, 2018	Carrying Amount			Fair value			
	FVTPL	Other financial assets - amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Other financial assets (refer note 14)				-	-	-	-
Call option	1.69	-	**1.69**	-	-	1.69^	**1.69**
Investments (refer note 16)	3.52	-	**3.52**	3.52	-	-	**3.52**
Financial assets not measured at fair value							
Trade receivables (refer note 11)	-	6,072.55	**6,072.55**	-	-	-	-
Cash and cash equivalents (refer note 12(a))	-	527.99	**527.99**	-	-	-	-
Other bank balances (refer note 12(b))	-	13.28	**13.28**	-	-	-	-
Loans (refer note 13)	-	46.90	**46.90**	-	-	-	-
Other financial assets (refer note 14)							
Deposits	-	36.71	**36.71**	-	36.71	-	**36.71**
Others	-	125.85	**125.85**	-	-	-	-
Total financial assets	**5.21**	**6,823.28**	**6,828.49**	**3.52**	**36.71**	**1.69**	**41.92**

(₹ in Crores)

As at March 31, 2017	Carrying Amount			Fair value			
	FVTPL	Other financial assets - amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at Fair value							
Other financial assets (refer note 14)							
Call option	2.41	-	**2.41**	-	-	2.41^	**2.41**
Investments (refer note 16)	4.77	-	**4.77**	4.77	-		**4.77**
Financial assets not measured at fair value				-	-	-	-
Trade receivables (refer note 11)	-	5,087.25	**5,087.25**	-	-	-	-
Cash and cash equivalents (refer note 12(a))	-	613.65	**613.65**			-	-
Other bank balances (refer note 12(b))	-	107.56	**107.56**	-	-	-	-
Loans (refer note 13)	-	36.40	**36.40**	-	-		-
Other financial assets (refer note 14)							-
Deposits	-	30.89	**30.89**	-	30.89	-	**30.89**
Others	-	87.79	**89.79**	-	-	-	-
Total Financial Assets	**7.18**	**5,965.54**	**5,972.72**	**4.77**	**30.89**	**2.41**	**38.07**

NOTES to the consolidated financial statements for the year ended March 31, 2018

(₹ in Crores)

As at March 31, 2018	Carrying Amount			Fair value			
	FVTPL	Other Financial Liabilities - Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value							
Other financial liabilities (refer note 24)							
Forward contracts*	0.68	-	0.68	-	0.68	-	0.68
Financial liabilities not measured at fair value							
Borrowings (refer note 21)	-	1,457.79	1,457.79	-	-	-	-
Trade payables (refer note 23)	-	4,684.00	4,684.00	-	-	-	-
Other financial liabilities (refer note 24)							
Others	-	292.01	292.01	-	-	-	-
Total Financial Liabilities	**0.68**	**6,433.80**	**6,434.48**	**-**	**0.68**	**-**	**0.68**

(₹ in Crores)

As at March 31, 2017	Carrying Amount			Fair value			
	FVTPL	Other Financial Liabilities - Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities measured at Fair value							
Other financial liabilities (refer note 24)							
Forward contracts*	28.82	-	28.82	-	28.82	-	28.82
Financial liabilities not measured at fair value							
Borrowings (refer note 21)	-	1,515.84	1,515.84	-	-	-	-
Trade payables (refer note 23)	-	4,432.96	4,432.96	-	-	-	-
Other financial liabilities (refer note 24)							
Others	-	197.24	197.24	-	-	-	-
Total Financial Liabilities	**28.82**	**6,146.04**	**6,174.86**	**-**	**28.82**	**-**	**28.82**

* The Company enters into foreign exchange forward contracts with banks. These foreign exchange forward contracts are valued using various inputs including the foreign exchange spot and expected forward rates.

^Call options have been calculated by using 11.43% (Previous year:11.09%), risk free rate and volatility of 50.82% (Previous year:53.3%.)

NOTES to the consolidated financial statements for the year ended March 31, 2018

During the financial year 2015-16, the subsidiary was acquired by the Group for a consideration of ₹ 35.66 crores and the excess consideration paid over and above the fair value of Net assets acquired was ₹ 4.53 crores. During the previous financial year, the Group acquired an additional 10% in Linkplus with carrying value of ₹ 5.30 Crores for a consideration of ₹ 7.60 Crores inclusive of a call option of ₹ 0.27.Crores which was exercised. During the Current financial year, the Group acquired an another 10% in Linkplus with a carrying value of ₹ 5.53 Crores for a consideration of ₹7.58 Crores inclusive of a call option of ₹ 1.20 Crores which was exercised. The premium paid over the carrying value is recognized as a reduction from retained earnings in both the years.

Movement in Call option is as below.

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Balance at the beginning of the year	**2.41**	**2.09**
Exercised during the year	(1.20)	(0.27)
Gain on increase in fair value	0.48	0.66
Currency Translation Adjustment	-	(0.07)
Balance at the end of the year	**1.69**	**2.41**

36. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk of the Group are credit and foreign exchange risk.

The senior management oversees the management of these risks. The senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework. The financial risk committee provides assurance to the senior management that the financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Group has exposure to the following risks arising from financial instruments:

a. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices– will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) In order to mitigate risks arising on account of foreign currency fluctuations, the following policies are set with respect to foreign exchange risk management in respective geographies

Company and its Indian Subsidiaries

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The exposure to the risk of changes in foreign exchange rates is limited to payment in foreign exchange for purchase of goods.

The Company and its Indian subsidiaries use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Sensitivity analysis

The Group applies 1% as the sensitivity rate while ascertaining foreign currency exposure. Accordingly 1% strengthening of Indian Rupee against all relevant uncovered foreign currency transactions would have positively impacted profit before tax/equity by ₹ 9.69 Crores (Previous year ₹ 0.36 Crores) and 6.33 crores (Previous year ₹ 0.24 Crores). Similarly for 1% weakening of Indian rupee against these transactions, there would be an equal and opposite impact on the profit before tax and equity.

Overseas subsidiaries

With respect to overseas subsidiaries, most of the local reporting currencies in the Middle East are pegged to US dollar and hence the requirement for taking a separate hedge does not arise. In other geographies, forward cover is taken wherever applicable.

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 1% increase and decrease in the US$, which is the functional currency of Redington International Mauritius Limited and its subsidiaries, against the relevant foreign currency transactions that are not covered/pegged. A positive number below indicates an increase in Profit before tax/Equity where the US$ strengthens 1% against the relevant currency. Similarly, for a 1% weakening of the US$ against the relevant currency, there would be an equal and opposite impact on the Profit before tax / Equity.

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Turkish Lira	0.20	(0.05)
Kuwaiti Dinar	(0.51)	(0.65)
Kenyan Shilling	0.01	0.03
Moroccan Dirham	(0.19)	(0.30)
Nigerian Naira	(0.17)	(0.13)
Kazakhstan Tenge	(0.32)	(0.65)
Egyptian Pound	(0.20)	(0.35)
Tanzanian Sillings	(0.09)	(0.04)
Uganda Shilling	(0.04)	(0.05)
Ghanainan Cedi	(0.02)	0.01
South African Rand	0.01	-
Iraqi Dinar	(0.01)	0.01
Rwandan Franc	(0.01)	-
Euro	(0.14)	0.04
Senegal Franc	(0.48)	(0.14)

The Group's subsidiary in Singapore (Redington Distribution Pte. Ltd.) is not exposed to any currency risk.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company and one of its Indian subsidiaries borrow funds to meet its short-term requirements which are at fixed interest rates. Hence there is no exposure to any significant interest rate risk.

NOTES to the consolidated financial statements for the year ended March 31, 2018

The Company's overseas subsidiaries and its Indian Subsidiary ProConnect Supply Chain Solutions Limited borrows funds at both fixed and floating interest rates. Hence sensitivity analysis has been determined based on the exposure to interest rates for borrowings at floating interest rates. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit before tax / equity for the year ended March 31, 2018 would decrease/increase by ₹ 3.33 Crores (previous year: ₹ 4.13 Crores).

b. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligations under customer contract, leading to a financial loss. The Company is exposed to credit risk from its sale to small and large format retailers on credit.

The Company mitigates credit risk by strict receivable management, procedures and policies. The Company has a dedicated independent team to review credit and monitor collection of receivables. Credit Insurance is resorted to most of the receivable and in such cases the credit risk is restricted the receivable value which are not covered only.

(₹ in Crores)

Movement in the Allowance for doubtful receivables	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	133.61	131.51
Allowance recognized during the year	33.73	31.45
Less: Allowance utilized for write-off	25.78	21.57
Currency translation Adjustment	(2.31)	(7.78)
Balance at end of the year	139.25	133.61

Ageing of Trade receivables*

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
0-180 days	5,999.84	5,024.00
More than 180 days	211.96	196.86
Total	6,211.80	5,220.86

* In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Group believes that no further credit allowance is required in excess of the allowance already created for.

c. Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group has built an appropriate liquidity risk management framework for its short, medium and long-term funding and liquidity requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities.

(₹ in Crores)

Particulars of financial liabilities	Less than a year	More than a year	Total
March 31, 2018			
Fixed interest rate instruments	766.27	4.23	770.50
Variable interest rate instruments	658.32	-	658.32
Non-interest bearing instruments	5,005.66	-	5,005.66
Total	6,430.25	4.23	6,434.48

NOTES to the consolidated financial statements for the year ended March 31, 2018

(₹ in Crores)

Particulars of financial liabilities	Less than a year	More than a year	Total
March 31, 2017			
Fixed interest rate instruments	711.04	-	**711.04**
Variable interest rate instruments	804.80	-	**804.80**
Non-interest bearing instruments	4,659.02	-	**4,659.02**
Total	**6,174.86**	**-**	**6,174.86**

37. OPERATING SEGMENTS

The Group has identified India and Overseas as its reportable operating segments in line with the requirements Ind AS 108. Segment revenue (including interest income), interest expense 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 results. Segment assets and liabilities include those directly identifiable with the respective segments and unallocated items include current and deferred tax assets and liabilities which are not used for business purposes.

(₹ in Crores)

Particulars	India		Overseas		Eliminations		Corporate Unallocated		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Total Income										
External	15,468.29	15,806.28	28,030.21	25,349.76	-	-	-	-	43,498.50	41,156.04
Inter-segment	19.46	17.44	9.43	48.86	(28.89)	(66.30)	-	-	-	-
Total	**15,487.75**	**15,823.72**	**28,039.64**	**25,398.62**	**(28.89)**	**(66.30)**	**-**	**-**	**43,498.50**	**41,156.04**
Segment profit before tax	314.55	348.27	332.45	321.80	(16.43)	(15.56)	-	-	630.57	654.51
Income tax expense	104.74	118.44	41.41	59.33	-	-	-	-	146.15	177.77
Non-controlling interest	1.13	0.30	1.65	12.22	-	-	-	-	2.78	12.52
Segment profit after tax after non-controlling interest	208.68	229.53	289.39	250.25	(16.43)	(15.56)	-	-	481.64	464.22
Total assets	3,912.08	3,977.62	6,870.82	6,177.01	(0.73)	(76.40)	82.62	71.96	10,864.79	10,150.19
Total liabilities	2,824.36	2,924.41	4,149.63	3,727.58	(0.08)	(11.21)	1.49	-	6,975.40	6,640.78
Depreciation and amortization expense	20.88	17.17	36.06	37.51	-		-	-	56.94	54.68
Payments for Property, Plant and Equipment and other intangible assets	21.17	34.46	37.52	29.55	-	-	-	-	58.69	64.01
Interest revenue included in above revenue	17.47	22.28	10.45	7.10	(0.71)	(0.80)	-	-	27.21	28.58
Finance costs	101.79	82.50	66.95	75.33	(0.71)	(0.80)	-	-	168.03	157.03

Other information with respect to the operating segments disclosed above

i. The Group has elected not to disclose details of non-current assets located in various geographies and revenue from major products and services as the necessary information is not precisely available and the cost to develop it would be excessive.

ii. The revenue from transactions with no single external customer exceeded 10% of the total revenue of the Group for each of the two years ended March 31, 2018.

NOTES to the consolidated financial statements for the year ended March 31, 2018

38. RELATED PARTY DISCLOSURES

i. Remuneration to Key Management Personnel

Mr. Raj Shankar, Managing Director

Mr. M. Raghunandan, Whole-Time Director (Till May 24, 2016)

Mr. E.H. Kasturi Rangan, Whole-Time Director (From May 24, 2016)

ii. Names of the related parties

Parties having Significant Influence on the Company	Synnex Mauritius Limited, Mauritius * Harrow Investment Holding limited, Mauritius (upto July 13, 2017)
Associate	Redington (India) Investments Limited *
Subsidiary of the Associate	Currents Technology Retail (India) Limited *

* Represents related parties with whom transactions have taken place during the year.

(₹ in Crores)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
	Parties having Significant Influence	Parties having Significant Influence
Synnex Mauritius Limited		
Dividend Paid	21.69	38.66
Harrow Investment Holding Limited		
Dividend Paid	-	13.44

(₹ in Crores)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017
	Subsidiary of Associate	Subsidiary of Associate
Currents Technology Retail (India) Limited		
Sales – Income	54.90	57.86
Interest Income	2.35	1.80
Loan disbursed	78.30	94.10
Loan settled	74.80	87.10

Details of receivable from Currents Technology Retail (India) Limited:

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017
Loan outstanding at the year end	34.90	31.40
Amount receivable at the year end	17.64	12.08

NOTES to the consolidated financial statements for the year ended March 31, 2018

39. KEY MANAGERIAL REMUNERATION

(₹ in Crores)

Nature of Transactions	For the year ended March 31, 2018	For the year ended March 31, 2017*
Remuneration to Whole-Time Directors		
Salaries and bonus	1.24	1.38
Contribution to provident fund	0.03	0.03
Stock compensation expense (SAR)	0.07	-
Total remuneration	**1.34**	**1.41**

*a) Includes remuneration paid to Mr. M. Raghunandan amounting to ₹ 0.14 Crores.

*b) Salary entitlement for the full financial year 2016-17 for Mr. E.H. Kasturi Rangan is considered.

c) Provision for gratuity and provisions for compensated absences are based on the actuarial valuation performed on an overall Company basis and hence excluded above.

Remuneration to the Managing Director from a wholly-owned overseas subsidiary is as below:

(₹ in Crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and Performance bonus*	6.02	6.53
Contribution to provident fund	0.06	0.11
Stock option expense (SAR) (refer note 28)	0.01	-
Total	**6.09**	**6.64**

* Performance bonus constitutes 73.6%.

The Company has filed an application with Ministry of Corporate Affairs for reappointment of Mr.Raj Shankar as the Managing Director, since he is a non-resident Indian.

40. For the year 2017-18, the Indian entities of the Group is required to spend ₹ 6.27 Crores (previous year: ₹ 6.12 Crores) on "Corporate Social Responsibility (CSR)"against which the Group has spent during the year ₹ 6.27 Crores (Previous Years: ₹ 6.11 Crores) towards CSR Expenditure, being the contribution made by the Group to a Trust formed for the purposes of carrying out these CSR activities

41. EMPLOYEE STOCK OPTION PLAN 2008 (ESOP 2008)

The Group followed intrinsic value method as per pervious GAAP for accounting of employee stock options and had availed the exemption under Ind AS 101 *"First time adoption of Indian Accounting Standards"* at the time of transition to Ind AS from retrospective application of accounting requirements prescribed under Ind AS 102 *"Share-based payment"* for outstanding options as on the transition date. Accordingly, no compensation costs had been recognized in these accounts as the options have been granted at the prevailing market prices at the time of each grant.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Details of various grants under ESOP 2008 are as follows:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	February 29, 2008	July 25, 2008	January 28, 2009	May 22, 2009	December 05, 2011
Exercise Price(₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	February 28, 2009	July 24, 2009	January 27, 2010	May 21, 2010	December 04, 2012
Options granted	23,35,973	11,000	2,76,143	25,000	1,73,212
Options lapsed	5,87,670	4,750	-	-	47,825
Options vested	17,48,303	6,250	2,76,143	25,000	1,25,837
Options exercised at the beginning of the year	17,48,303	6,250	2,76,143	25,000	48,250
Options exercised during the year	-	-	-	-	64,845
Total options outstanding and not exercised as on March 31, 2018	-	-	-	-	12,292

*Out of the total options granted in 2008, 19,59,830 options were re-priced at ₹ 130/- on January 28, 2009 and 75,000 options were re-priced 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	July 25, 2008	January 28, 2009	May 22, 2009	December 05, 2011
No. of options	11,000	2,76,143	25,000	1,73,212

The fair value of options based on the valuation of the independent valuer as of the respective dates of grant were as follows:

Grant Date	Feb 29, 2008	Re-priced on Jan 28, 2009	Re-priced on May 22, 2009	Jul 25, 2008	Re-priced on Jan 28, 2009	Jan 28, 2009	May 22, 2009	Dec 05, 2011
Fair Value	171.33	25.56	33.04	159.71	23.77	47.46	79.82	171.72

The variables / assumptions used for calculating the fair value of Grant V using the Black Scholes model and their rationale were as follows:

A. Stock price

The closing market price of the Company's share on the date prior to the date of grant as quoted on the National Stock Exchange (NSE) has been considered for the purpose of option valuation.

B. Volatility

Volatility is a measure of the amount by which the stock price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

In determining volatility, the Company considers the historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the option being valued.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Given that, the Company's stock is publicly traded on NSE and BSE, for the purpose of calculating volatility, the Company has considered the daily volatility of the stock prices on NSE, over a period prior to the date of grant, corresponding with the expected life of the options being valued.

The fair value of an option is very sensitive to this variable. Higher the volatility, higher is the fair value. The rationale being, the more volatile a stock is, the more is its potential to go up (or come down), and the more is the probability to gain from the movement in the price. Accordingly, an option to buy a highly volatile stock is more valuable than the one to buy a less volatile stock.

C. **Risk free interest rate**
The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

D. **Exercise Price**
Options have been granted primarily at a price of ₹ 348.05 on February 29, 2008. Subsequently, 19,59,830 and 75,000 options were re-priced at a market price of ₹ 130/- and ₹ 165/- on January 28, 2009 and May 22, 2009 respectively. On December 5, 2011 1,73,212 options were granted at a price of ₹ 396.50 per option.

E. **Expected Life of options**
Expected Life of options is the period over which the Company expects the options to be exercised. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

The fair value of each award has been determined based on different expected lives of the options that vest each year, as it would be if the award were viewed as several separate awards, each with a different vesting date. A weighted average of all vests has been calculated to arrive at the value of the options. The expected life of option is calculated as the average of the minimum life (vesting period) and the maximum life (i.e. vesting period + exercise period). Expected life of option has been estimated on a similar basis for the remaining vests.

F. **Expected Dividend yield:**

Expected dividend yield has been calculated as an average of dividend yields for the preceding two years to the date of the grant.

Details of movements in options during the year

Particulars	FY 2017-18		FY 2016-17	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (`)
Balance at the beginning of the year	80,337	396.50	91,258	394.31
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	64,845	396.50	7,046	396.50
Expired during the year	3,200	396.50	3,875	344.92
Balance at the end of the year	12,292	396.50	80,337	396.50

NOTES to the consolidated financial statements for the year ended March 31, 2018

Weighted average contractual life

The weighted average remaining contractual life of the options outstanding is 1.21 years.

Details of stock options exercised during the year

Particulars	Number exercised	Allotment date	Share price at allotment date
Grant I	NIL	-	-
Grant II	NIL	-	-
Grant III	NIL	-	-
Grant IV	NIL	-	-
Grant V	45,800	September 12, 2017	BSE -161.30/NSE-161.75
Grant VI	19,045	December 13, 2017	BSE -182.55/NSE-182.25
Total	**64,845**		

42. DETAILS OF STOCK APPRECIATION RIGHTS

A. **Details of Stock Appreciation Rights**

The Group has formulated 'REDINGTON STOCK APPRECIATION RIGHT SCHEME 2017' ("SAR Scheme 2017") with an intent to reward the employees of the Group and its subsidiaries for their performance and to motivate them to contribute to the growth and profitability of the Group. The maximum number of shares to be issued against the Stock Appreciation Rights (SARs) shall not exceed 86,81,681 equity shares of ₹ 2/- each as adjusted for any changes in the capital structure of the Group. Pursuant to the approval of SAR Scheme 2017 by the members of the Group, the Nomination and Remuneration Committee of the Board of Redington (India) Limited on December 30, 2017 approved the grant of 81,79,000 SARs to the employees of the Company and its subsidiaries.

Each SAR entitles the eligible employees and directors to receive equity shares of the Company equivalent to the increase in value of one equity share ('Appreciation'). Appreciation is calculated by reducing the issue price / base price from the reported closing price of the equity shares in the NSE / BSE where there is highest trading, on the day prior to the date of exercising of these SARs and multiplying the resultant with the number of SARs exercised.

These SARs vest over a period of 3 years from the date of the grant in the following manner:

10% of the SARs vest after a period of one year from the grant date, 20% of the SARs vest after a period of two years from the grant date and 70% of the SARs vest after a period of three years from the grant date. These SARs are exercisable within a period of three years from the respective date of vesting.

Certain SARs granted to the members of senior management team as identified by the Nomination and Remuneration committee have an associated performance condition. Of the total SARs granted to senior management team, 35% of the SARs that would vest at the end of 3 years from the date of the grant are subject to these performance conditions.

The Group has used the Black-Scholes Option Pricing Model to determine the fair value of the SARs based on which the compensation cost for the current year has been computed.

The said stock option scheme is in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

NOTES to the consolidated financial statements for the year ended March 31, 2018

Details of SARs granted are as follows:

A. Details of SAR	Particulars
Date of grant	December 30, 2017
Fair value at grant date (weighted-average)	₹ 71.99 per SAR
Exercise/ Base price	₹ 148.50 (15% discount to the Closing Market Price of ₹ 174.60 at NSE on December 29, 2017) date prior to the date of grant
Vesting commences on	December 30, 2018
Vesting requirement	The SARs granted would be vested subject to the time and performance conditions as may be decided by the Compensation Committee from time to time.
Maximum term of SARs granted	3 years from the date of vesting
Method of settlement	Equity shares of the Company

B. Details of movement in SARs granted during the year	Units (in numbers)
SARs outstanding at the beginning of the year	-
Number of SARs granted during the year	81,79,000
SARs vested during the year	-
SARs lapsed during the year	30,000
Total number of shares to be allotted on exercise of SAR	-
SARs outstanding at the end of the year	81,49,000
SARs exercisable at the end of the year	-
C. Range of exercise prices of SARs outstanding at the end of the year	**₹ 2**
D. Weighted average remaining contractual life (in years)	**3.85**
E. The fair value has been calculated using the Black Scholes Option Pricing model. The Assumptions used in the model on a weighted average basis at the time of grant are as follows	**Assumption values**
1. Risk free interest rate	7.02%
2. Expected life (in years)	4.10
3. Expected volatility	35.72%
4. Dividend yield	1.2%
5. Price of the underlying share in market at the time of the option grant. (₹)	174.6

The variables / assumptions used for calculating the fair value using the above model and their rationale are as follows:

i. Stock price

The closing market price on the date of grant on National Stock Exchange (NSE) has been considered for the purpose of right valuation.

ii. Volatility

Volatility is a measure of the amount by which the stock price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes right pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

In determining volatility, the Company considers the historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the right being valued. Volatility has been calculated based on the daily closing market price of the Company's stock price on NSE over these years.

NOTES to the consolidated financial statements for the year ended March 31, 2018

iii. Risk free interest rate

The risk-free interest rate is considered for the calculation is the interest rate applicable for maturity equal to the expected life of the rights based on the zero-coupon yield curve for Government Securities

iv. Exercise / base price

Exercise / base price of ₹ 148.50 is considered in the above valuation.

v. Expected Life of rights

Expected Life of rights is the period over which the Company expects the rights to be exercised. The minimum life of rights is the minimum period before which the rights cannot be exercised. The maximum life is the period after which the rights cannot be exercised.

The expected life of rights is calculated as the average of the minimum life (vesting period) and the maximum life (i.e. vesting period + exercise period).

vi. Expected dividend yield

Expected dividend yield has been calculated based on the final dividend declared during the preceding financial year.

F. Expense recognized in statement of profit and loss

The Group has recognized costs with respect to those SARs which were issued to the employees and directors of the Company in the statement of profit and loss under employee benefit expenses.

43. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Name of the Entity	Net assets (Total assets less total liabilities)				Share in profit			
	As a % of consolidated net assets		Amount in ₹ in Crores		As a % consolidated net profit		Amount in ₹ in Crores	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	2017-18	2016-17	2017-18	2016-17
Parent	27.78	28.69	1,084.41	1,006.99	33.65	41.12	162.08	190.90
Subsidiaries:								
a. Indian								
ProConnect Supply Chain Solutions Limited	2.06	1.65	80.01	57.97	5.67	4.29	27.33	19.92
Ensure Support Services (India) Limited	0.62	0.56	23.99	19.52	1.34	1.55	6.47	7.19
Non-controlling interests	0.16	0.10	6.22	3.41	(0.23)	(0.06)	(1.13)	(0.29)
b. Foreign								
Redington International Mauritius Limited (RIML)-before non-controlling interest	53.29	52.03	2,069.10	1,825.74	49.45	43.07	238.14	199.95
Redington Distribution Pte. Limited (RDPL)	7.02	6.77	273.05	237.69	10.46	12.66	50.40	58.77
Non-controlling interest	9.07	10.20	352.61	358.09	(0.34)	(2.63)	(1.65)	(12.22)
Associate(Indian)	-	-	-	-	-	-	-	-
Total	100.00	100.00	3,889.39	3,509.41	100.00	100.00	481.64	464.22

NOTES to the consolidated financial statements for the year ended March 31, 2018

44. EVENTS AFTER THE REPORTING PERIOD

a. The Board of Directors at its meeting held on May 21, 2018 has recommended a dividend of ₹ 2.40/- per equity share of ₹ 2/- each - i.e., 120 % of face value for the financial year ended March 31, 2018 (previous year: ₹ 2.30 per equity share of ₹ 2/- each i.e., 115% of face value) subject to the approval of shareholders in the ensuing Annual General Meeting.

b. One of the step-down subsidiary's name has been changed from CDW International Trading FZE to CDW International Trading FZCO subsequent to the balance sheet date.

45. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the previous year, the Company and its Indian Subsidiaries had specified bank notes and other denomination notes. As defined in the MCA notification G.S.R. 308 (E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in Crores)

Particulars	SBNs	Other denomination Notes	Total
Closing cash in hand as on November 8, 2016	0.18	0.19	0.37
(+) Permitted receipts	-	1.23	1.23
(-) Permitted payments	-	0.82	0.82
(-) Amount deposited in Banks	0.18	0. 22	0.40
Closing cash in hand as on December 30, 2016	-	0.38	0.38

The above disclosure is not applicable for the current year.

46. The financial statements were approved for issue by the Board of Directors on May 21, 2018.

for **B S R & Co. LLP**

Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place : Chennai
Date : May 21, 2018

for and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN-00238790)

E H Kasturi Rangan
Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 21, 2018

Form AOC - I

Salient Features of Financial Statements of Subsidiaries/Associates as per Companies Act, 2013

Part (A) Subsidiaries

(₹ in Crores)

Sl. No	Company name	Date of Acquisition	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments @	Turnover	Profit before taxation	Provision for taxation	Profit after tax	Proposed dividend	Ownership Interest %	Beneficial Interest %
1	ProConnect Supply Chain Solutions Limited	31-Aug-12	March 31, 2018	INR	1.0000	7.24	68.29	129.17	53.64	-	199.09	34.46	11.84	22.62	4.34	100	100
2	Ensure Support Services (India) Limited	27-Jun-13	March 31, 2018	INR	1.0000	4.50	19.51	67.05	43.04	3.52	118.15	10.83	4.36	6.47	1.58	100	100
3	Redington International Mauritius Limited (RIML)	16-Jul-08	March 31, 2018	USD	65.1750	180.33	1,044.24	1,224.57	-	-	-	141.12	-	141.12	-	100	100
4	Redington Distribution Pte. Limited (RDPL)	1-Apr-05	March 31, 2018	USD	65.1750	26.07	242.18	914.45	646.20	-	3,010.35	63.44	14.93	48.51	12.13	100	100
5	Redington Gulf FZE	13-Nov-08	March 31, 2018	AED	17.7450	21.29	1,758.41	4,606.38	2,826.67	-	18,773.08	447.54	2.44	445.10	64.15	100	100
6	Redington Egypt Ltd (Limited liability company)	9-Feb-00	December 31, 2017	EGP	3.5925	0.02	9.06	85.41	76.33	-	336.71	4.18	1.31	2.87	-	100	100
7	Redington Nigeria Limited	15-Oct-02	March 31, 2018	NGN	0.1836	0.18	(15.37)	15.25	30.44	-	(0.11)	(0.10)	(0.08)	(0.02)	-	100	100
8	Redington Gulf & Co. LLC	11-Nov-03	March 31, 2018	OMR	169.2850	2.54	3.53	29.98	23.90	-	77.94	0.33	0.06	0.27	-	70	100
9	Redington Kenya Limited	19-Jul-04	March 31, 2018	KES	0.6466	0.06	3.33	136.25	132.85	-	361.55	3.01	0.92	2.09	-	100	100
10	Cadensworth FZE	29-Mar-05	March 31, 2018	AED	17.7450	1.77	14.16	152.93	137.00	-	906.70	13.52	-	13.52	-	100	100
11	Redington Middle East LLC	1-Jul-05	March 31, 2018	AED	17.7450	0.53	11.05	908.97	897.39	-	5,096.78	0.89	-	0.89	-	49	100
12	Ensure Services Arabia LLC	1-Dec-05	March 31, 2018	SAR	17.3800	1.74	4.50	9.24	3.00	-	6.89	0.16	0.11	0.05	-	100	100
13	Redington Africa Distribution FZE	1-Dec-05	March 31, 2018	AED	17.7450	1.77	(0.01)	1.76	-	-	-	(0.01)	-	(0.01)	-	100	100
14	Redington Qatar WLL	1-Dec-05	March 31, 2018	QAR	17.9000	0.36	2.47	9.36	6.53	-	23.93	1.25	0.12	1.13	-	49	100
15	Ensure Services Bahrain SPC	26-Mar-07	March 31, 2018	BHD	172.8675	0.86	2.46	6.97	3.65	-	2.19	0.05	-	0.05	-	100	100
16	Redington Qatar Distribution WLL	15-Aug-07	March 31, 2018	QAR	17.9000	0.36	0.74	80.30	79.21	-	398.43	0.63	0.07	0.56	-	49	100
17	Redington Limited	28-Nov-08	March 31, 2018	GHS	14.7744	0.82	(0.04)	2.82	2.03	-	1.51	0.11	0.02	0.09	-	100	100
18	Redington Kenya (EPZ) Limited	10-Dec-08	March 31, 2018	KES	0.6466	0.01	(1.23)	1.86	3.08	-	-	(0.12)	-	(0.12)	-	100	100
19	Redington Uganda Limited	9-Jan-09	March 31, 2018	UGX	0.0177	0.03	1.58	52.25	50.64	-	111.28	0.38	0.10	0.28	-	100	100
20	Cadensworth UAE LLC	5-May-09	March 31, 2018	AED	17.7450	0.53	9.70	150.22	139.99	-	1,073.02	1.20	-	1.20	-	49	100
21	Redington Tanzania Limited	13-Aug-09	March 31, 2018	TZS	0.0290	0.0003	0.74	45.95	45.21	-	112.51	0.53	0.17	0.36	-	100	100
22	Redington Morocco Limited	5-Oct-09	March 31, 2018	MAD	7.0918	0.21	3.17	36.72	33.35	-	182.83	2.93	0.93	2.00	-	100	100
23	Ensure IT Services (Pty) Ltd	27-Jul-11	March 31, 2018	ZAR	5.5775	0.39	1.78	4.27	2.10	-	11.02	0.27	0.08	0.19	-	100	100
24	Redington Turkey Holdings SARL	8-Nov-10	March 31, 2018	USD	65.1750	2.93	2.95	277.09	271.21	-	-	1.50	0.31	1.19	-	100	100
25	Arena Bilgisayar Sanayi Ve Ticaret A.S.	8-Nov-10	December 31, 2017	USD	63.8750	142.56	302.30	1,227.41	782.55	-	2,912.72	15.87	8.47	7.40	-	49.40	49.40
26	Arena International FZE	25-May-11	December 31, 2017	AED	17.3900	1.74	8.04	195.48	185.70	-	1,198.63	8.20	-	8.20	-	49.40	49.40
27	Redington Bangladesh Limited	24-Jun-05	March 31, 2018	BDT	0.7861	0.24	0.23	1.00	0.53	-	1.99	0.06	-	0.06	-	99	100
28	Redington SL (Private) Limited	28-Oct-09	March 31, 2018	LKR	0.4190	1.19	5.10	53.41	47.12	-	156.38	2.45	0.42	2.03	-	100	100
29	Redington Rwanda Ltd	9-May-12	March 31, 2018	RWF	0.0773	-	(0.35)	0.75	1.10	-	-	(0.05)	-	(0.05)	-	100	100
30	Redington Kazakhstan LLP	4-Dec-12	December 31, 2017	KZT	0.1920	0.27	(37.41)	71.82	108.96	-	178.66	(10.55)	-	(10.55)	-	100	100
31	Ensure Gulf FZE	25-Jul-12	March 31, 2018	AED	17.7450	1.77	11.94	57.45	43.74	-	22.52	4.90	-	4.90	-	100	100
32	Ensure Middle East Trading LLC	14-Nov-12	March 31, 2018	AED	17.7450	0.53	6.52	26.40	19.35	-	102.91	1.45	-	1.45	-	49	100
33	Ensure Solutions Nigeria Limited	17-Jan-13	March 31, 2018	NGN	0.1836	0.02	1.00	11.19	10.17	-	10.22	0.15	0.06	0.09	-	99.90	100
34	Ensure Technical Services Kenya Limited	17-Dec-12	March 31, 2018	KES	0.6466	0.06	(1.09)	1.77	2.80	-	6.57	(0.64)	-	(0.64)	-	100	100
35	Ensure Services Uganda Limited	17-Jan-13	March 31, 2018	UGX	0.0177	0.01	0.34	1.00	0.65	-	0.74	0.02	0.01	0.01	-	100	100
36	Ensure Technical Services Tanzania Limited	21-Dec-12	March 31, 2018	TZS	0.0290	0.0029	(0.62)	2.25	2.87	-	0.65	(0.73)	(0.22)	(0.51)	-	100	100
37	Ensure Ghana Limited	10-May-13	March 31, 2018	GHS	14.7744	0.38	0.22	0.89	0.29	-	1.04	0.14	0.04	0.10	-	100	100
38	Proconnect Supply Chain Logistics LLC	24-Apr-13	March 31, 2018	AED	17.7450	0.53	8.21	17.74	9.00	-	94.80	5.55	-	5.55	-	49	100
39	Ensure Technical Services Morocco Limited (Sarl)	26-Jul-13	March 31, 2018	MAD	7.0918	0.07	(0.41)	4.42	4.77	-	3.47	0.02	0.02	-	-	100	100

Part (A) Subsidiaries

(₹ in Crores)

Sl. No	Company name	Date of Acquisition	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments @	Turnover	Profit before taxation	Provision for taxation	Profit after tax	Proposed dividend	Ownership Interest %	Beneficial Interest %
40	Redington Senegal Limited SARL	14-May-14	March 31, 2018	XAF	0.1226	0.06	9.76	108.06	98.23	-	464.35	3.57	1.16	2.41	-	100	100
41	Redington Saudi Arabia Distribution Company	18-Aug-14	March 31, 2018	SAR	17.3800	46.93	19.39	791.77	725.46	-	4,444.44	12.08	2.05	10.03	-	75	100
42	Paynet Ödeme Hizmetleri A.S.	16-Jan-15	December 31, 2017	TRY	16.8487	3.37	1.83	19.14	13.94	-	39.77	0.28	0.06	0.22	-	49.40	49.40
43	Sensonet Teknoloji Elektronık Ve Bılısım Hızmetlerı Sanayı Ve Tıcaret A.S.	5-Nov-12	December 31, 2017	USD	63.8750	1.56	17.63	89.61	70.42	-	93.11	(0.65)	0.20	(0.85)	-	49.40	49.40
44	CDW International Trading FZE	5-Jul-15	March 31, 2018	AED	17.7450	0.0018	1.00	135.43	134.42	-	161.72	1.46	-	1.46	-	100	100
45	RNDC Alliance West Africa Limited	17-Nov-15	March 31, 2018	NGN	0.1836	0.18	(1.00)	11.89	12.71	-	16.18	(0.61)	0.06	(0.67)	-	100	100
46	Link Plus Bilgisayar Sistemleri Sanayi Ve Ticaret A.S.	26-Nov-15	December 31, 2017	TRY	16.8487	1.68	41.68	204.11	160.74	-	359.36	14.77	2.97	11.80	-	90	90
47	Ensure Middle East Technology Solutions LLC	05-Sep-16	March 31, 2018	AED	17.7450	0.27	0.01	1.60	1.32	-	2.22	0.01	-	0.01	-	49	100
48	Rajprotim Supply Chain Solutions Limited	25-Jul-16	March 31, 2018	INR	1.0000	11.17	14.76	59.18	33.25	-	118.80	7.13	2.43	4.70	-	76	76
49	Proconnect Saudi LLC	05-Feb-17	March 31, 2018	SAR	17.3800	1.74	0.08	4.45	2.63	-	8.21	0.25	0.17	0.08	-	100	100
50	Redington Distribution Company LLC	14-Mar-17	March 31, 2018	EGP	3.7000	0.02	1.30	14.96	13.64	-	42.98	1.28	-	1.28	-	99	100
51	Citrus Consulting Services FZ LLC	20-Apr-17	March 31, 2018	AED	17.7450	0.67	(1.10)	0.43	0.86	-	1.50	(1.09)	-	(1.09)	-	60	60
52	ARENA MOBİLE İLETİŞİM HİZMETLERİ VE TÜKETİCİ ELEKTRONİĞİ SANAYİ VE TİCARET ANONİM ŞİRKETİ	11-Apr-17	December 31, 2017	TRY	16.8487	0.42	0.41	69.72	68.89	-	157.07	0.55	0.11	0.44	-	49.40	49.40
53	ONLINE ELEKTRONİK TİCARET HİZMETLERİ ANONİM ŞİRKETİ	10-Apr-17	December 31, 2017	TRY	16.8487	7.97	(2.94)	11.65	6.62	-	8.39	(3.92)	(0.79)	(3.14)	-	44.46	44.46

@ Investment excludes investment in subsidiary

Part (B) Associate and its subsidiary

Sl. No:	Name of Company	Date of Association	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 *	28-Jun-95	March 31, 2018	100000	10.00	47.62	47.62	Share holding more than 20%	32.11	(10.00)	-	(4.96)

* Includes its Subsidiary Currents Technology Retail (India) Limited.

The below mentioned companies are yet to commence operation:

Ensure Technical Services (PTY) LTD,South Africa
Redington Gulf FZE Co, Iraq
Redserv Business Solutions Private Limited, India
Ensure Services Limited, Egypt
PAYNET (KIBRIS) ÖDEME HİZMETLERİ LİMİTED,Cyprus
Redington Cote D' Ivoire SARL, Cote D' Ivoire- Effective billing started from April 01,2018

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; MAD-Moroccan Dirham; XAF- Central African Franc; BDT - Bangladesh Taka;TZS-Tanzania Shilling
ZAR-South African Rand ;RWF-Rwandan Franc;,KZT-Kazhakstani tenge; LKR- Srilankan Rupee ;TRY- Turkish Lira.

For and on behalf of the Board of Directors

Raj Shankar
Managing Director
(DIN - 00238790)

E H Kasturi Rangan
Whole Time Director
(DIN - 01814089)

Place: Chennai
Date : May 21, 2018

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

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 OF TWENTY FIFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company will be held on Monday, July 30, 2018 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:

1. To receive, consider and adopt the Standalone audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement for the financial year ended on that date and the Report of Auditors and Directors thereon.

2. To receive, consider and adopt the Consolidated audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement for the financial year ended on that date and the Report of Auditors thereon.

3. To declare Dividend on the equity Shares of the Company for the financial year 2017-18.

4. To appoint Mr. Udai Dhawan (DIN 03048040) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint Mr. Tu, Shu-Chyuan (DIN 02336015) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

6. **Appointment of Ms. Chen, Yi-Ju (DIN 08031113) as a Non-Executive Director**

   To consider and, if thought fit, to pass the following as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Section 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, Ms. Chen, Yi-Ju (DIN 08031113), who was appointed as an Additional Director of the Company by the Board of Directors with effect from December 26, 2017 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Nominee Director of the Company and as per the terms of appointment she is liable to retirement by rotation."

7. **Appointment of Mr. B. Ramaratnam (DIN 07525213) as an Independent Director**

   To consider and, if thought fit, to pass the following as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the 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, read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mr. B. Ramaratnam (DIN 07525213), who qualifies as an Independent Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term of five years effective from May 21, 2018 to May 20, 2023."

8. **Appointment of Branch Auditor**

   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 Ernst & Young LLP, Singapore as Auditor for the Branch Office of the Company at Singapore for the financial year 2018-19, on such terms and conditions as may be fixed by the Board of Directors in consultation with the Audit Committee".

9. **To Increase the borrowing limits of the Company**

   To consider and, if thought fit, to pass the following as a Special Resolution:

   "**RESOLVED THAT** in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies

Act, 2013, consent of the Members be and is hereby given to the Board of Directors of the Company ("the Board") or any committee thereof ("the Committee") to borrow on behalf of the Company, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from 'temporary loans' obtained in the ordinary course of business) exceeding the aggregate of paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed by the Board or the Committee shall not at any time exceed the limit of ₹ 2,000 Crores (Rupees Two Thousand Crores only) or limits so prescribed under Section 180(1)(c) (as may be amended from time to time), whichever is higher."

"**RESOLVED FURTHER THAT** the Board or the Committee thereof be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

10. To create charge on the assets of the Company

To consider and, if thought fit, to pass the following as a Special Resolution:

"**RESOLVED THAT** in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Members be and is hereby given to the Board of Directors of the Company ("the Board") or any committee thereof ("the Committee") to sell, lease or otherwise dispose of, mortgage, create charge, lien, hypothecate all or any of the immovable and/or movable properties of the Company, and/or intellectual properties wheresoever situated, both present and future, or the whole or substantially the whole of the undertaking or undertakings of the Company on such terms, in such form and in such manner as the Board or the Committee may think fit, in favour of Banks, Financial Institutions, other lenders / investing agencies for securing, inter alia, any loans (both rupee loans as well as foreign currency loans), working capital facilities, credit facilities and/or advances already obtained or debts already incurred or that may hereafter be obtained or incurred from any of the lenders, and/or any financial obligations/ commitment hereinafter collectively referred to as the "Loans" and all interest, compound/additional interest, commitment charges, penalties, costs, charges expenses and all other monies payable by the Company to the concerned Lenders, and/or Agents and provided that the amount of Loans shall not exceed ₹ 2,000 Crore (Rupees Two Thousand Crore only)."

"**RESOLVED FURTHER THAT** the Board or the Committee thereof be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

By Order of the Board
For Redington (India) Limited

Place: Chennai — **M. Muthukumarasamy**
Date: May 21, 2018 — **Company Secretary**

Notes:

1. The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under items 6 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 AT THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to submit a 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 (bhuvana.r@akshayamcorporate.com) with a copy marked to evoting@nsdl.co.in.
4. Members / Proxies / Authorized Representatives are requested to bring the attendance slips duly filled in for attending the Meeting.
5. 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.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, July 24, 2018 to Monday, July 30, 2018 (both days inclusive) for the purpose of payment of Dividend.
7. The dividend on shares as recommended by the Board, if approved at the Annual General Meeting, will be paid within thirty days from the date of declaration as under:
   - To all beneficial owners in electronic form as per data made available by National Security 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 July 23, 2018.
8. SEBI has mandated all 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.
9. The company has already transferred all shares (in respect of which dividend has not been paid or claimed for seven consecutive years or more) along with unpaid or unclaimed dividend declared for the financial year ended March 31, 2010 and earlier periods to the Investor Education and Protection Fund (IEPF). Members who have so far not claimed or collected their dividends for the said period may claim their dividend and shares from IEPF, by submitting an application in the prescribed form.

   Dividend and its respective shares for the financial year ended March 31, 2011 which remains unpaid or unclaimed for a period of seven years, become due for transfer to IEPF during FY 2019. Members who have not claimed their dividend for the above mentioned year are requested to make their claim to the Company's Registrar & Share Transfer Agent, Cameo Corporate Services Ltd.

   Detailed information of Unclaimed Dividend is available on Company's website www.redingtonindia.com for the benefit of members.
10. 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 Agent, Cameo Corporate Services Ltd., for shares held in physical mode.
11. 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 Cameo Corporate Services Limited at Unit: Redington (India) Limited, Subramanian Building, 5th Floor, No.1, Club House Road, Chennai - 600 002. Contact no: 044 28460390. Email Id: investor@cameoindia.com.
12. The members / beneficial owners holding shares in electronic form are requested to update user profile 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.
13. The Companies Act, 2013 authorizes 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 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.
14. 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 copy of the Annual Report and Notice are being sent in the permitted mode.
15. Brief profiles of the Directors seeking re-appointment at the Annual General Meeting are provided in Annexure A to this notice.
16. E-Voting:

    In compliance with the 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 process and manner of e-voting is given below:

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, Practicing 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 48 hours from the conclusion of the General Meeting.

The results would be declared on or after the date of AGM of the Company by the Chairman or the person authorised by him. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.redingtonindia.com and on the website of NSDL and shall be forwarded to the Stock Exchanges.

The e-voting period commences on July 27, 2018 (9:00 am) and ends on July 29, 2018 (5:00 pm). The e-voting module will be disabled by NSDL for voting thereafter.

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. July 23, 2018.

Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. July 23, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or investor@cameoindia.com. 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 shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. A person who is not a member as on the cut off date should treat this Notice for information purpose only.

Contact Details		
Company's Registrar and Share Transfer Agents	Cameo Corporate Services Limited	Subramanian Building, 5th Floor, No.1, Club House Road, Chennai - 600 002. Contact no: 044 28460390. Email Id: investor@cameoindia.com
Scrutiniser	Ms CS R Bhuvana, Practicing Company Secretary	bhuvana.r@akshayamcorporate.com
E-voting Facility Provider	National Securities Depositories Limited (NSDL)	evoting@nsdl.co.in. toll free no.: 1800-222-990.

The Instructions for members for e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is given below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. **Your password details are given below:**

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Click on "Physical User Reset Password" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to

bhuvana.r@akshayamcorporate.com, with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

   In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Explanatory Statement to the Notice

Item No. 6

The Company is required to appoint a woman director in the place of Ms. Suchitra Rajagopalan who resigned from the Board due to personal reasons. Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors vide circular resolution dated December 26, 2017, appointed Ms. Chen, Yi-Ju (DIN 08031113) as an Additional (Woman) Director under Section 161(1) of the Companies Act, 2013 ("The Act") and the Articles of Association of the Company.

The Company has received a notice under Section 160 of the Act from a member, proposing Ms. Chen, Yi-Ju for the office of Director.

Accordingly, the Board recommends the resolution in relation to the appointment of Ms. Chen, Yi-Ju who is a nominee of Synnex (Mauritius) Limited, as a Director of the Company for the approval by the shareholders.

Except for Ms. Chen, Yi-Ju none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set out in item No.6 to this Notice.

A Brief profile of Ms. Chen, Yi-Ju is provided at Annexure A to this Notice.

Item No. 7

Mr. B. Ramaratnam was appointed as a Director on the Board of the Company w.e.f May 24, 2016. Mr. Ramaratnam was a partner of Deloitte Haskins & Sells, the erstwhile Statutory Auditors of the Company up to the Financial Year 2014-2015. As per Companies Act, 2013 and SEBI Listing regulations, 2015, to be an Independent Director, a Director inter alia must comply with the requirement that he/she was not a partner of the Auditors firm for a period of 3 financial years before the financial year in which the appointment is considered. Hence, Mr. Ramaratnam was appointed as a Non-Executive Director. The cooling period of three years as mentioned above is completed with 31st March 2018 and he now fulfills the criteria for an Independent Director and is eligible for appointment.

Considering Mr. Ramaratnam's vast experience in the field of Audit and Corporate Governance and his contribution to the Company during his tenure as Non-Executive Director, the Nomination and Remuneration Committee had recommended the appointment of Mr. B. Ramaratnam as an Independent Director. Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 21, 2018 has also accorded their consent to the appointment, subject to the approval of members, for a period of 5 years with effect from May 21, 2018 to May 20, 2023.

In the opinion of the Board of Directors, Mr. B. Ramaratnam, the Independent Director proposed to be appointed, fulfills the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. The Company has also received a declaration from Mr. B. Ramaratnam that he fulfills the criteria of independence under Section 149(6) of the Act.

The Company has received a notice under Section 160 of the Act from a member, proposing Mr. B. Ramaratnam for the office of Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. B. Ramaratnam, as an Independent Director of the Company, for the approval of the members.

The resolution seeks the approval of members for the appointment of Mr. B. Ramaratnam as an Independent Director of the Company for a term of five years with effect from May 21, 2018 to May 20, 2023 in accordance with Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

Except for Mr. B. Ramaratnam none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set out in item No. 7 to this Notice.

A Brief profile of Mr. B. Ramaratnam is provided at Annexure A to this Notice.

Item No. 8

The Company had appointed Ernst & Young LLP, Singapore (EY) as Auditors for the Branch office at Singapore for the financial year 2017-18, in the Annual General Meeting held on July 28, 2017. As the term of office of EY expired, it is proposed to appoint EY, as Auditors for the Branch office at Singapore for the financial year 2018-19.

The Board recommends 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. 8 to this Notice.

Item No. 9 & 10:

Your Company's distribution business is highly working capital intensive. Growing business warrants enhanced working capital availability. To cater to the fund requirements, your Company considers borrowings including but not limited to term loan(s), working capital facilities, commercial papers and/or other fund/non-fund-based facilities from banks and financial institutions. Your Company possesses highest rating from the Credit Rating agencies for short term debt programme/commercial paper and obtains funds at competitive rate through placing commercial papers.

With the approval of the Board, the Company can borrow (apart from temporary loans) only up to aggregate of the paid-up capital, free reserves and Securities Premium. Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, any borrowing above this limit would require approval of the shareholders. Currently the Board is authorized to borrow upto ₹ 1500 Crore. With the view to meet enhanced working capital requirements of the Company at competitive price, it is proposed to increase the borrowing limits to ₹ 2,000 Crores, which is more than the sum of paid-up capital, free reserves and Securities Premium, subject to the approval of the shareholders.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members.

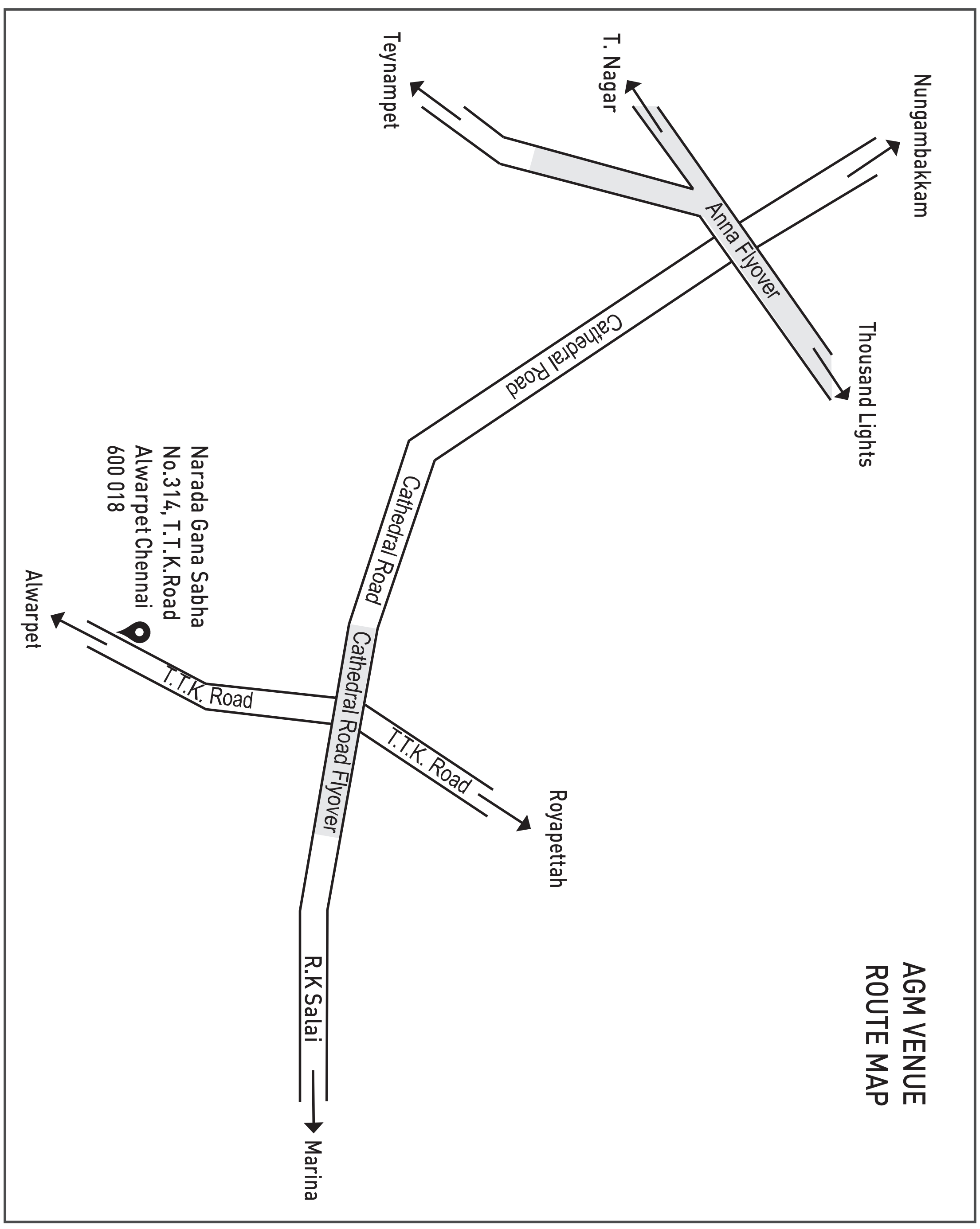
The Board recommends the resolution as set out in the notice above for approval of the members.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution set forth in item nos. 9 & 10 to the notice.

Annexure A

Details of Directors seeking appointment / re-appointment at the Annual General Meeting as on March 31, 2018

Name of the Director	Mr. Tu, Shu-Chyuan (DIN: 02336015)	Mr. B. Ramaratnam (DIN: 07525213)	Mr.Udai Dhawan (DIN 03048040)	Ms. Chen, Yi-Ju (DIN 08031113)
Date of Birth	January 18, 1958	February 13, 1955	January 17, 1973	July 09, 1972
Age	60	63	45	45
Date of Appointment / Reappointment	October 24, 2008	May 24, 2016	January 10, 2017	December 26, 2017
Experience	Mr. Tu, Shu-Chyuan, has overall 33 years of working experience in global IT industry. He joined Synnex in 1994 and held a series of management positions. He is currently the VP of business development of Synnex. Prior to joining Synnex, he worked for various computer networking companies in the State and had focused expertise in planning and management.	Mr. B. Ramaratnam graduated from the University of Mumbai and after qualifying as a Chartered Accountant joined Price Waterhouse at Chennai and later joined A.F. Ferguson & Co and Deloitte Haskins & Sells where he was an Audit Partner till March 2015. During the course of his long career Ramaratnam has serviced national and multinational clients from diverse sectors such as manufacturing, trading, software, time-share, real estate, financial services, pharma, engineering, construction, services etc.	Mr.Udai Dhawan is a Managing Director and the Head for Standard Chartered Private Equity (SCPE) in India. He joined SCPE in 2008 and has been involved in a substantial number of SCPE's investments in India, and serves on the board of many of the fund's portfolio companies. Prior to SCPE, Udai worked for 14 years in financial services focused on corporate investing, M&A and corporate finance, both in India and the United States. Udai's roles have included positions with Kotak Mahindra Capital in investment banking, with Sabre Inc. in corporate development, with JP Morgan in investment banking, and with Arthur Andersen in corporate finance advisory.	Ms. Chen, Yi-Ju has 20 years of working experience in Financial Investment and IT industry. She joined Synnex in 2008 and now is in charge of overseas subsidiaries management and investment management. She participated in several JV projects, including the cases in Indonesia and Vietnam.
Qualifications	Engineering graduate from the National Chiao Tung University, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA	Chartered Accountant from Institute of Chartered Accountants of India (ICAI)	MBA from the Wharton School, University of Pennsylvania and is a Chartered Accountant from the Institute of Chartered Accountants of India.	Graduated in Agri-Economics from National Taiwan University, with major in International Finance.
Expertise in Specific Functional Area	Business Strategy	Audit and Corporate Governance	Business Strategy	Corporate Finance
Last drawn remuneration for FY 17	NIL	₹ 2,025,000	NIL	NIL
Remuneration sought to be paid	NIL	As may be decided by the Board of Directors from time to time	NIL	NIL
Directorship in other Indian Public Limited Companies other than Redington (India) Limited	NIL	NIL	1. Prime Focus Limited 2. Powerica Limited 3. Ocean Sparkle Limited	NIL
Membership / Chairmanship of Committees in Indian Public Limited Companies other than Redington (India) Limited	NIL	NIL	Audit Committee and Nomination & Remuneration Committee: 1. Powerica Limited 2. Ocean Sparkle Limited	NIL
Shareholding details in the Company	NIL	NIL	NIL	NIL
Number of Meetings of the Board held during their tenure / attended during the year	5/5	5/4	5/5	1/1
Period of appointment	Subject to retirement by rotation	May 21, 2018 to May 20, 2023	Subject to retirement by rotation	Subject to retirement by rotation
Relationship between the Directors, Manager and other Key Managerial Personnel Inter-se	NIL	NIL	NIL	NIL



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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-mailId: ______________________________

Folio No/ Client Id: ______________________________

DPID: ______________________________

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 Fifth Annual general meeting of the Company, to be held on the Monday, the July 30, 2018 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 March 31, 2018
2.	Adoption of Consolidated Financial Statements for the year ended March 31, 2018
3.	Declaration of Dividend on the Equity Shares
4.	Re-appointment of Mr. Udai Dhawan (DIN: 03048040), who retires by rotation
5.	Re-appointment of Mr. Tu, Shu-Chyuan (DIN: 02336015), who retires by rotation
6.	Appointment of Ms. Chen, Yi-Ju, (DIN: 08031113) as Non -Executive Nominee Director
7.	Appointment of Mr. B. Ramaratnam (DIN: 07525213) as an Independent Director
8.	Appointment of Ernst & Young LLP, Singapore as Branch Auditors
9.	Increasing the borrowing limits of the Company
10.	Creation of charge on the assets of the Company

Signed this__________day of______________________2018.

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.

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

ATTENDANCE SLIP

Twenty Fifth Annual General Meeting - 30th July 2018

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 Fifth Annual General Meeting of the Company at the Mini Hall, Narada Gana Sabha, No. 314, T.T.K Road, Alwarpet, Chennai- 600 018 on Monday, the 30th July 2018 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
27th July 2018 (9:00 am)	29th July 2018 (5:00 pm)

Note: Please refer to the instructions forming integral part of the notice for the Annual General Meeting.

Redington
SEAMLESS PARTNERSHIPS

Registered Office:
Redington (India) Limited
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